

Shropshire Council
Legal and Democratic Services
Shirehall
Abbey Foregate
Shrewsbury
SY2 6ND

Date: Wednesday, 20 February 2019

Committee: Council

Date: Thursday, 28 February 2019

Time: 10.30 am

Venue: Council Chamber, Shirehall, Abbey Foregate, Shrewsbury, SY2 6ND

You are requested to attend the above meeting.
The Agenda is attached

Claire Porter
Head of Legal and Democratic Services (Monitoring Officer)

Ann Hartley (Chairman)
Peter Nutting (Leader)
Vince Hunt (Speaker)
Steve Charmley (Deputy
Leader)
Peter Adams
Roy Aldcroft
Clare Aspinall
Nicholas Bardsley
Joyce Barrow
Thomas Biggins
Ed Bird
Andy Boddington
Gwilym Butler
Karen Calder
Dean Carroll
Lee Chapman
Ted Clarke
Gerald Dakin
Steve Davenport
Julian Dean
Pauline Dee
David Evans
Roger Evans
Hannah Fraser
Rob Gittins

Nat Green
Simon Harris
Nigel Hartin
Nick Hignett
Richard Huffer
Tracey Huffer
Roger Hughes
Ioan Jones
Simon Jones
Mark Jones
Jonny Keeley
Heather Kidd
Nic Laurens
Christian Lea
Matt Lee
Elliott Lynch
Robert Macey
Jane MacKenzie
Chris Mellings
Paul Milner
David Minnery
Dan Morris
Pamela Moseley
Alan Mosley
Cecilia Motley
Peggy Mullock

Kevin Pardy
William Parr
Vivienne Parry
Tony Parsons
Malcolm Pate
Alexander Phillips
Lezley Picton
Ed Potter
John Price
Keith Roberts
Madge Shingleton
Harry Taylor
Robert Tindall
Dave Tremellen
Kevin Turley
David Turner
David Vasmer
Claire Wild
Brian Williams
Leslie Winwood
Michael Wood
Tina Woodward
Paul Wynn

Your Committee Officer is:

Julie Fildes Committee Officer

Tel: 01743 257723

Email: julie.fildes@shropshire.gov.uk

AGENDA

1 Apologies for Absence

2 Disclosable Pecuniary Interests

Members are reminded that they must not participate in the discussion or voting on any matter in which they have a Disclosable Pecuniary Interest and should leave the room prior to the commencement of the debate.

3 Minutes (Pages 1 - 18)

To approve as a correct record the minutes of the Council meeting held on 13th December 2018.

4 Announcements

To receive such communications as the Chairman, Speaker, Leader and Head of Paid Service may desire to lay before the Council.

5 Public Questions

To receive any questions from the public, notice of which has been given in accordance with Procedure Rule 14.

6 Report of the Independent Remuneration Panel (Pages 19 - 30)

Report of the Director of Legal and Democratic Services is attached.

Contact Claire Porter, tel 01743 252763.

7 Financial Strategy 2019/20 - 2023/24 (Pages 31 - 132)

Report of the Director of Finance, Governance and Assurance is attached.
Appendix 8 – 2019/20 Draft Budget Book **to follow**.

Contact James Walton Tel 01743 255011

8 Council Tax Resolution 2019/20 (Pages 133 - 154)

Report of the Director of Finance, Governance and Assurance is attached.

Contact James Walton, Tel 01743 255011.

9 Fees and Charges for 2019/20 (Pages 155 - 222)

Report of the Director of Finance, Governance and Assurance is attached.

Contact James Walton, Tel 01743 255011.

10 Capital Strategy 2019/20 - 2023/24 (Pages 223 - 256)

Report of the Director of Finance, Governance and Assurance is attached.

Contact James Walton, tel 01743 255011.

11 Treasury Management Strategy 2019/20 (Pages 257 - 308)

Report from the Director of Finance, Governance and Assurance is attached.

Contact James Walton, tel 01743 255011.

12 Financial Rules Update (Pages 309 - 396)

Report of the Director of Finance Governance and Assurance is attached.

Contact James Walton, tel 01743 255011.

13 Shropshire Council Corporate Peer Challenge Action Plan (Pages 397 - 408)

Report of the Chief Executive is attached.

Contact Clive Wright, tel 01743 257736.

14 Addressing Unmet Housing Need - Outline Business Case to Establish a Wholly Owned Local Housing Company

Report of the Director of Place is **to follow**.

Contact Mark Barrow, tel 01743 258671.

15 Annual Report of the Health and Adult Social Care Overview and Scrutiny Committee (Pages 409 - 412)

The Annual Report of the Health and Adult Social Care Overview and Scrutiny Committee is attached.

Contact: Councillor Karen Calder

16 Portfolio Holder Report for Corporate Plan, Financial Strategy and Risk Management (Pages 413 - 418)

Report of the Portfolio Holder for Corporate Plan, Financial Strategy and Risk Management is attached.

Portfolio Holder: Councillor Peter Nutting

17 Appointments to Committees

Health Overview and Scrutiny Committee

Cllr Jane Mackenzie to replace Cllr Pam Moseley as a full member of the Health Overview and Scrutiny Committee.

Cllr Pam Moseley to become a substitute member of the Health Overview and Scrutiny Committee.

Performance Management Scrutiny Committee

Cllr Joyce Barrow to replace Cllr Gwilym Butler as a full member of the Performance Management Scrutiny Committee.

Place Overview Committee

Cllr Joyce Barrow to replace Cllr Gwilym Butler as a full member of the Place Overview Committee.

People Overview Committee

Cllr David Vasmer to replace Cllr Roger Evans as a full member of the People Overview Committee.

Cllr Roger Evans to become a substitute member of the People Overview Committee.

South Planning Committee

Cllr Cecilia Motley to replace Cllr Gwilym Butler as a full member of the South Planning Committee.

Cllr Gwilym Butler to become a substitute member of the South Planning Committee.

Strategic Licensing Committee

Cllr Clare Aspinall to replace Cllr Elliot Lynch as a full member of the Strategic Licensing Committee.

Cllr Elliot Lynch to become a substitute member of the Strategic Licensing Committee.

Cllr Pam Moseley to replace Cllr Harry Taylor as a full member of the Strategic Licensing Committee.

Cllr Harry Taylor to become a substitute member of the Strategic Licensing Committee.

18 **Motions**

The following motions have been received in accordance with Procedure Rule 16:

The following motion has been received from Councillor Andy Boddington and supported by Councillors Roger Evans, Chris Mellings and Tracey Huffer.

The recent government recently announced a Future High Streets. After discussions within councils and with MHCLG, it became clear that most rural market towns are unlikely to benefit from the scheme. This is not because these towns are thriving. Many are struggling. But the criteria issued by MHCLG tips applications towards failed town centres in larger towns and cities.

The Future High Streets fund has nevertheless created a desire for public sector intervention to boost and maintain the viability of high streets across Shropshire. Even those high streets that are currently regarded as successful could decline quickly in the face of challenges of online shopping and, should one occur, a recession.

Every market town in Shropshire has different needs. Some have derelict buildings. In others, the quality of the public realm is poor. Several need to improve sustainable transport infrastructure to increase footfall.

This motion instructs the council leader to appoint a task and finish group with the following terms of reference:

1. To examine the case for and feasibility of a market towns vitalisation fund for Shropshire.
2. To identify the level of budget required to meet identified need, using finance from capital reserves or borrowing as appropriate.
3. To ensure the fund is open to all towns and large villages in the unitary area that have a recognisable high street, not just those considered to be a market town in planning policy.

4. To report back to cabinet and council in May 2019.

The following motion has been received from Councillor Heather Kidd and supported by Councillors Chris Mellings, David Vasmer, Roger Evans, Nigel Hartin and Andy Boddington.

This council instructs the chief executive to make the following changes to planning procedures to ensure that the council maintains best practice in decision-making, openness and transparency:

1. If the town/parish council and the local member both object or support an application, stating material planning considerations, the application should be automatically referred to the appropriate planning committee if it differs to the planning officers' recommendation.
2. Call ins by members should be formally recorded on the planning portal.
3. Where the town/parish council and local member disagree, officers must give five working days' notice to the local member before the application is considered by the chair and vice chair of the planning committee to allow comment. The member should receive the planning officer report at the same time.
4. Notes on that decision should be sent to the local member.

19 Questions from Members (Pages 419 - 420)

To receive any questions from Members, notice of which has been given in accordance with Procedure Rule 15.2.

20 Report of the Shropshire and Wrekin Fire and Rescue Authority (Pages 421 - 428)

To receive the report of the Shropshire and Wrekin Fire and Rescue Authority arising from its meetings held on 12th December 2018 and 13th February 2019.

21 Exclusion of the Public and Press

To resolve that, in accordance with the provisions of Schedule 12A of the Local Government Act 1972 and Paragraph 10.4 (3) of the Council's Access to Information Rules, the public and press be excluded from the meeting during consideration of the following item/s.

22 Growth of Residential Children's Services for Shropshire Council (Pages 429 - 448)

Report of the Director of Children's Services is attached.

Contact Karen Bradshaw, tel 01743 254201.

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Committee and Date

Council

28th February 2019

COUNCIL

Minutes of the meeting held on 13 December 2018

In the Council Chamber, Shirehall, Abbey Foregate, Shrewsbury, SY2 6ND

10.00 am - 3.15 pm

Responsible Officer: Jane Palmer

Email: julie.fildes@shropshire.gov.uk Tel: 01743 257723

Present

Councillors Peter Nutting (Leader)

Councillors Vince Hunt (Speaker), Steve Charmley (Deputy Leader), Peter Adams, Nicholas Bardsley, Thomas Biggins, Andy Boddington, Gwilym Butler, Karen Calder, Dean Carroll, Lee Chapman, Ted Clarke, Gerald Dakin, Steve Davenport, Julian Dean, David Evans, Roger Evans, Hannah Fraser, Rob Gittins, Nat Green, Simon Harris, Nigel Hartin, Nick Hignett, Richard Huffer, Roger Hughes, Ioan Jones, Simon Jones, Mark Jones, Jonny Keeley, Heather Kidd, Nic Laurens, Christian Lea, Matt Lee, Elliott Lynch, Robert Macey, Jane MacKenzie, Chris Mellings, Paul Milner, Dan Morris, Pamela Moseley, Alan Mosley, Cecilia Motley, Peggy Mullock, Kevin Pardy, William Parr, Vivienne Parry, Tony Parsons, Malcolm Pate, Alexander Phillips, Lezley Picton, Ed Potter, John Price, Keith Roberts, Madge Shinton, Harry Taylor, Dave Tremellen, Kevin Turley, David Turner, David Vasmer, Claire Wild, Brian Williams, Leslie Winwood, Michael Wood and Tina Woodward

56 Apologies for Absence

The Speaker invited all Members to stand for a Minute's silence in memory of the late David Lloyd MBE. The Deputy Leader paid tribute to the former Shropshire Councillor and Speaker, Honorary Alderman and former Leader of Oswestry Borough Council; a well respected and highly regarded local politician and statesman who would be sorely missed. Other Members commented on his long and distinguished public service career, his concern for all regardless of politics, his intelligence, his honesty, his common-sense approach and his deep commitment to the people of Shropshire; ultimately the type of politician that all would strive to be.

57 Disclosable Pecuniary Interests

Members were reminded that they must not participate in the discussion or voting on any matter in which they have a Disclosable Pecuniary Interest and should leave the room prior to the commencement of the debate.

58 Minutes

RESOLVED:

That the Minutes of the Council meeting held on 20 September 2018, as circulated with the agenda papers, be approved and signed as a correct record.

59 **Announcements**

Chairman's Engagements

The Speaker referred Members to the list of official engagements carried out by himself and the Chairman since the last meeting of the Council on 20 September 2018, which had been circulated at the meeting.

Awards

The Portfolio Holder for Adult Services, Health and Social Housing reported the exciting news that the Integrated Community Services Team, jointly run by Shropshire Council and Shropshire Community Health NHS Trust, had been named the winner of the Team of the Year, Adult Services award at the national Social Worker of the Year awards that had taken place in London on Friday 30 November 2018.

The Portfolio Holder for Planning and Housing Development then reported that Shropshire Council had been named 'Best Council for Custom and Self-builders' at the prestigious 2018 Build It Awards. Members noted that the Council, put forward by a third party, had beaten off strong competition from four other Councils to win the prize for its work to encourage and support people wishing to build their own homes in the county.

60 **Public Questions**

Public Questions

The Speaker advised that six public questions had been received from Ms D Peacock, Mr P Adams, Mr W Davies, Mr R Haddon, Mr S Mulloy and Mr C Dyson. Messieurs Haddon and Dyson were present at the meeting and received answers to their questions from the respective Portfolio Holders.

It was noted that a copy of all of the questions and answers would be included with the formal record of the meeting and would also be circulated to all Members and to those who had posed the questions.

61 **Financial Strategy 2019/20 to 2021/22**

It was proposed by the Leader, Councillor P Nutting and seconded by the Deputy Leader, Councillor S Charmley that the report of the Head of Finance, Governance and Assurance on the Financial Strategy 2019/20 to 2021/22, a copy of which is attached to the signed Minutes and the recommendations contained therein be received and agreed.

Some Members had serious concerns about the future finance of the authority and drew attention to the use of 'one off's to plug funding gaps, the increasing level of the

funding gap by 2021/22 and a perceived over reliance on fairer funding changes from Central Government. Other Members commented on the potentially unfair impact of digital self-service on some sectors of the community, the references to staff restructure that equated to staff cuts in real terms. Rather than the presentation of a fait accompli, the need to keep all Members well informed on the real budget issues facing the authority was highlighted as vital going forward.

A Member raised specific concerns on public health and called for urgent lobbying to be carried out for the appointment of a Minister with responsibility for public health and the need for urgent tracking and risk assessment of decisions relating to public health. Several Members spoke in support of these concerns and highlighted the need for scrutiny involvement to further investigate the impact of the changes to the public health budget. Several Members believed that the public health budget cuts would have a serious impact on other service areas within the Council, for example, Adult Social Care and Children's Services.

Having heard the concerns raised, a Member commented on the purpose of the report being considered to look forward, to raise awareness of the issues and to indicate the steps being taken to deal with them. In bringing the debate to a close, the Leader gave assurances of a role for scrutiny in future deliberations. He stressed that the report presented a worst-case scenario with no assumptions being made on the receipt of grant funding; he added that the Council continued to be ambitious and a stress on finances was ultimately inevitable but manageable.

RESOLVED:

- i) That the financial implications identified in 2018/19 and 2019/20 from the implementation of the amended Pay and Reward Policy, be noted;
- ii) That the 2018/19 savings proposals which will contribute towards the cost of introducing the amended Pay and Reward Policy, as outlined in Appendix 1 to the report, be approved.

62 Setting the Council Tax Taxbase and Council Tax Support Scheme 2019/20

It was proposed by the Leader, Councillor P Nutting and seconded by the Deputy Leader, Councillor S Charmley that the report of the Head of Finance, Governance and Assurance on Setting the Council Tax Taxbase and Council Tax Support Scheme 2019/20, a copy of which is attached to the signed Minutes and the recommendations contained therein be received and agreed.

The Leader drew attention to the excellent Council Tax collection rate of 98%.

RESOLVED:

- i) That in accordance with the Rating (Property in Common Occupation) and Council Tax (Empty Dwellings) Act 2018 the revised discretionary power to levy a Council Tax premium in relation to dwellings which have been empty for more than two years i.e. increasing the premium to 100% in relation to dwellings which have been empty for more than two years and the resulting

inclusion of an additional 503.34 Band D equivalents in the taxbase, be approved.

- ii) That the publication of a notice regarding the new discretionary Council Tax discount policy awarded in respect of vacant properties within 21 days of the determination, be approved.
- iii) That two amendments to the Council Tax Support Scheme be approved to exempt claimants from the 20% minimum payment that are in receipt of Universal Credit that meet the qualifying criteria for the severe disability premium, and claimants in receipt of Universal Credit in receipt of limited capability for work related activity element in Universal Credit (that is the equivalent to the support element of employment and support allowance).
- iv) That the Council's localised Council Tax Support (CTS) scheme in 2019/20 (as amended) be approved. The scheme summary is attached at Appendix B.

On the assumption that the changes to the discount policy in relation to vacant dwellings detailed in Sections 2.1 and 7.3 of this report have been approved:

- v) That, in accordance with the Local Authorities (Calculation of Tax Base) (England) Regulations 2012, the amount calculated by Shropshire Council as its Council Tax taxbase for the year 2019/20, as detailed in Appendix A, totalling 111,240.10 Band D equivalents, be approved.
- vi) That the exclusion of 9,211.79 Band D equivalents from the taxbase as a result of localised Council Tax Support, be noted.
- vii) That the continuation of the discretionary Council Tax discount policy of 0% in respect of second homes (other than those that retain a 50% discount through regulation as a result of job related protection) and note the inclusion of 729.45 Band D equivalents in the Council Tax taxbase as a result of this discount policy, be noted.
- viii) That continuation of the discretionary Council Tax discount policy to not award a discount in respect of vacant dwellings undergoing major repair, i.e. former Class A exempt properties, be noted.
- ix) That continuation of the discretionary Council Tax discount policy in respect of vacant dwellings, i.e. former Class C exempt properties, of 100% for one month i.e. effectively reinstating the exemption and the resulting exclusion of 294.56 band D equivalents from the taxbase, be noted.
- x) That continuation of the "six week rule" in respect of vacant dwellings, i.e. former Class C exempt properties, be noted.
- xi) That the Council Tax Support Scheme amendments detailed in Section 2.3 and 6 have no impact on the taxbase determination, be noted.
- xii) That a collection rate for the year 2019/20 of 98.0% be noted.

63 Treasury Strategy 2018/19 - Mid Year Review

It was proposed by the Leader, Councillor P Nutting and seconded by the Deputy Leader, Councillor S Charmley that the report of the Head of Finance, Governance and Assurance on the Treasury Strategy 2018/19 – Mid Year Review, a copy of which is attached to the signed Minutes and the recommendations contained therein be received and agreed.

RESOLVED:

- i) That the position set out in the report be accepted;
- ii) That it be noted that any changes to the Treasury Strategy, including the Annual Investment Strategy or prudential and treasury indicators as a result of decisions made by the Capital Investment Board, will be reported to Council for approval;
- iii) That the updated MRP Policy, at Appendix D to the report, be approved.

64 Plan for Shropshire - Council Plan 2019/20 to 2021/22

It was proposed by the Leader, Councillor P Nutting and seconded by the Deputy Leader, Councillor S Charmley that the report of the Chief Executive on the Plan for Shropshire – Council Plan 2019/20 to 2021/22, a copy of which is attached to the signed Minutes and the recommendations contained therein be received and agreed.

Referring to the section entitled 'Equality and Social Inclusion', a Member commented on the effect of welfare reductions in Shropshire with those most in need being adversely affected. Another Member added that Council Tax was being collected from those who could ill afford the payments.

Considering 'Sustainable Places and Communities' a Member commented on the omission of consideration of the rural areas. Another Member added that there was a need to include a stronger message to build a whole county approach to grow businesses in the rural areas. Echoing these concerns, another Member added that there was a huge void in the Corporate Plan as drafted and that there was a lack of detail regarding the rural areas; a proper Rural Strategy was needed to support small businesses in the rural areas. Other issues affecting rural areas were raised including Broadband connections, mobile phone reception, public transport and transport issues generally.

Whilst acknowledging the points raised, the Deputy Leader stressed that there were initiatives being developed and taking place in the countryside; the document before Members was a high-level strategy document. The Leader agreed and stressed that rurality was fully understood, and he acknowledged the need to support small businesses. Whilst improvements were being developed, he urged Members not to lose sight of the excellent initiatives both ongoing and in development.

RESOLVED:

- i) That Part 1 and Part 2 of the Corporate Plan, be approved;
- ii) That the Corporate Plan be annually refreshed alongside the Financial Strategy and be subject to a complete review and rewrite every three years simultaneously with the Financial Strategy.

65 Review of Polling Districts, Polling Places and Polling Stations 2018-19

It was proposed by the Deputy Leader, Councillor S Charmley and seconded by the Leader, Councillor P Nutting that the report of the Head of Legal and Democratic Services on the Review of Polling Districts, Polling Places and Polling Stations 2018-19, a copy of which is attached to the signed Minutes and the recommendations contained therein be received and agreed.

RESOLVED:

That the completion of a review of polling districts, polling places and polling stations throughout the county, be approved.

66 Community Governance Review

It was proposed by the Deputy Leader, Councillor S Charmley and seconded by the Leader, Councillor P Nutting that the report of the Head of Legal and Democratic Services on the Community Governance Review, a copy of which is attached to the signed Minutes and the recommendations contained therein be received and agreed.

Local Members thanked Bridgnorth Town Council for raising the issue and urged it to work with its neighbouring Parish Councils. They were unanimous in their opinion that any review should await the outcome of the revised Local Plan and should be county-wide.

RESOLVED:

That, whilst it is recognised that a Community Governance Review is desirable, the Council considers that the request is premature and that a review is not appropriate at this time.

67 West Mercia Youth Justice Plan 2018-19

It was proposed by the Portfolio Holder for Children and Young People, Councillor N Bardsley and seconded by the Deputy Portfolio Holder, Councillor E Potter that the report of the Director of Children's Services on the West Mercia Youth Justice Plan 2018/19, a copy of which is attached to the signed Minutes and the recommendations contained therein be received and agreed.

Members understood the positive impact of the youth justice services across the West Mercia area and the great effort involved to put measures in place to prevent offending and re-offending by children and young people.

A Member drew attention to Shropshire's performance levels against national standards with young people being criminalised through the use of cautions rather than the more informal approach of community resolutions. Another Member commented on the exemplary work being undertaken for adults attending 'Willowdene' where a whole person approach was taken and urged the development of a similar approach for young people.

The Portfolio Holder commented that the numbers of young people involved were very small and a sense of proportion needed to be maintained. The Deputy Portfolio Holder added that education and job prospects were key and he would be interested to learn more about the 'Willowdene' approach.

RESOLVED:

That the Youth Justice Plan, attached as Appendix A to the report, be approved.

68 Corporate Parenting Pledge

It was proposed by the Portfolio Holder for Children and Young People, Councillor N Bardsley and seconded by the Deputy Portfolio Holder, Councillor E Potter that the report of the Director of Children's Services on the Council Corporate Parenting Pledge, a copy of which is attached to the signed Minutes and the recommendations contained therein be received and agreed.

Care Leavers Lorelei Damasco, Hollie Davis and Aaron Norris were present and addressed the Council meeting. Lorelei explained that she herself was a care leaver and her role as Leaving Care Apprentice was to ensure that care leavers had a voice. She thanked the Council and hoped that every child was able to receive the level of support that she had received. Members were asked to sign the Corporate Parenting Pledge on exiting the meeting.

Members noted the excellent cross-departmental working taking place to support care leavers and the increase spending in Children's Services to meet the increasing demand. The support from housing services to better support care leavers was also acknowledged.

RESOLVED:

That the revised Corporate Parenting Pledge be endorsed and adopted.

69 Proposed Removal of the Existing Five Hackney Carriage Zones

It was proposed by the Portfolio Holder for Planning and Housing Development, Councillor R Macey and seconded by Councillor K Roberts that the report of the Director of Public Health on the Proposed Removal of the Existing Five Hackney Carriage Zones, a copy of which is attached to the signed Minutes and the recommendations contained therein be received and agreed.

A Member commented that Oswestry Access Group were behind the initiative that was taking a step in the right direction to help people with disabilities throughout the county.

RESOLVED:

- i) That the Council removes the five existing Hackney Carriage Zones, which are defined by reference to the five district and borough council areas that existed prior to the creation of Shropshire Council, and that all provisions of the hackney carriage licensing regime be applied across the whole of the administrative area of Shropshire Council with effect from 1 April 2021.
- ii) That the Council instructs the Trading Standards and Licensing Operations Manager to publicise, in accordance with the relevant provisions of Schedule 14 of the Local Government Act 1972, that it is the intention of the Council to remove the five existing Hackney Carriage Zones and that all provisions of the hackney carriage licensing regime be applied across the whole of the administrative area of Shropshire Council with effect from 1 April 2021.

70 Licensing Act 2003 - Proposed Statement of Licensing Policy 2019 to 2024

It was proposed by the Portfolio Holder for Planning and Housing Development, Councillor R Macey and seconded by Councillor K Roberts that the report of the Director of Public Health, a copy of which is attached to the signed Minutes and the recommendations contained therein be received and agreed.

RESOLVED:

- i) That the Council agrees and adopts the proposed statement of licensing policy ('the policy'), as set out in Appendix 1, and confirms that the policy will take effect from 1 April 2019 and instructs the Trading Standards and Licensing Operations Manager to publish and advertise the policy in accordance with the requirements of the Licensing Act 2003.
- ii) That the Council agrees the 'Premises Licence Applications – Completing the Operating Schedule and Plan of the Premises Guidance', as set out in Appendix 2, and confirms that this guidance will take effect from 1 January 2019 and that it will be amended, as necessary by appropriate licensing officers, in order that it continues to reflect best practice and supports the aims and objectives of existing and future statements of licensing policy.

71 Addressing Unmet Housing Need - Outline Business Case to Establish a Wholly Owned Local Housing Company

It was proposed by the Portfolio Holder for Planning and Housing Development, Councillor R Macey and seconded by the Deputy Portfolio Holder Councillor D Carroll that the report of the Director of Place on Addressing Unmet Housing Need, a copy of which is attached to the signed Minutes and the recommendations contained therein be received and agreed.

Particular attention was drawn to paragraph 1.3 of the report that detailed the primary purpose of a Council wholly owned Local Housing Company.

Members were generally in support of the initiative, but some reservations were voiced such as the safeguards needed to be put in place to keep track of developments, the capacity for a Director of the Council to also take on the role of the Housing Company Director. Others recognised that the proposal was outline at this stage and drew attention to the specific brief to help the whole of the county and not focus solely on schemes that may be more profitable.

Another Member commented on the need to develop a robust Housing Needs Strategy to meet the needs of the whole county and to develop the right housing in the right place. She added that scrutiny could play an important role in the development of effective delivery and financial mechanisms going forward. Concerns were voiced that this initiative should be used to help deliver on housing need and not focus on profit making.

The lack of land available in the south of the county was highlighted as an issue and the need to develop positive relationships with landowners was acknowledged. The Deputy Portfolio Holder added that profit accrued by the Company in developing sites in the north of the county initially could then be used to purchase land in the south of the county.

Responding to some of the issues raised the Leader stated that it was important for the company to make money in order to build more homes and he assured Members that any sites available across the county would be considered. Another Member commented that the opportunity to work with Parish/Town Councils should not be missed as the initiative was effectively about place shaping.

Cross party, Members were supportive of this initiative and praised the work to date that had been undertaken by the Portfolio Holder in securing this support and keeping the issues outside of the political arena. The Deputy Portfolio Holder agreed and stated that the Member briefing sessions that had been held had made a valuable contribution in gaining Members' consensus.

In bringing the debate to a close, the Portfolio Holder thanked the Task and Finish Group for its input to date and stated that there would be a need for pre-decision scrutiny at the next stage of the process. He thanked all Members for their support and for the positive feedback that had been given to date.

RESOLVED:

- i) That it be agreed in principle that a Council Wholly Owned Local Housing Company be formed;
- ii) That the outline governance and constitutional arrangements detailed in the report be agreed;
- iii) That a full business case, business plan, finance and governance arrangements be developed by the Executive Director of Place in consultation

with the Portfolio Holder for Planning and Housing Development and be reported to Council for final approval.

The meeting adjourned at 12.25pm and reconvened at 1.30pm

72 **Shirehall Redevelopment and Refurbishment Project**

It was proposed by the Deputy Leader, Councillor S Charmley and seconded by Councillor R Gittins that the report of the Director of Place on the Shirehall Redevelopment and Refurbishment Project, a copy of which is attached to the signed Minutes and the recommendations contained therein be received and agreed.

The Deputy Leader stated that Member briefing sessions had been held to convey the costs and risks to all who attended, 45 Members in total. He explained that the Shirehall building was not fit for purpose and was inefficient to run and maintain in its current format. Members noted that capital spend in the sum of £1.15M would be required to reach Stage 3 of the project, a formal tendering process would be required with a report to Council in Spring 2019.

The Deputy Leader suggested that Officers undertake further option appraisal work at no additional cost, in parallel with the procurement of the design consultants, to ensure that the best value option was secured for the Council.

Councillor H Fraser suggested that further reports should be considered by the appropriate Overview and Scrutiny Committee prior to consideration by Council.

Members discussed the alternatives to the refurbishment of Shirehall and the potential to relocate Shirehall functions to other locations in the County. Members considered the importance of the central location of the building but suggested that a travel plan for staff should be developed to reduce the environmental footprint of the building.

RESOLVED:

- i) That the refurbishment of the entire Shirehall building be approved in principle, subject to a further report to be considered by Cabinet with a final business case, developed designs and final project budget.
- ii) That the addition of £1.15m to the capital programme to support Stage 3 of the project with delegation to the Director of Place to oversee the production of the final business case be approved. Further option appraisal work be undertaken by officers, at no additional cost and in parallel with the procurement of the design consultants, to ensure that the best value option is secured for the Council.
- iii) Delegates to the Director of Place, in consultation with the Portfolio Holder for Corporate and Commercial Support, the development of the procurement strategy for stage 3 of the design process with developed designs brought

back to Cabinet and Council for approval together with the final project budget be approved.

- iv) Further reports be considered by the appropriate overview and scrutiny committee prior to consideration by Council.

73 Annual Portfolio Holder Report for Corporate and Commercial Support

It was proposed by Councillor S Charmley, Deputy Leader and Portfolio Holder for Corporate and Commercial Support and seconded by the Deputy Portfolio Holder, Councillor R Gittins that the Annual report, a copy of which is attached to the signed Minutes be received.

Councillor Charmley presented and amplified his report and responded to any questions, queries and concerns raised by Councillors.

RESOLVED:

That the content of the Annual Report of the Portfolio Holder for Corporate and Commercial Support be noted and approved.

74 Annual Portfolio Holder Report For Adult Services, Health and Social Housing

It was proposed by Councillor L Chapman, Portfolio Holder for Adult Social Care, Health and Social Housing and seconded by the Deputy Portfolio Holder, Councillor D Carroll that the Annual report, a copy of which is attached to the signed Minutes be received.

Councillor Chapman presented and amplified his detailed report and responded to any questions, queries and concerns raised by Councillors, including those from Councillors J MacKenzie, V Parry, H Kidd and T Parsons.

Councillor Chapman paid tribute to the work of all staff in Adult Social Care and Housing and particularly to those staff whose work would continue over the Christmas period.

RESOLVED:

That the content of the Annual Report of the Portfolio Holder for Adult Social Care, Health and Social Housing be noted and approved.

75 Annual Portfolio Holder Report for Children and Young People

It was proposed by Councillor N Bardsley, Portfolio Holder for Children and Young People and seconded by the Deputy Portfolio Holder Councillor E Potter that the Annual report, a copy of which is attached to the signed Minutes, be received.

Councillor Bardsley presented his report and responded to comments and questions raised by Members, including Councillors Fraser and I Jones.

RESOLVED:

That the contents of the Annual report of the Portfolio Holder for Children and Young People be noted and approved.

76 Annual Report 2017/2018 from the People Overview Committee

It was proposed by Councillor P Mullock, Chair of the People Overview Committee, and seconded by Councillor K Turley, that the Annual report of the People Overview Committee, a copy of which is attached to the signed Minutes, be received and agreed.

Councillor Mullock presented her report and outlined the work that had been carried out by the Committee. She thanked all Members and Officers involved in the work of this Committee for their hard work, commitment and for playing their part in making the Committee so inclusive.

RESOLVED:

That the Annual report of the People Overview Committee be noted and approved.

77 Motions

Notice of Motion 1

Councillor J Dean stated that he was pleased to accept the constructive amendment to the Notice of Motion, the amended wording was also supported by Councillors Harry Taylor, Nat Green and Andy Boddington.

Proposed by Councillor Jones and seconded by Councillor D Carroll:

'The International Panel on Climate Change has recently made clear the scale of the emergency facing us all. It is clear that current action to reduce emissions is inadequate both globally and in the UK, and if unchecked will result in a catastrophic 3 degrees of global warming.

The Paris Agreement's central claim is to strengthen the global response to the threat of climate change by keeping a global temperature rise this century well below 2 degrees Celsius above pre-industrial levels and to pursue efforts to limit the temperature increase even further to 1.5 degrees Celsius. Additionally, the agreement aims to strengthen the ability of countries to deal with the impacts of climate change.

The UK Government is yet to put forward plans for partnerships with local councils to achieve the Paris climate goals, although emissions reduction efforts at the local level could help the UK government achieve and exceed its existing National Determined Contribution.

In the interim before Central Government comes forward with proposals for Local Government based on the Paris Agreement this Council resolves to:

1. Ask the Leader and Chief Executive to write to the Secretary of State for the Environment, Food and Rural Affairs to ask when Central Government expects to issue its proposals
2. Ask the Leader to reinforce the Council's commitment to the environment, including climate change, by naming a member of the Administration responsible for the Environment to promote the work being undertaken by the Council
3. Request the Performance Management Scrutiny Committee establish a Task and Finish Group to do the following:
 - Review Shropshire Council's existing Environmental policies and the effectiveness of actions already taken
 - To come forward with further recommendations for Shropshire Council to consider in the future

We encourage the Task and Finish Group to consider the following as starting points in their considerations:

- Requiring all report risk assessments to include Carbon Emission Appraisals, including presenting alternative approaches which reduce emissions wherever possible.
- Clarify which Director-level officer has responsibility for promoting the reduction, as rapidly as possible, of carbon emissions resulting from the Council's activities.
- Review the need for a Shropshire Council Climate Action Plan and any related delivery bodies
- Making Environmental Impact a consideration for the inclusion within the Council's procurement framework'.

RESOLVED:

That the Notice of Motion be supported.

Notice of Motion 2

The following Notice of Motion was proposed by Councillor Roger Evans and supported by Councillors Chris Mellings, Viv Parry and Heather Kidd:

'Before the introduction of the Community Infrastructure Levy (CIL), most planning applications had Section 106 agreements attached to them in order to identify requirements on developers to make a financial contribution to community and infrastructure projects that were needed as a result of the approved development, These projects were, by and large, within the settlement (town or parish) where the development resulting from planning application was located.

When introduced it was stated that the use of CIL would largely follow this same process. This would involve the use of the Local Fund to meet agreed local infrastructure projects. Recently it appears that a different interpretation has been adopted on the use of CIL. This interpretation has not been subjected to any

discussion with the Parish and Town sector. It is acknowledged that the policy of how CIL is used needs to be updated.

Council resolves that:

- Discussions are urgently held between Shropshire Council and representatives of the Shropshire Association of Local Councils (SALC).
- Any change to the originally understood process to be brought back to a future Shropshire Council Meeting and its agreement sought before being implemented.

**Note*

Many quote from the document issued by Shropshire Council stating how CIL was to be used. This document includes the statement below. No conversation or discussion has ever been held regarding any change.

Spend Area

5.7 The majority of CIL will be for local infrastructure requirements and will have a specific geographical focus:

- i) in the first instance CIL for local infrastructure will be spent in the settlement or networked group of settlements (cluster) in which the development has taken place; however
- ii) communities may nominate that their annual developer contributions are directed to meet a particular infrastructure need in the wider Place Plan area, i.e. a Community Hub may decide to direct its proportion of developer contributions for that year, to meet an infrastructure need in the Market Town to which is naturally relates.

The Portfolio Holder for Planning and Housing Development stated that he could not support the Notice of Motion as the actions identified had either been actioned or were being planned. The Chairman of the Performance Management Scrutiny Committee agreed and added that the Notice of Motion was redundant given the ongoing work which, on completion, should allay any concerns. The Chairman of the Place Overview Committee commented that there had been communication issues that were being resolved and he did not wish to impede the ongoing work of the Task and Finish Group.

Councillor Evans voiced his disappointment at the lack of support for the Notice of Motion and hoped that future clear communication would help to bring local communities on board with the Council to take CIL forward together.

RESOLVED:

That the Notice of Motion be not supported.

Notice of Motion 3

The following Notice of Motion was proposed by Councillor Hannah Fraser and supported by Councillors Nigel Hartin, David Vasmer and Nat Green:

'Council notes with concern the continuing and growing confusion surrounding the Brexit talks and their impact on business, training and research in the Shropshire Council area. Council also believes it is timely to celebrate the continued peace, democratic strength and relative prosperity of the countries of the European Union following the devastating wars of the last century. It also continues to celebrate the huge contribution of citizens of other European countries to our region, including in the provision of social and health care.

Council recognises the concerns and hopes expressed by citizens who voted both ways in 2016 and notes that there is now a great deal more information about the options available and the risks of the UK leaving the EU than there was during the 2016 referendum. It notes with particular alarm the evidence of disinvestment and delayed investment in major industries within our region as a result of uncertainty and the threat of trade restrictions arising from some of the Brexit options.

Council recognises that the citizens of Shropshire voted to leave the EU in 2016 – but notes they were not given any choice about, or much information on, the range of options involved in departing the EU. It therefore believes that the UK should continue to affirm its status as a democratic nation by ensuring that the present electorate are satisfied with whatever arrangements are proposed for the UK's future relationship with the EU, reaffirming its policy that those above the age of 16 and EU citizens should be entitled to vote. Council further reaffirms its desire to continue to establish and maintain our towns links and influence with our European neighbours'.

Councillor Wood considered that the Notice of Motion fell outside the competence of the Council and called for the question to be put, this was seconded by Councillor B Williams and, on being put to the vote, this view was supported by the majority.

RESOLVED:

That the Notice of Motion be not supported.

78 Questions from Members

The Speaker advised that the following 10 questions had been received in accordance with Procedure Rule 15. A copy of the report containing the full text of the questions and the formal responses is attached to the signed Minutes of the meeting.

- i) Received from Councillor T Parsons and answered by Councillor S Davenport, the Portfolio Holder for Highways and Transport in relation to road repairs to benefit cyclists.

By way of a supplementary question Councillor Parsons asked for information on monies on cycle ways in the county. The Portfolio Holder stated that the information would be provided after the meeting.

- ii) Received from Councillor P Moseley and answered by Councillor L Chapman, the Portfolio Holder for Adult Services, Health and Social Housing in relation to the future delivery of public health services.

By way of a supplementary question Councillor Moseley stated that she was dismayed about the proposed funding cuts and dismayed that there were no plans to redress the balance. The Portfolio Holder stated that he did not accept that there was any direct correlation between spend and outcomes.

- iii) Received from Councillor J MacKenzie and answered by Councillor N Bardsley, the Portfolio Holder for Children and Young People in relation to the lack of local projects for young people to meet the terms of any referral order.

By way of a supplementary question Councillor MacKenzie queried the timeline for the introduction of any such schemes. The Portfolio Holder stated that he would provide a written response.

- iv) Received from Councillor A Boddington and answered by Councillor R Macey, the Portfolio Holder for Planning and Housing Development in relation to the Council's use of the £580,296 under the Community Housing Fund.

By way of a supplementary question Councillor Boddington requested that a report be made to a future meeting of the Communities Overview Committee. The Portfolio Holder stated that on the request of the Scrutiny Committee a report could be provided.

- v) Received from Councillor A Boddington and answered in the report in relation to the Council's Civil Enforcement Service.

There was no supplementary question from Councillor Boddington.

- vi) Received from Councillor J MacKenzie and answered by Councillor R Macey, the Portfolio Holder for Planning and Housing Development in relation to the development of a set of building quality standards for Shropshire

By way of a supplementary question Councillor MacKenzie queried how local communities and community issues would be included in the development of these standards. The Portfolio Holder stated that he would provide a written response.

- vii) Received from Councillor J MacKenzie and answered by Councillor L Picton, the Portfolio Holder for Culture and Leisure in relation to the current lack of a Tourism Strategy or Officer in Shropshire.

By way of a supplementary question Councillor MacKenzie requested a firm commitment to both a Tourism Strategy and Officer in future. The Portfolio Holder acknowledged that the visitor economy was vital to the economy of the county and recognised all organisations that promoted the county so well.

viii) Received from Councillor J MacKenzie and answered by Councillor L Chapman, the Portfolio Holder for for Adult Services, Health and Social Housing in relation to the budget for drug and alcohol services in the coming year.

By way of a supplementary question Councillor MacKenzie queried the growing number of people affected against the decrease in numbers accessing the services. The Portfolio Holder stated that work would be undertaken with the new provider of these services to work differently and innovatively to result in an increase in the numbers of people accessing the services.

ix) Received from Councillor R Evans and answered by Councillor P Nutting, the Leader of the Council in relation to the budget cuts re the Community Enablement team.

By way of a supplementary question Councillor Evans queried the difference in the role of Place Plan Officers and Community Enablement Officers. The Leader stated that the response already provided answered this question.

x) Received from Councillor R Evans and answered by Councillor R Macey, the Portfolio Holder for Planning and Housing Development in relation to the use of CIL monies.

There was no supplementary question from Councillor Evans.

Signed (Chairman)

Date:

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Committee and Date

Council

28 February 2019

10.00am

MEMBERS ALLOWANCES

Responsible Officer Claire Porter

Email: claire.porter@shropshire.gov.uk

Tel: (01743) 252763

1.0 SUMMARY

- 1.1 The Council is required each year to approve a Members' Allowance Scheme for the financial year ahead.

2.0 RECOMMENDATIONS

- 2.1 That the current Members' Allowance Scheme, attached at Appendix 1 be approved.

REPORT

3.0 BACKGROUND

- 3.1 The Local Authorities (Members' Allowances) (England) Regulations 2003 require the Council to "make" an Allowance Scheme before the beginning of each financial year.
- 3.2 It is recommended that the current scheme attached at Appendix 1 is approved. Before any amendments to the Members' Allowance scheme, the authority must have regard to recommendations from the Independent Remuneration Panel, there are none presently.

List of Background Papers (This MUST be completed for all reports, but does not include items containing exempt or confidential information)

The Local Authorities (Members' Allowances) (England) Regulations 2003

Cabinet Member (Portfolio Holder)

Peter Nutting

Local Member

All

Appendices

Appendix 1 – Shropshire Council's Members' Allowance Scheme

Part 6 – Members’ Allowances Scheme

MEMBERS’ ALLOWANCES

1. SHROPSHIRE COUNCIL – MEMBERS’ ALLOWANCES SCHEME

Shropshire Council, in exercise of the powers conferred by the Local Authorities (Members’ Allowances) (England) Regulations 2003, hereby adopts the following scheme:

This scheme may be cited as the Shropshire Council Members’ Allowances scheme, and this amended scheme shall have effect from 1 April 2014 unless otherwise specified, and subsequent years from 1st April.

2. In this scheme,
“Councillor” means a member of the Shropshire Council who is a councillor;
“year” means the 12 months ending with 31 March.

3. Basic Allowance

Subject to paragraph 7, for each year a Basic Allowance of £11,514.00 shall be paid to each councillor.

4. Special Responsibility Allowance

- (a) For each year a Special Responsibility Allowance shall be paid to those councillors who hold the special responsibilities in relation to the authority that are specified in Schedule 1 to this scheme.
- (b) All Special Responsibility Allowances are based on multiples of the Basic Allowance.
- (c) No member receives more than one Special Responsibility Allowance.
- (d) The Leader of the Council receives a Special Responsibility Allowance which is twice the level of the Basic Allowance.
- (e) The Deputy Leader receives a Special Responsibility Allowance which is 1.25 times the Basic Allowance.
- (f) The remaining eight Portfolio Holders and five Scrutiny Panel Chairs receive a Special Responsibility Allowance which is equivalent to the Basic Allowance.
- (g) The seven Deputy Portfolio Holders receive a Special Responsibility Allowance which is 0.5 times the Basic Allowance.
- (h) The Speaker and the Chairman of the Council receive a Special Responsibility Allowance which is 0.75 times the Basic Allowance.
- (i) The Chairs of the Area Planning Committees receive a Special Responsibility Allowance which is 0.5 times the Basic Allowance.
- (j) The Vice Chairs of the Area Planning Committees receive a Special Responsibility Allowance which is 0.125 times the Basic Allowance.

Part 6 – Members’ Allowances Scheme

- (k) The Chair of the Strategic Licensing Committee receives a Special Responsibility Allowance which is 0.25 times the Basic Allowance.
- (l) The Chairman of the Licensing Sub-Committee / Vice Chairman of the Strategic Licensing Committee receives a Special Responsibility Allowance which is 0.25 times the Basic Allowance.
- (m) All leaders of any Political Group with a membership of 10% of the total membership of the Council (7 members) receive a Group Leader’s Allowance of 0.5 times the Basic Allowance assuming that they are not already in receipt of a greater allowance.
- (n) The Chair of the Audit Committee receives a Special Responsibility Allowance of 0.5 times the Basic Allowance.
- (o) The Chair of the Pensions Committee receives a Special Responsibility Allowance of 0.25 times the Basic Allowance or the Vice Chair of the Pensions Committee receives a Special Responsibility Allowance of 0.125 times the Basic Allowance.

5. Child and Dependant Carers’ Allowance

A child care allowance of up to £6.19 per hour (wef 01/10/12), subject to a maximum of £2,500 per member per annum, will be paid towards the costs of child care, on evidence being supplied of the amount claimed having been incurred in employing a carer to look after a child or dependant who is a member of the councillor’s family and living with the councillor and who cannot be left alone.

6. Renunciation

A councillor may by notice in writing given to the Democratic Services Manager elect to forego any part of his entitlement to an allowance under this scheme.

7. Part-year Entitlements

- (1) The provisions of this paragraph shall have effect to regulate the entitlements of a councillor to Basic and Special Responsibility Allowances, where, in the course of a year, this scheme is amended or that councillor becomes, or ceases to be, a councillor or accepts or relinquishes a special responsibility in respect of which a Special Responsibility Allowance is payable.
- (2) If an amendment to this scheme changes the amount to which a councillor is entitled by way of Basic Allowance or a Special Responsibility Allowance, then in relation to each of the periods.
 - (a) beginning with the year and ending with the day before that on which the first amendment in that year takes effect, or

Part 6 – Members’ Allowances Scheme

- (b) beginning with the day on which an amendment takes effect and ending with the day before that on which the next amendment takes effect, or (if none) with the year.

The entitlement to such an allowance shall be to the payment of such part of the amount of the allowance under this scheme as it has effect during the relevant period as bears to the whole the same proportion as the number of the days in the period bears to the number of days in the year.

- (3) Where the term of office of a councillor begins or ends otherwise than at the beginning or end of a year, the entitlement of that councillor to a Basic Allowance shall be to the payment of such part of that Basic Allowance as bears to the whole the same proportion as the number of days during which his term of office subsist bears to the number of days in that year.
- (4) Where this scheme is amended as mentioned in sub-paragraph (2), and the term of a councillor does not subsist throughout the period mentioned in sub-paragraph (2), the entitlement of any such councillor to a Basic Allowance shall be to the payment of such part of the Basic Allowance referable to each such period (ascertained in accordance with that sub-paragraph) as bears to the whole the same proportion as the number of days during which his term of office as a councillor subsists bears to the number of days in that period.
- (5) Where a councillor has during part of, but not throughout, a year such special responsibilities as entitle him or her to a Special Responsibility Allowance, that councillor’s entitlement shall be to payment of such part of that allowance as bears to the whole the same proportion as the number of days during which he has such special responsibilities bears to the number of days in that year.
- (6) Where this scheme is amended as mentioned in sub-paragraph (2), and a councillor has during part, but does not have throughout the whole, of any period mentioned in sub-paragraph (2) of that paragraph any special responsibilities as entitles him or her to a Special Responsibility Allowance, that councillor’s entitlement shall be to payment of such part of the allowance referable to each such period (ascertained in accordance with that sub-paragraph) as bears to the whole the same proportion as the number of days in that period during which he or she has such special responsibilities bears to the number of days in that period.
- (7) Payments in respect of Basic and Special Responsibility Allowances shall be made subject to paragraph (8) below, in instalments of one-twelfth of the amount specified in this scheme on the 20th of each month. Payments in respect of child and dependant care allowances shall be made only on receipt of a claim with receipted accounts for payments made.

Part 6 – Members’ Allowances Scheme

- (8) Where a payment of one-twelfth of the amount specified in this scheme in respect of a Basic Allowance or a Special Responsibility Allowance would result in the councillor receiving more than the amount to which, by virtue of paragraph (6), he or she is entitled, the payment shall be restricted to such amounts as will ensure that no more is paid than the amount to which he or she is entitled.

2. WITHHOLDING AND REPAYMENT OF ALLOWANCES

- (1) Where a member (or co-opted member) is suspended or partially suspended from his/her responsibilities or duties as a member of the authority in accordance with Part III of the Local Government Act 2000, or regulations made under that part, any allowance payable to him/her in respect of the responsibilities or duties may be withheld by the Authority.
- (2) If a member (or co-opted member) ceases to be a member of the Authority or ceases to be entitled to receive an allowance for a period, any allowance payable to him/her in respect of the responsibilities or duties may be withheld by the Authority.
- (3) The Authority may require that such part of the allowance as relates to any such period be repaid to the Authority.

3. CO-OPTED MEMBERS – FINANCIAL LOSS ALLOWANCE

A payment may be made to non-elected members/co-opted members for any loss of earnings or additional expenses (other than travelling or subsistence expenses) necessarily suffered or incurred in the performance of an approved duty as defined in paragraph 4(3) to this scheme. Co-opted members who represent charitable or voluntary organisations may claim an allowance as a contribution towards the cost that their employers have incurred in their absence, whilst they were carrying out an approved duty.

The allowances payable are as follows:

- (1) for a period of absence not exceeding 4 hours – £75.00.
- (2) for a period of absence exceeding 4 hours, but not exceeding 24 hours – £143.00.

4. TRAVELLING AND SUBSISTENCE ALLOWANCES

- (1) Travelling allowances may be claimed for expenditure on travelling necessarily incurred for a duty approved for this purpose. The current rates of travelling allowances are set out in the Schedule of Members’ Allowances Rates issued by the Council.
- (2) Subsistence allowances may be claimed for expenditure on subsistence necessarily incurred for a duty specified as an approved duty. The current rates of subsistence allowances are set out in the

Part 6 – Members’ Allowances Scheme

Schedule of Members’ Allowances Rates issued by the Council. Subsistence allowances are not payable to councillors for lunches taken within the County of Shropshire. (Working lunches and teas taken as part of a meeting are permissible where approved by the appropriate Chief Officer and paid for by the Council).

- (3) An approved duty for the purposes of this part of the Scheme is:
- A meeting of the Executive
 - A meeting of a committee of the Executive
 - A meeting of the authority
 - A meeting of a committee or sub-committee of the authority
 - A meeting of some other body to which the authority make appointments or nominations
 - A meeting of a committee or sub-committee of a body to which the authority make appointments or nominations
 - A meeting which has both been authorised by the authority, a committee, or sub-committee of the authority or a joint committee of the authority and one or more other authorities, or a sub-committee of a joint committee and to which representatives of more than one political group have been invited (if the authority is divided into several political groups) or to which two or more councillors have been invited (if the authority is not divided into political groups)
 - A meeting of a local authority association of which the authority is a member
 - Duties undertaken on behalf of the authority in pursuance of any standing order requiring a member or members to be present while tender documents are opened
 - Duties undertaken on behalf of the authority in connection with the discharge of any function of the authority conferred by or under any enactment and empowering or requiring the authority to inspect or authorise the inspection of premises
 - Duties undertaken on behalf of the authority in connection with arrangements made by the authority for the attendance of pupils at a school approved for the purposes of section 342 of the Education Act 1996
 - Any other duty approved by the authority in connection with discharging the duties of the authority or its committees or sub-committees
 - Any duty undertaken in connection with the discharge of the functions of the Council by virtue of holding the office of Councillor, or co-optee or Appointed Member.

Part 6 – Members’ Allowances Scheme

- (4) Exceptions are as follows:-
- (i) Attendance at conferences unless approved in advance by the Council, a Committee, Sub-Committee or Panel or a Chief Officer in consultation with the appropriate Chair/Portfolio holder.
 - (ii) Any duty or activity undertaken by virtue of being a School Governor.
 - (iii) Any duty or activity undertaken primarily for party political purposes as opposed to the discharge of the Council’s functions.
 - (iv) Meetings with individual or groups of electors to discuss constituency issues which are covered by the Basic Allowance with the exception of approved surgeries.
- (5) When it is necessary for the Chairman of the Council to be accompanied at official engagements by his/her consort the Chairman may submit a claim for his/her consort’s reasonable expenses, other than subsistence, subject to the prior approval of the Chief Executive.

5. ATTENDANCE AT CONFERENCES

Travelling and subsistence allowances may be paid for attendance at conferences provided that:

- (i) the conference has not been organised by any person or body who is doing so by way of trade;
- (ii) the conference has not been organised by anybody whose objects are wholly or partly political;
- (iii) the purpose of the conference is to discuss matters which, in the Council’s opinion, relate to the interests of their area, or part of it, or to the inhabitants of their areas, or some of them;
- (iv) any attendance at a conference has been authorised by the appropriate Committee or Sub-Committee or officer prior to the conference taking place, either as a standing arrangement for recurring, established conferences or by way of a specific resolution for other conferences;
- (v) on any occasions when insufficient notice is available to enable a Committee approval to be obtained, attendance is authorised by the Chief Officer, after consultation with the Chair of the Committee or Sub-Committee concerned.

Part 6 – Members’ Allowances Scheme

SCHEDULE 1

SHROPSHIRE COUNCIL ALLOWANCES SCHEME 1 APRIL 2014

		£	Multiplier
BASIC ALLOWANCE	(74)	11,514.00	
SPECIAL RESPONSIBILITY ALLOWANCES			
Chairman of Council/Deputy Speaker	(1)	8,635.50	(0.75)
Speaker/Vice-Chairman	(1)	8,635.50	(0.75)
Leader of Council (inc Group Leader)	(1)	23,028.00	(2)
Deputy Leader of Council + Portfolio Holder	(1)	14,392.50	(1.25)
Executive Members (Portfolio Holders)	(8)	11,514.00	(1)
Deputy Portfolio Holders	(7)	5,757.00	(0.5)
Opposition Group Leader(s)	(2)	5,757.00	(0.5)
Chairmen of Scrutiny Committee(s)	(5)	11,514.00	(1)
Chairman of Area Planning Committees	(3)	5,757.00	(0.5)
Vice Chairman of the Area Planning Committees	(3)	1,439.25	(0.125)
Chairman of Strategic Licensing Committee	(1)	2,878.50	(0.25)
Chairman of Licensing Sub-Committee / Vice Chairman of the Strategic Licensing Committee	(1)	2,878.50	(0.25)
Chairman of Audit Committee	(1)	5,757.00	(0.5)
Chairman of Pensions Committee or Vice-Chairman of Pensions Committee	(1)	2,878.50 1,439.25	(0.25) (0.125)

Part 6 – Members’ Allowances Scheme

SCHEDULE OF MEMBER ALLOWANCES RATES AT 1 APRIL 2014

1. TRAVELLING ALLOWANCES

(a) CAR

Mileage allowance (regardless of engine size): 45 p

Passenger allowance: 3 p

BICYCLE

Mileage allowance: 45 p

(b) TRAIN

Normally Councillors are entitled to claim: SECOND CLASS fare, reservation and left luggage expenses as well as the cost of getting to the station.

However, FIRST CLASS fare may be claimed for a particular journey which has been specifically authorised by the Chief Executive. All receipts for individual claims **less than £25.00** must be retained by the Member for audit purposes for at least two years. For claims **over £25.00** the original receipt must be submitted to the Democratic Services Team.

(Tickets should be obtained via the Members’ Secretariat, on the Council’s Contract, which allows discounts to be obtained)

(c) TAXI

Councillors are entitled to claim:

- the fare and reasonable gratuity where the need to travel is URGENT or
- where no public transport is reasonably available
- the appropriate public transport fare (e.g. bus fare) in other cases

Additional expenses can be claimed for the actual cost of parking.

All receipts for individual claims **less than £25.00** must be retained by the Member for audit purposes for at least two years. For claims **over £25.00** the original receipt must be submitted to the Democratic Services Team.

2. SUBSISTENCE ALLOWANCES

(i) Breakfast Allowance

Payable in respect of absence from home for at least 4 hours, before 11.00 am **£4.95**

(ii) Lunch Allowance-**Restricted-out of county duties only**

Payable in respect of absence from home for at least 4 hours, including the whole of the period 12 noon to 2.00 pm **£6.77**

(iii) Tea Allowance

Payable in respect of absence from home for at least 4 hours, including the whole of the period 3.00 pm to 6.00 pm **£2.67**

Part 6 – Members’ Allowances Scheme

- (iv) Evening Meal Allowance
Payable in respect of absence from home for at least 4 hours,
ending after 7.00 pm **£8.38**

- NOTE:** (i) Tea and Evening Meal Allowances will not be paid in respect of the same evening.
- (ii) These are **maximum** allowances up to which Members can reclaim the actual cost incurred. All receipts for individual claims **less than £25.00** must be retained by the Member for audit purposes for at least two years. For claims **over £25.00** the original receipt must be submitted to the Democratic Services Team

Claims can be made where overnight absences from the usual place of residence exceed 24 hours. The following maximum cash limit for allowances apply:

- visits to London or where attending a national conference **£145.00 (excl VAT)**
- all other cases **£120.00 (excl VAT)**

NOTE:

- (i) The Council has an inclusive arrangement for bed, breakfast and an evening meal with a small number of London hotels. See the Members’ Secretariat for details.
- (ii) The above rates will be reduced by the appropriate amount where a meal is provided by a local authority or other body.
- (iii) When staying overnight Members are able to determine the amount spent on bed, breakfast and evening meal as long as together these do not exceed the cash limit as stated above.
- (iv) These are also **maximum** allowances up to which Members can reclaim the actual cost incurred.
- (v) **Receipts:** All receipts for individual claims **less than £25.00** must be retained by the Member for audit purposes for at least two years. For claims **over £25.00** the original receipt must be submitted to the Democratic Services Team (unless the booking is made through the Members’ Secretariat).

3. SPECIAL RESPONSIBILITY ALLOWANCE

Special Responsibility Allowances are in accordance with the Schedule of the Shropshire Council Members’ Allowances Scheme. One twelfth of the annual allowance is payable each month and will be paid automatically to all qualifying Councillors.

4. BASIC ALLOWANCE

All Councillors are entitled to an annual allowance of £11,514.00. This will be paid automatically, in equal monthly instalments to all elected Councillors each month unless the Member formally indicates in writing that he/she does not wish to receive it **£959.50 per month**

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<u>Committee and Date</u>	<u>Item</u>
Council	
28 February 2019	<u>Public</u>

FINANCIAL STRATEGY 2019/20 – 2023/24

Responsible Officer James Walton

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1. Summary

- 1.1 The Financial Strategy report sets out the financial plans for Shropshire Council for the planning period 2019/20 through to 2023/24. The key focus of this document, however, is the setting of the 2019/20 budget. This Financial Strategy report takes into account previous reports considered by Cabinet over the current financial year; most recently on February 13th, 2019. The report provides information and recommendations on the Council's proposals to manage its financial position in 2019/20.
- 1.2 The 2019/20 Financial Year represents the final year of the four year settlement designed by government to provide some financial certainty for local government from 2016/17 through to 2019/20. While this was, to some degree, welcomed by local government the decision to not extend beyond this period has now created a potential financial cliff-edge for 2020/21. There is considerable uncertainty surrounding the 2020/21 Financial Year, and beyond, due to the following changes in local government finance currently timetabled for introduction from 1 April 2020:
 - 1.2.1 Fair Funding implementation – a fundamental re-evaluation of local government finance resulting in a redistribution of government and locally raised funding across local authorities based on needs and demand.
 - 1.2.2 Business Rates Retention – an expected shift from 50% local retention of business rates to 75% retention, with an equivalent reduction in grant funding and as yet unknown responsibility changes
 - 1.2.3 Full Business Rates reset – establishing a new baseline for business rates retention, reallocating growth since the previous reset in 2013.
 - 1.2.4 Comprehensive Spending Review – a process undertaken by HM Treasury to set expenditure limits across government departments and the wider public sector. The impact of this process has the potential to outweigh all other proposed changes.
 - 1.2.5 A potential further review or removal of the New Homes Bonus system, a mechanism that has helped deliver additional, albeit time-limited, funding for the Council to help offset the additional costs associated with housing growth across the county.
- 1.3 A key tactic within the Financial Strategy is to deliver a balanced budget in 2019/20, stabilising growth and maximising reserves. Such an approach will

provide maximum flexibility in the build up to the 2020/21 Financial Year. It is currently expected that initial exemplifications of the 2020/21 Budget will not be available from Central Government (in the form of a provisional settlement) until the autumn of 2019, leaving only a short number of months before the budget needs to be set by Full Council at its meeting in February 2020. Furthermore, it is likely that transitional arrangements will be implemented creating as yet unknown financial implications.

- 1.4 Council Tax in Shropshire is below the national average and a 3.99% increase is recommended for 2019/20. This increase is made up of a 2.99% general increase and 1% Social Care precept and will deliver additional funds for the Council of approximately £6.5m, helping to offset the growth in social care costs (in Children's and Adults Services) which alone amount to £12m in a single year.
- 1.5 Shropshire Council Core Spending Power for 2019/20 (the government's measure of funding available to every local authority in England), when expressed as funding per dwelling in Shropshire is significantly below the England average. If changes, resulting from the new Fair Funding mechanism, increased Shropshire's Core Spending Power to the England Average, this would result in an additional £32m funding every year.
- 1.6 The financial implications of the changes to the 2020/21 financial year significantly increases the risks around long term planning and decision making for service delivery.

2. Recommendations

2.1 It is recommended that members:

- A. Approve the 2019/20 budget of £593.080m outlined in the Budget Book at Appendix 7, including the savings proposals outlined at Appendix 4.
- B. Note the changes required to the 2019/20 budget as a result of the Provisional and Final Local Government Settlement and revised business rates and collection fund estimates.
- C. Note the revised funding gap for the years 2020/21 to 2023/34.
- D. Note the continued use of the Policy for Flexibility around the use of Capital Receipts.
- E. Agree the Statement of Chief Financial Officer on the Robustness of the Estimates and Adequacy of Reserves 2018-24 as set out in Appendix 9, noting the Council's general fund balance over this period.
- F. Agree the Pay and Rewards Policy for all Council staff for 2019/20 as set out in Appendix 11.

REPORT

3. Risk Assessment and Opportunities Appraisal

- 3.1. The development and delivery of the Council's Financial Strategy is the key process in managing many of the Council's strategic risks. The opportunities and risks arising are assessed each time the document is refreshed for Cabinet consideration. The Council's Strategic Risks are reported separately, but the Financial Strategy makes specific reference to the Council's ability to set a sustainable budget (the highest of the Council's key strategic risks).
- 3.2. Setting the Financial Strategy and agreeing the detailed changes necessary to deliver the agreed budget for the next financial year, will take into account the requirements of the Human Rights Act, any necessary environmental appraisals and the need for Equality and Social Inclusion Impact Assessments (ESIIA) and any necessary service user consultation.

4. Development of Financial Strategy

- 4.1. It was agreed by Cabinet that there would be a three stage approach to the developing the Financial Strategy this year, as summarised below:

Stage I – Resolve the 2018/19 overspend to prevent any carry forward to 2019/20

Stage II – Revise spending and savings proposals and develop an appropriate plan for bringing the 2019/20 budget back into short-term balance

Stage III – Consider plans for addressing the funding gaps in years 2-5 of the financial strategy (2020 – 2024) on a more sustainable basis
- 4.3 This Financial Strategy Report therefore focusses on Stage II of the budget setting process and considers the changes to resources and expenditure that have increased the funding gap in 2019/20.
- 4.4 It is intended that the long-term financial strategy considered in Stage III will be discussed in more detail from April 2019, when it is anticipated that further clarity on future funding levels will be established.
- 4.5 The 2019/20 Financial Year represents the final year of the four-year settlement designed by government to provide some financial certainty for local government from 2016/17 through to 2019/20. While this was, to some degree, welcomed by local government the decision to not extend beyond this period has now created a financial cliff-edge for 2020/21. Over the multi-year settlement period, core spending power (the government's own measure of funding for all local authorities in England) in Shropshire has ostensibly risen by around £20m. This increase has been funded by a £36m increase in Council Tax raised locally, offsetting a net £20m reduction in government funding. Furthermore, much of this offsetting government funding is one-off in nature and cannot be assumed will continue into 2020/21.

- 4.6. Over the multi-year settlement period the net cost of Adult Social Care, after the application of government funding initiatives such as Improved Better Care Funding and Adult Social Care Support Grant, and after taking account of the additional funding raised locally through the Adult Social Care Precept has been over £53m more than the resources available. Put another way, in 2019/20 the cost of delivering Adult Social Care is almost £36m per year more than the equivalent cost in 2015/16. This is demonstrated in the table below.

	Adult Social Care	2016/17	2017/18	2018/19	2019/20
4.7	Growth in Spend (annual)	15,077,000	6,020,170	5,435,990	8,849,730
	Improved Better Care Funding	0	216,820	4,328,800	8,153,520
	Adult Social Care Support Grant	0	1,400,051	871,140	0
	Social Care Funds (£3.775m share of £410m announced in Autumn Statement)	0	0	0	3,298,950
	Social Care Precept (annual)	2,443,412	2,662,026	4,122,723	1,481,914
	Cumulative Growth	15,077,000	21,297,170	26,733,160	35,582,890
	Cumulative Funding	2,443,412	6,641,309	14,347,101	22,081,545
	Shortfall (annual)	-12,633,588	-14,655,861	-12,386,059	-13,501,345
	Cumulative Shortfall	-12,633,588	-27,289,449	-39,675,508	-53,176,854

A similar picture is evolving in Children's Services. Here, net growth in costs over the last two financial years has been in the order of £5.8m, with only a share of one-off funding (£0.5m) provided by the government to offset this cost in 2019/20.

- 4.8. The shortfall currently being managed within the 2019/20 financial year will continue to increase. The cost of Children's and Adults Social Care Services is expected to grow in 2020/21 by between £10m and £15m.

5. The Funding Gap – Background Information

- 5.1. To establish the initial funding gap in December 2018 work was undertaken to revise expenditure and resource projections. Significant changes as a result of this work included identifying:

- Additional pressures as a result of growing demand and demographic changes particularly in Children's services, alongside known growth in Adult Services;
- Full cost impact of the amended pay and reward policy for 2018/19.
- The cumulative impact of changes and loss in funding that are, nevertheless, tied to the statutory delivery of services
- Increased income from Council tax due to a growth in the Council taxbase and an increase in the proposed Band D Council tax for 2019/20.
- Increased inflation requirements for major contracts;

- Savings proposals that have previously been drawn up by officers, but have not been achieved or approved for delivery due a number of contributory factors;
 - New savings proposals required to close the funding gap focussed under four principles of Innovation; Income Generation; Service Cuts and Transformation
- 5.2. As described in the 12 December 2018 Financial Strategy, the Council's financial position can be summarised as growth in Adult Social Care, growth in Children's services and the costs of other statutory responsibilities that are not affordable under the current funding and expenditure model. The use of one-off funds in the 2017/18 and 2018/19 financial years has been a reasoned and reasonable approach to tackling the financial uncertainty surrounding all local authorities in the lead up to a fundamental change in national funding formulae which will take place in 2020/21. The use of one-off funds is, however, masking and not solving the Council's underlying financial position where expenditure continues to outstrip resources. Decisive action in the short term is critical to address this increasing funding gap.
- 5.3. The Financial Strategy is based upon delivery of a balanced budget over the Medium Term. Each year the delivery of services and savings proposals is monitored and reported to Cabinet on a quarterly basis. The impact of significant additional pressures (for example, demographic pressures in Adult Services) and the non-achievement of savings proposals impact not only on the relevant financial year, but also in future years of the Strategy. In previous years and in 2018/19 there has been an ability to freeze spending elsewhere in the budget to compensate for these pressures. In the future, there is a significant risk that there will be insufficient controllable budgets left in the Council to mitigate pressures appearing elsewhere. This may mean that reserves held for emergencies instead become relied upon to cover known pressures. If reserves are depleted in this way, the Council's funding position will quickly become unsustainable.
- 5.4. The context for the financial position of the Council over the last 5 years and the steps that the Council has taken to deliver a balanced budget each year is explained in further detail at Appendix 10.

6. Changes to the Funding Gap since December 2018

- 6.1 Since the Financial Strategy was agreed at Cabinet on 12th December 2018, the government announced the Provisional Local Government Finance Settlement on the 13th December 2018. Within the Provisional Financial Settlement, the Government confirmed that the Revenue Support Grant would be in line with the multi-year settlement that Shropshire Council had agreed to and confirmed no amendments to core funding such as Improved Better Care Fund and the new Social Care Grant announced in the Budget. The settlement did however provide the Council with an additional £1.306m in Rural Services Delivery Grant, an increased allocation of New Homes Bonus by £0.603m and a marginal change to the Business Rate Top up grant that we receive of £0.007m. It was also announced that the Council would receive a proportion of the Business Rate Levy Account that the Government hold to fund safety net payments, as a

surplus had arisen in the account for 2018/19. This funding amounted to £0.771m. These additional resources have been used to close the funding gap and release the uncommitted Digital Transformation Funding so that this can be earmarked for potential further transformational activities within the Council.

- 6.2 The Final Local Government Financial Settlement was announced on 29th January 2019 and confirmed the funding announced in the Provisional Local Government Finance Settlement outlined above. The only new area of funding provided to the Council was for Brexit preparations, where the Council will receive £105,000 in 2018/19 and 2019/20 to fund the cost implications for Brexit. The financial risks associated with Brexit are included within the calculation of the risk assessed General Fund Balance that is reported in the Robustness of Estimates and Adequacy of Reserves paper, being considered on this Cabinet's agenda. Therefore it has been agreed that this funding will be contributed towards the General Fund Balance and any costs arising from the transition will be funded from the General Fund Balance.
- 6.3 The collection fund outturn for 2018/19 has also now been estimated and is also considered on this Cabinet's agenda. This estimate provides the Council with an overall surplus of £3.367m and therefore has been incorporated into the revised Resources position detailed in Appendix 1.
- 6.4 Recent Business Rates estimates show that estimated business rates income will decrease from that projected. This is mainly due to additional reliefs and discounts being provided. Although the value of business rates collected has reduced, the value of the section 31 grant that the government provides to reimburse the Council for reliefs and discounts provided has increased and so overall this has no short term impact on the Council's financial position.
- 6.5 There have been some other minor amendments to service budgets as these have been built up which have resulted in net changes to the funding gap of £0.302m.
- 6.6 Further work has been undertaken on confirming delivery of savings proposals as outlined in Appendix 4. Much of this work has focussed on Public Health savings of which there are two elements: the implications of not spending the Public Health Grant in the way it is currently being spend, and secondly the implications of applying the grant elsewhere to ensure that all funding is spent appropriately and public health outcomes are still achieved. Examples of service areas delivering public health outcomes where grant can be applied to maintain or enhance services include mental health and wellbeing services within targeted youth support and early help work; parenting support to promote healthy lifestyles and good mental health; homelessness and housing support including supporting people initiatives.

- 6.7 The net effect of the changes outlined in paragraphs 5.1 – 5.5 on the Funding Gap for 2019/20 is a reduction of £2.089m as demonstrated in Table 1 below. Full details of income and expenditure included within the Financial Strategy are shown in Appendices 1 and 2.

Table 1: Changes to Funding Gap since 12th December Cabinet

	2019/20	2020/21	2021/22	2022/23	2023/24
	£	£	£	£	£
Gap at December 12 Cabinet	26,679,562	34,073,348	42,156,400	49,623,410	57,947,810
Changes:					
Core Grants (RSDG and NHB)	-1,916,214	-1,212,474	-1,815,154	-2,417,834	-4,042,294
Business Rates	983,701	1,001,486	1,019,593	1,038,028	1,056,795
Collection Fund Surplus	-3,367,497	0	0	0	0
Specific Grants (including increased s31 grant)	1,909,100	1,205,360	1,808,040	2,410,720	2,410,720
Other Fees & Charges and Adjustments to gross budget	301,740	175,080	46,009	-85,091	-216,192
TOTAL VALUE CHANGES	-2,089,170	1,169,452	1,058,488	945,823	-790,971
Revised Gap at February 13 Cabinet	24,590,392	35,242,800	43,214,888	50,569,233	57,156,839

7. Closing the Gap

- 7.1 This strategy relies on a total council tax increase of 3.99% in 2019/20. This takes advantage of the 1% increase to the cap for Core council tax and also takes the opportunity to reprofile the Social Care precept to raise 1% in 2019/20 which remains within the 6% limit across the three year.
- 7.2 There is also a reliance on reductions in expenditure arising due to savings proposals of £18.5m in 2019/20. These savings strategies were approved at Cabinet in December 2018 and February 2019 and are attached at Appendix 4.
- 7.3 As outlined above, the additional funding announced in the Provisional Local Government Settlement will now be used to close the funding gap. The Council had previously indicated that it would use any underspend arising from the Digital Transformation Programme (DTP) towards the funding gap rather than use this for a second phase of Transformational activities to deliver further revenue savings. However, the Council plans to use the changes to resources highlighted above instead and so can reallocate the DTP underspend to be used for its original purpose.
- 7.4 It has also been agreed that any further resources available, over and above reimbursing the DTP will be used as a contribution towards the Financial Strategy Reserve. Given the significant funding gap that develops over the next four years, the Council is anticipating that it will need to utilise Earmarked Reserves in the interim to deal with the funding changes arising from the Fair Funding Review and to plan any further service savings that are required. Therefore, it is considered important that any one off funding not allocated to closing the gap, is instead committed to funding future year's funding gaps. This results in a £2.313m contribution to the Financial Strategy Reserve for 2019/20,

and this along with the existing balance held in the Financial Strategy Reserve will be fully released to close the funding gap in 2020/21.

- 7.5 Table 2 below shows that the 2019/20 funding gap has now been closed by utilising the one-off funds referred to above, and the full schedule is shown at Appendix 3.

Table 2: One Off Funding Used to Close 2019/20 Funding Gap

	12-Dec-18 £	Changes £	13-Feb-19 £
Revised 2019/20 Funding Gap	26,679,562	-2,089,170	24,590,392
One Off Funding to be used:			
One off Grants:			
Rural Services Delivery grant	-5,307,640	-1,306,490	-6,614,130
New Homes Bonus - One Off	-1,606,418	-1,147,450	-2,753,868
Improved Better Care Funding	-8,153,520	0	-8,153,520
Social Care Funding - One Off	-3,775,000	60	-3,774,940
Levy Surplus Distribution	0	-771,090	-771,090
Use of Reserves:			
Earmarked Reserves - Freed up	-1,553,211	0	-1,553,211
One off Savings Identified in 2018/19 - C/f in Reserve	-1,139,774	0	-1,139,774
One off use of Cost of Investment Budget	-2,142,800	0	-2,142,800
One off DTP Underspend - c/f in Reserve	-3,001,199	3,001,199	0
Cont to Financial Strategy Reserve	0	2,312,941	2,312,941
Remaining Gap to be Funded	0	0	0

- 7.6 Table 3 below shows the proposed net revenue budget for Shropshire Council broken down by Service Directorate for 2019/20.

Table 3: Net Revenue Budget by Service Directorate

	2019/20 £
Adult Services	103,140,310
Children's Services	49,643,180
Corporate	-3,893,890
Finance, Governance & Assurance	2,087,250
Legal & Democratic Services	497,840
Place & Enterprise	57,860,330
Public Health	4,513,430
Strategic Management Board	280
Workforce & Transformation	-9,970
TOTAL NET BUDGET	213,838,760

8. Policy for Flexibility around the use of Capital Receipts

- 8.1 The council will continue to take advantage of the greater flexibilities around the use of capital receipts offered in the financial years 2016 to 2022 which allow the Council to utilise capital receipts generated in this period to fund the revenue costs of service reform. Any qualifying expenditure under this flexibility must be on any project that is designed to generate ongoing revenue savings in the delivery of public services and/or transform service delivery to reduce costs or demand for services in future years. Details of the policy and previous year's utilisation of the powers are reported in Appendix 6.

9. Budget Consultation

- 9.1 The Budget Consultation was launched on 8th January 2019. It has been advertised in the Shropshire Council newsroom and via a number of social media channels. A series of infographics have been released via these channels over the duration of the consultation periodically drawing attention to the opportunity to comment. In response to previous requests, the Council has provided more detail within the consultation documents in a bid to attract more respondents. A total of 299 responses have been received, which is more than received in the preceding years, but still a low proportion of the population of Shropshire.
- 9.2 The consultation has drawn responses from a broad cross section of the community. Of the 299 respondents 38% are male and 52% female with the remainder preferring not to say. 36% are between the ages of 45-59, 25% between the ages of 60-84 and 20% between the ages of 30-44. Responses have come predominantly from local residents but also those representing a local interest or community group.
- 9.3 The first question was addressing the Council's plans to raise Council Tax by 3.99% in 2019/20. 58% of those responding believed that Council Tax should be lower, 36% were in agreement with the level proposed and 6% thought that the Council should raise Council Tax further if they were able to.
- 9.4 The next sections of questions looked at the individual savings proposals and allowed respondents to say whether they agreed, disagreed or had no opinion on each saving proposal. There has been general agreement across the board for the majority of the savings proposals. There have only been four savings proposals where over 50% disagreed with the proposal and one of these has since been removed (C19). The three remaining savings (references A01, P59 and H29 respectively) are listed below:

Review of Day Centres	£96,700	54.24% disagreed
Increased income from car parks	£400,000	54.79% disagreed
Mental Health Promotion	£20,000	57.48% disagreed

- 9.5 Specific comments regarding the savings proposals were also received with the most comments (51) being received on public health savings, with the main theme being that savings in this area were short sighted and the impact that these cuts would have on the health of Shropshire residents and the resulting costs elsewhere in the system. Other recurring comments related to the Place & Enterprise savings where people were concerned about charging for green waste collection and the impact this may have on fly tipping, several comments suggesting that concessionary travel should be reviewed or means tested for the elderly, further comments about car park charges putting people off from visiting Shropshire centres, and concerns were raised over reducing bus subsidies when the youth and older generation are dependent on them. There was also concern about further cuts hitting Adults and Children’s Services when these services are already struggling to manage their budgets given the demand for the services.
- 9.6 Respondents were also asked if they wished to highlight any alternative savings proposals. 56 comments were received with varied responses, however key themes surrounded the cost of senior manager salaries, reducing number of councillors and members allowances, greater lobbying of central government on the funding position, reducing unnecessary council buildings spend, and selling the shopping centres to use the money elsewhere.
- 9.7 Finally, Question 19 (See Figure 7) invited the public to consider if after reading and commenting on the proposals, their opinion on the approach to close the funding gap taken by the Council. 51% of those that answered this question either disagreed or strongly disagreed with the approach taken and 29% agreed or strongly agreed with the approach.
- 9.8 In summary, the range of comments showed that a number of respondents had concerns over some of the proposals put forward in the budget but others also commented that the proposals were good and the opportunity to feedback was welcomed. Generally the overall feedback, while limited in number, was balanced and constructive.
- 9.9 The associated infographics and a more detailed summary of responses are shown at Appendix 7.

10 Next Steps on the Financial Strategy for Years 2020/21 – 2023/24

- 10.1 This report provides a template for the Council’s financial position over the next five financial years. Using this template, it is possible to identify a series of actions based on a number of planning assumptions in later years. Over the coming months work will continue to identify options for the future and to model these. This may include assumptions around one-off funding continuing into future years, assumptions around Business Rates Retention and responsibility changes, and the current base case refined following the 2018/19 outturn position. Any information made available by central government will also be included in our planning assumptions.

- 10.2 This work will enable the Council to deliver Stage III of the Financial Strategy process, in good time to be considered against the provisional local government settlement expected in the autumn of 2019. In the meantime, the focus for the Council needs to be on cost reduction and income generation to provide maximum financial resilience for the uncertainty of 2020/21 and beyond.
- 10.3 The focus needs to be on delivering a longer-term sustainable budget and closing the funding gap. The major uncertainty lies with the Fair Funding Formula and understanding the impact on Core Government funding previously distributed to Local Authorities. Shropshire Council currently receives Rural Services Delivery Grant of £6.6m and Improved Better Care Fund of £8.1m which it treats as one off funding. The Financial Strategy assumptions for future years removes this funding from 2020/21 in order to prepare for the potential impact of the Fair Funding Review. However, if this funding was to continue this would be a significant contribution to closing the funding gap arising in that year.
- 10.4 The Financial Strategy assumptions in future years also anticipate that the council tax referendum level will reduce back to 2% in 2020/21, however on the basis that the 3% referendum level has been extended for a further year into 2019/20, there is the potential that council tax generated could increase by £1.57m which is the equivalent of a further 1% on Council Tax.
- 10.5 These amendments along with the permanent delivery of the savings in Highways (£5m) and Adult Services (£0.5m) that were removed in 2018/19 for a two year period, show that it would be possible to deliver a balanced budget (with the use of some reserves) in 2020/21. While this is a highly caveated suggestion, it does, nevertheless, identify a financially aspirational target for a sustainable budget that the Council can use as one of a number of planning assumptions over the life of the current parliament. This is demonstrated in Table 4 below, to include the points raised above:

Table 4: Aspirational Proposal to Deliver a Sustainable Budget in 2020/21.

	2020/21 £
Revised Funding Gap as at 13th Feb 2019	35,242,800
Government One off Funding Available in each year (if extended)	-14,767,650
Additional 1% Council Tax (if extended)	-1,571,033
Savings Proposals - permanent delivery of reversible savings	-5,500,000
Reserves	-13,404,117
Funding Gap remaining	0

List of Background Papers (This MUST be completed for all reports, but does

not include items containing exempt or confidential information)

Financial Strategy 2018/19 – 2022/23 – Council, 22nd February 2018
Financial Strategy 2019/20 – 2021/22 – Cabinet, 4th July 2018
Financial Strategy 2019/20 – 2022/23 – Cabinet, 12th December 2018
Financial Strategy 2019/20 to 2021/22 – Council, 13th December 2018
Financial Strategy 2019/20 – 2023/24 – Cabinet, 13th February 2018
Financial Monitoring Report Quarter 3 – 2018/19 – Cabinet, 13th February 2019
Estimated Collection Fund Outturn 2018/19 – Cabinet, 13th February 2019
Robustness of Estimates and Adequacy of Reserves 2018-24 – Cabinet, 13th February 2019

Cabinet Member (Portfolio Holder)

David Minnery

Local Member

All

Appendices

Appendix 1 – Resource Projections

Appendix 2 – Expenditure Projections

Appendix 3 – Funding Gap

Appendix 4 – Savings Proposals

Appendix 5 – 2018/19 Red Savings Unachievable

Appendix 6 – Policy for Flexibility around the use of Capital Receipts

Appendix 7 – Budget Consultation Feedback

Appendix 8 – 2019/20 Draft Budget Book

Appendix 9 – Statement of Chief Financial Officer on the Robustness of the
Estimates and Adequacy of Reserves 2018-24 – Cabinet Report 13th
February 2019

Appendix 10 – Financial Strategy - Context

Appendix 11 – Pay and Reward Policy

Appendix 1 – Resource Projections

	2019/20	2020/21	2021/22	2022/23	2023/24
	£	£	£	£	£
Council Tax	154,426,844	163,398,728	172,891,859	182,935,553	193,563,989
Business Rates:					
Business Rates Collected	40,054,924	40,779,117	41,516,404	42,267,020	43,031,208
Top Up Grant	9,870,440	9,870,440	9,870,440	9,870,440	9,870,440
RSG	6,119,050	4,079,367	2,039,683	0	0
Collection Fund:					
Council Tax	3,031,492	500,000	500,000	500,000	500,000
Business Rates	336,005	-500,000	-500,000	-500,000	-500,000
NET BUDGET	213,838,755	218,127,652	226,318,386	235,073,013	246,465,636
Grants included in Core Funding:					
Improved Better Care Fund	8,153,520	0	0	0	0
New Homes Bonus	7,753,870	8,114,910	9,046,850	8,908,560	8,908,560
Rural Services Delivery Grant	6,614,130	0	0	0	0
Social Care Grant	3,774,940	0	0	0	0
CORE FUNDING	240,135,215	226,242,562	235,365,236	243,981,573	255,374,196
Local Income					
Fees and charges (including income savings deliverable from prior years)	79,243,760	81,067,801	83,025,590	85,119,926	85,119,926
Other Grants and contributions	22,522,390	22,522,390	22,522,390	22,522,390	22,522,390
Specific Grants (excluding Core Funding Grants above)	218,875,030	213,789,620	202,019,300	201,966,950	201,919,830
Internal Recharges	7,712,950	7,712,950	7,712,950	7,712,950	7,712,950
TOTAL FUNDING	568,489,345	551,335,323	550,645,466	561,303,789	572,649,293

Appendix 2 – Expenditure Projections

	2019/20	2020/21	2021/22	2022/23	2023/24
	£	£	£	£	£
Original Gross Budget Requirement	582,151,393	593,079,737	586,578,123	593,860,353	611,873,021
Inflationary Growth :					
Pay	7,850,896	2,628,461	2,686,452	2,739,625	
Prices	2,536,576	2,781,770	3,018,772	3,048,223	3,048,226
Pensions	14,575				
Demography & Demand	13,915,537	12,757,784	14,290,156	15,813,740	14,920,933
Service Specific Pressures	298,497	9,810	10,230	10,650	11,070
Local Generated Pressures:					
Elections			700,000	-700,000	
Specific Grants Changes between years	-4,330,791	-23,266,960	-10,838,380	-190,640	-47,120
Estimated Cost of Investment - <i>Approved</i>	2,142,800	1,485,000	1,265,000	1,760,000	
Adjustment to Gross budget offset by Income changes	4,446,953				
Savings					
<i>Savings from prior years- 2018/19 - Approved</i>	-19,206,570	-13,180	-3,850,000	-4,468,930	
<i>Pay Award Savings Proposals</i>	-5,315,020				
<i>Remove 2018/19 Red Savings Unachievable</i>	2,542,910				
<i>Remove 2019/20 Red Savings Unachievable</i>	14,294,300	-2,884,300			
<i>New Savings - Innovation</i>	-4,520,010				
<i>New Savings - Income Generation</i>	-1,025,000				
<i>New Savings - Service Cuts</i>	-770,000				
<i>New Savings - Transformation</i>	-1,947,310				
TOTAL EXPENDITURE	593,079,737	586,578,123	593,860,353	611,873,021	629,806,130

Appendix 3 – Funding Gap

	2019/20	2020/21	2021/22	2022/23	2023/24
	£	£	£	£	£
Resources	568,489,345	551,335,323	550,645,466	561,303,789	572,649,293
Expenditure	593,079,737	586,578,123	593,860,353	611,873,021	629,806,130
Gap in year	24,590,392	35,242,800	43,214,886	50,569,231	57,156,838
One Off Funding to be used:					
One off Grants:					
Rural Services Delivery grant	6,614,130	0	0	0	
New Homes Bonus - One Off	2,753,868	3,093,858	4,068,786	3,789,719	
Improved Better Care Funding	8,153,520	0	0	0	
Social Care Funding - One Off	3,774,940				
Levy Surplus Distribution	771,090				
Use of Reserves:					
Earmarked Reserves - Freed up	1,553,211				
One off Savings Identified in 2018/19 - C/f in Reserve	1,139,774				
One off use of Cost of Investment Budget	2,142,800				
One off DTP Underspend - c/f in Reserve	0				
Financial Strategy Reserve	-2,312,941	19,715,782			
TOTAL ONE OFF FUNDING	24,590,392	22,809,640	4,068,786	3,789,719	0
Remaining Gap to be Funded	0	12,433,160	39,146,100	46,779,512	57,156,838

Appendix 4 – Savings Proposals

	2019/20 Savings			New Savings - Innovation	New Savings			TOTAL
	Previously Agreed	Pay Award Savings	Remove 2019/20 Red Savings		Income Generation	New Savings - Service Cuts	New Savings - Transformation	
	£	£	£		£	£	£	
Adult Services	1,975,240	1,000,000	-802,600	0	0	0	0	2,172,640
Children's Services	794,000	0	-700,000	717,000	0	0	50,980	861,980
Place & Enterprise	5,999,330	0	-2,521,700	400,000	1,025,000	625,000	723,680	6,251,310
Public Health	288,000	3,615,020	-870,000	0	0	0	59,260	3,092,280
Corporate	0	700,000	0	3,403,010	0	0	0	4,103,010
Finance, Governance & Assurance	1,100,000	0	-400,000	0	0	80,000	81,200	861,200
Legal & Democratic Services	0	0	0	0	0	65,000	0	65,000
Workforce & Transformation	9,050,000	0	-9,000,000	0	0	0	1,032,190	1,082,190
Total	19,206,570	5,315,020	-14,294,300	4,520,010	1,025,000	770,000	1,947,310	18,489,610

Adult Services

Ref	Directorate	Portfolio Holder	Description	2019/20 Saving	Removal of 2019/20 Red Savings	Amended 2019/20 Savings
2019/20 Savings Previously Agreed						
A01	Adults Services	Lee Chapman	Review of day centres	96,700		96,700
A02	Adults Services	Lee Chapman	Efficiencies and additional income generation within Joint Training	77,000		77,000
A03	Adults Services	Lee Chapman	Micro-commissioning includes reduction in level of top-ups	50,000		50,000
A04	Adults Services	Lee Chapman	Review and re-commission of Positive Steps contract and the increase of shared lives provision	43,900		43,900
A05	Adult Services	Lee Chapman	Use of HOLD (capital) funding to reduce the cost of high cost placements	100,000		100,000
A06	Adult Services	Lee Chapman	Utilise vacant properties and maximise housing benefit	25,000		25,000
A07	Adult Services	Lee Chapman	Handy Person & HIA - Review of Housing services	100,000		100,000
A09	Adult Services	Lee Chapman	Review of Grant to SPIC for Workforce Care Development	29,000		29,000
A10	Adult Services	Lee Chapman	Growing the START service to reduce external reablement spend	200,000		200,000
A11	Adult Services	Lee Chapman	Review of CM2000 system	430,000		430,000
A12	Adult Services	Lee Chapman	Housing Initiatives - Occupational Therapy Works	20,000		20,000
A13	Adult Services	Lee Chapman	Housing Initiatives - Private Works	10,000		10,000
A14	Adult Services	Lee Chapman	Housing Initiatives - Temporary Accommodation	140,000		140,000
A15	Adult Services	Lee Chapman	Housing Initiatives - DFG Fees	41,000		41,000
A16	Adult Services	Lee Chapman	Provider market stewardship	200,000		200,000
A21	Adult Services	Lee Chapman	Review of client property	15,040		15,040
A22	Adult Services	Lee Chapman	Single Handed Care - Reduce the cost of care packages by investing in technology	130,000		130,000
A23	Adult Services	Lee Chapman	Increased number of Shared Lives placements and Positive Steps contract review	43,900	-43,900	0
A24	Adult Services	Lee Chapman	Efficiencies and additional income within Joint Training	77,000	-77,000	0
A25	Adult Services	Lee Chapman	New income generation within Enable	50,000	-50,000	0
A26	Adult Services	Lee Chapman	Review of day centres	96,700	-96,700	0
				1,975,240	-267,600	1,707,640
Pay Award						
A28	Adult Services	Lee Chapman	Joint commissioning of adult social care placements with Shropshire CCG	1,000,000	-535,000	465,000
Total Adult Services Savings				2,975,240	-802,600	2,172,640

Children's Services

Ref	Directorate	Portfolio Holder	Description	2019/20 Saving	Removal of 2019/20 Red Savings	Amended 2019/20 Savings
2019/20 Savings Previously Agreed						
C06 & C13	Children's Services	Nick Bardsley	Reductions to external placement costs within Children's Safeguarding	500,000	-500,000	0
C11	Children's Services	Nick Bardsley	Creation of supply teacher service	200,000	-200,000	0
C17	Children's Services	Nick Bardsley	Restructure of business support functions within Learning and Skills	94,000	0	94,000
				794,000	-700,000	94,000
New Savings - Innovation						
C18	Children's Services	Nick Bardsley	Passenger Transport Commissioning Savings in Learning and Skills	717,000	0	717,000
New Savings - Transformation						
C19	Children's Services	Nick Bardsley	Transformation – first phase savings identified	50,980	0	50,980
Total Children's Services Savings				1,561,980	-700,000	861,980

Place & Enterprise

Ref	Directorate	Portfolio Holder	Description	2019/20 Saving	Removal of 2019/20 Red Savings	Amended 2019/20 Savings
2019/20 Savings Previously Agreed						
P02	Place	Joyce Barrow	End agreement with Rockspring Community Centre	2,000	0	2,000
P03	Place	Steve Charmley	15% reduction in repairs and maintenance and office moves budgets	145,700	-145,700	0
P04	Place	Joyce Barrow	Review of waste collection and recycling services	1,500,000	0	1,500,000
P05	Place	Steve Charmley	Review of car parking at administrative sites	96,000	-96,000	0
P10	Place	Joyce Barrow	Review of Community Enablement Team	648,480	0	648,480
P13	Place	Steve Charmley	Review of workshops and economic development land	81,050	0	81,050
P16	Place	Steve Charmley	Reduction in facilities management costs	55,000	0	55,000
P28	Place	Steve Charmley	Increased installation and use of solar panels	100,000	0	100,000
P29	Place	Steve Davenport	Review of concessionary travel	50,000	0	50,000
P36 & P65	Place	Steve Charmley	Purchase Shrewsbury shopping centres	280,000	-280,000	0
P34 & P39	Place	Steve Charmley	Land acquisition, development and investment	2,050,000	-2,000,000	50,000
P59	Place	Steve Davenport	Increase income generated from car parks	400,000	0	400,000
P62	Place	Steve Davenport	Reduction in agency staff within transport and fleet services	60,000	0	60,000
P64	Place	Steve Davenport	Review of bus subsidies	405,000	0	405,000
P66	Place	Steve Charmley	Innovation and efficiencies within Shire Services	126,100	0	126,100
				5,999,330	-2,521,700	3,477,630
New Saving - Innovation						
P68	Place	Steve Charmley	Stretch income target in Shire Servies	300,000	-	300,000
P69	Place	Steve Charmley	Infrastructure related to new development	100,000	-	100,000
				400,000	-	400,000
New Saving - Income Generation						
P72	Place	Steve Charmley	New Development Dividend	1,025,000	-	1,025,000
New Saving - Service Cuts						
P71	Place	Steve Charmley	Reduced R&M Spend by capitalisation	250,000	-	250,000
P74	Place	Rob Macey	Planning Services - Savings/Commercial activity	140,000	-	140,000
P75	Place	Lezley Picton	Rights of Way - risk based approach	50,000	-	50,000
P76	Place	Lezley Picton	Libraries Review commercial review	98,000	-	98,000
P77	Place	Steve Charmley	Economic Growth - savings/commercial activity	35,000	-	35,000
P78	Place	Steve Davenport	Additional income Fleet Management	52,000	-	52,000
				625,000	-	625,000
New Saving - Transformation						
P79	Place	Lezley Picton	Theatre - New operating model	50,000	-	50,000
P80	Place	Steve Charmley	Heritage Buildings - New operating model	100,000	-	100,000
P70	Place	Steve Charmley	Reduction in Admin Buildings spendng	100,000	-	100,000
P73	Place	Steve Charmley	Transformation – first phase savings identified	473,680	-	473,680
				723,680	-	723,680
Total Place & Enterprise Savings				8,773,010	-2,521,700	6,251,310

Public Health

Ref	Directorate	Portfolio Holder	Description	2019/20 Saving	Removal of 2019/20 Red Savings	Amended 2019/20 Savings
2019/20 Savings Previously Agreed						
H04	Public Health	Lee Chapman	Efficiencies and additional income generation within Registrars	40,000	0	40,000
H12	Public Health	Lee Chapman	Additional income generation within Help2Change - Offer the health check service to other orga	20,000	0	20,000
H13	Public Health	Lee Chapman	Innovation within Help2Change - Introduction of 'health TVs' and sale of advertising space	63,000	0	63,000
H14	Public Health	Lee Chapman	Reduction in posts within Help2Change and review of Nicotine Therapy Service	65,000	0	65,000
H16	Public Health	Joyce Barrow	Review of parking enforcement (employ more officers to generate more income)	100,000	-100,000	0
				288,000	-100,000	188,000
Pay Award - Savings in Public Health Grant will be redirected to fund other Public health related expenditure in other Council service areas, thereby generating savings in Council funded budgets						
A29	Public Health	Lee Chapman	Improved service integration - NHS Health checks, Help to Quit	69,250	0	69,250 *
A30	Public Health	Lee Chapman	Staffing restructure - Help to Change	75,590	0	75,590 *
A31	Public Health	Lee Chapman	Contract review	86,000	0	86,000 *
A32	Public Health	Lee Chapman	Roll out of social prescribing with Adults Services Lets Talk Local hubs	135,000	0	135,000 *
C18	Public Health	Lee Chapman	0-25 PHNS to take over management of one EH hub	75,000	0	75,000
C19	Public Health	Lee Chapman	Remove non-mandated activity from current 0-25 PHNS contract	380,000	-380,000	0
H20	Public Health	Lee Chapman	Senior management salary saving	36,000	0	36,000 *
H21	Public Health	Lee Chapman	Vision screening allocation	23,180	0	23,180 *
H22	Public Health	Lee Chapman	LAC funding	23,000	0	23,000 *
H23	Public Health	Lee Chapman	Health Visitor services in Wales	40,000	0	40,000 *
H24	Public Health	Lee Chapman	Redesign of integrated sexual health services	50,000	-50,000	0
H25	Public Health	Lee Chapman	Integrated sexual health services - Recharge for Welsh residents	90,000	-90,000	0 *
H26	Public Health	Lee Chapman	Pathology tests to be contracted to single provider	30,000	0	30,000
H27	Public Health	Lee Chapman	Library Contract	5,000	0	5,000 *
H28	Public Health	Lee Chapman	Infection Prevention Control	30,000	0	30,000 *
H29	Public Health	Lee Chapman	Mental Health Promotion	20,000	0	20,000 *
H30	Public Health	Lee Chapman	Remove budget for specialist advice	12,040	0	12,040
H31	Public Health	Lee Chapman	Reduction in community training	54,960	0	54,960 *
H32	Public Health	Lee Chapman	Retender of inpatient detox contract	30,000	0	30,000 *
H33	Public Health	Lee Chapman	Retender substance misuse service	250,000	-250,000	0
H34	Public Health	Lee Chapman	Review prescribing budget	80,000	0	80,000 *
H35	Public Health	Lee Chapman	Reduce supervised pharmacy consumption	20,000	0	20,000
H36	Public Health	Lee Chapman	Recommissioning across Adults, Children's and Public Health	2,000,000	0	2,000,000
				3,615,020	-770,000	2,845,020
New Saving - Transformation						
H37	Public Health	Lee Chapman	Transformation – first phase savings identified	59,260	0	59,260
Total Public Health Saving				3,962,280	-870,000	3,092,280

* Includes 2018/19 savings currently being consulted on to fund part year Pay Award in 2018/19

Corporate

Ref	Directorate	Portfolio Holder	Description	2019/20 Saving	Removal of 2019/20 Red Savings	Amended 2019/20 Savings
Pay Award						
R25	Corporate Budgets	David Minnery	Removal of inflationary growth	700,000	-	700,000 *
New Saving - Innovation						
R36	Corporate Budgets	David Minnery	Removal of Apprenticeship Levy and Minimum Wage Growth	1,553,010	-	1,553,010
R37	Corporate Budgets	David Minnery	Minimum Revenue Provision	1,850,000	-	1,850,000
				3,403,010	-	3,403,010
Total Corporate Savings				4,103,010	-	4,103,010

* Includes 2018/19 savings currently being consulted on to fund part year Pay Award in 2018/19

Finance Governance & Assurance

Ref	Directorate	Portfolio Holder	Description	2019/20 Saving	Removal of 2019/20 Red Savings	Amended 2019/20 Savings
2019/20 Savings Previously Agreed						
P41	Finance, Governance and Assurance	Steve Charmley	Negotiate contract savings upon renewal, through better contract management	300,000	0	300,000
R02	Finance, Governance and Assurance	David Minnery	Revision of council tax support scheme	200,000	-200,000	0 #
R16	Finance, Governance and Assurance	David Minnery	Service reconfiguration within Finance, Governance and Assurance	300,000	0	300,000
R17	Finance, Governance and Assurance	David Minnery	Additional income generation within Finance, Governance and Assurance	100,000	0	100,000
R23	Finance, Governance and Assurance	David Minnery	Additional premium for empty homes	200,000	-200,000	0 #
				1,100,000	-400,000	700,000
New Saving - Service Cuts						
R28	Finance, Governance and Assurance	David Minnery	Reduction in service costs (not linked to DTP)	80,000	0	80,000
New Saving - Transformation						
R29	Finance, Governance and Assurance	David Minnery	Transformation – first phase savings identified	81,200	0	81,200
Total Finance, Governance & Assurance Savings				1,261,200	-400,000	861,200

Removed from savings as now included within Resources

Legal & Democratic

Ref	Directorate	Portfolio Holder	Description	2019/20 Saving	Removal of 2019/20 Red Savings	Amended 2019/20 Savings
New Saving - Service Cuts						
R30	Legal and Democratic Services	Steve Charmley	Elections reductions	20,000	-	20,000
R33	Legal and Democratic Services	Steve Charmley	Review of Committee and Member budgets	45,000	-	45,000
Total Legal & Democratic Savings				65,000	-	65,000

Workforce & Transformation

Ref	Directorate	Portfolio Holder	Description	2019/20 Saving	Removal of 2019/20 Red Savings	Amended 2019/20 Savings
2019/20 Savings Previously Agreed						
R03	Workforce and Transformation	Steve Charmley	Contract review within Customer Involvement	50,000	0	50,000
R13	Workforce and Transformation	Steve Charmley	Redesign following digital transformation	9,000,000	-9,000,000	0
				9,050,000	-9,000,000	50,000
New Saving - Transformation						
R34	Workforce and Transformation	Steve Charmley	Digital Transformation	990,430	0	990,430
R35	Workforce and Transformation	Steve Charmley	Transformation – first phase savings identified	41,760	0	41,760
				1,032,190	0	1,032,190
Total Workforce & Transformation Saving				10,082,190	-9,000,000	1,082,190

Appendix 5 – 2018/19 Red Savings Unachievable

Ref	Directorate	Portfolio Holder	Description	2018/19 Saving Unachievable £
C04 & C07	Children's Services	Nick Bardsley	Home to school transport - Stop nursery SEN and post 16 SEN provision	556,500
C05	Children's Services	Nick Bardsley	Further promotion of independent travel training and SEN personal budgets	164,630
C06 & C13	Children's Services	Nick Bardsley	Reductions to external placement costs within Children's Safeguarding	430,000
P35	Place & Enterprise	Steve Charmley	Efficiencies within administrative buildings, including ending use of Mount McKinley	500,000
P36 & P65	Place & Enterprise	Steve Charmley	Generate income from investment in assets	520,000
H02	Public Health	Lee Chapman	Review of maintenance of closed churchyards	47,120
H15	Public Health	Robert Macey	Reduction in posts within Regulatory Services	93,480
R24	Workforce and Transformation	Steve Charmley	Limited voluntary redundancy programme	231,180
Total				2,542,910

Appendix 6 - Policy for Flexibility around the use of Capital Receipts

1. The greater flexibilities around the use of capital receipts offered in the financial years 2016 to 2022 allow the Council to utilise capital receipts generated in this period to fund the revenue costs of service reform. Any qualifying expenditure under this flexibility must be on any project that is designed to generate ongoing revenue savings in the delivery of public services and/or transform service delivery to reduce costs or demand for services in future years.
2. Over 2019/20, Shropshire proposes to use the flexibility to help fund the following:
 - £3m to fund redundancy costs. This is in line with an average annual cost of redundancy of approximately £3m over the last 3 years and will allow the council to manage service redesign and restructure changes.
3. In 2017/18 and 2018/19, this flexibility has been used to fund redundancy costs and contributed towards the costs of the Digital Transformation Programme.
4. The reduction in staffing numbers enabled through the redundancy programme, has allowed the Council to deliver revenue savings as highlighted in previous years Financial Strategies. The first stage of the Digital Transformation Programme is coming to an end in 2018/29 and the new processes and systems will need to be embedded over the course of the next financial year so that savings, both cash and efficiency savings can be realised.

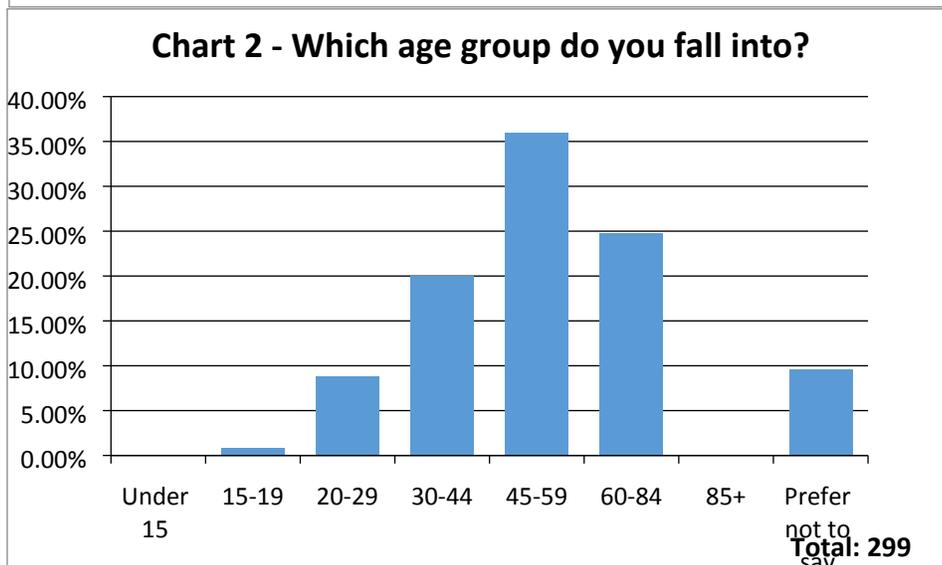
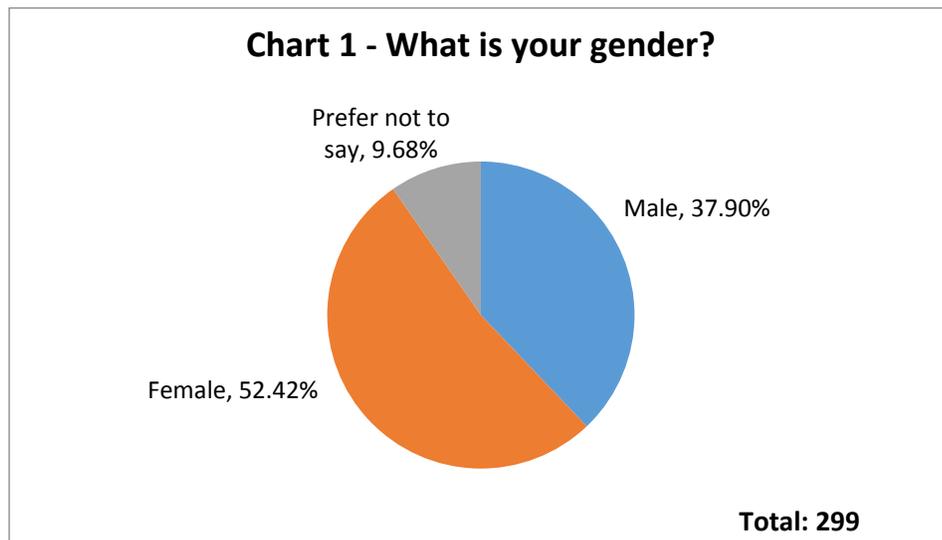
Appendix 7 – Budget Consultation Feedback

Responses Received: 299

1. Budget Consultation

1.1. The Budget Consultation was launched on 8th January 2019 and closed at 5pm on 18th February 2019. It was advertised in the Shropshire Council newsroom and via a number of social media channels. A series of infographics have been released via these channels over the duration of the consultation periodically drawing attention to the opportunity to comment. In response to previous requests, the Council has provided more detail within the consultation documents in a bid to attract more respondents. A total of 299 responses were received.

1.2. As shown in Charts 1 and 2 below the consultation has drawn responses from a broad cross section of the community. Of the 299 respondents 38% were male and 52% female with the remainder preferring not to say. 25% were between the ages of 65-74 and 22% under the age of 35.

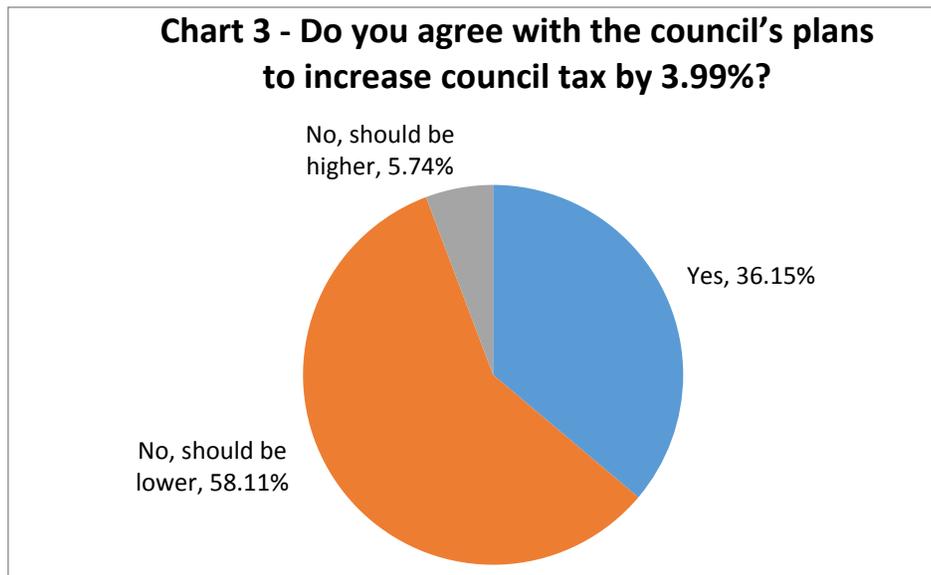


1.3. As shown in Figure 1 Responses have come predominantly from local residents but also those representing a local business or commercial organisation, representatives of local Towns, Parish and Rural Parish Councils, local interest or community groups and some Council employees.

Figure 1



1.4 The first question focussed on the Council’s plans to raise Council Tax by 3.99% in 2019/20. 57% of those responding believed that Council Tax should be lower, 37% were in agreement with the level proposed and 6% thought that the Council should raise Council Tax further if they were able to.



1.5 The next sections of questions looked at the individual savings proposals and allowed respondents to say whether they agreed, disagreed or had no opinion on each saving proposal.

Chart 4 - Saving Plans of £2,172,640 in Adult Services.

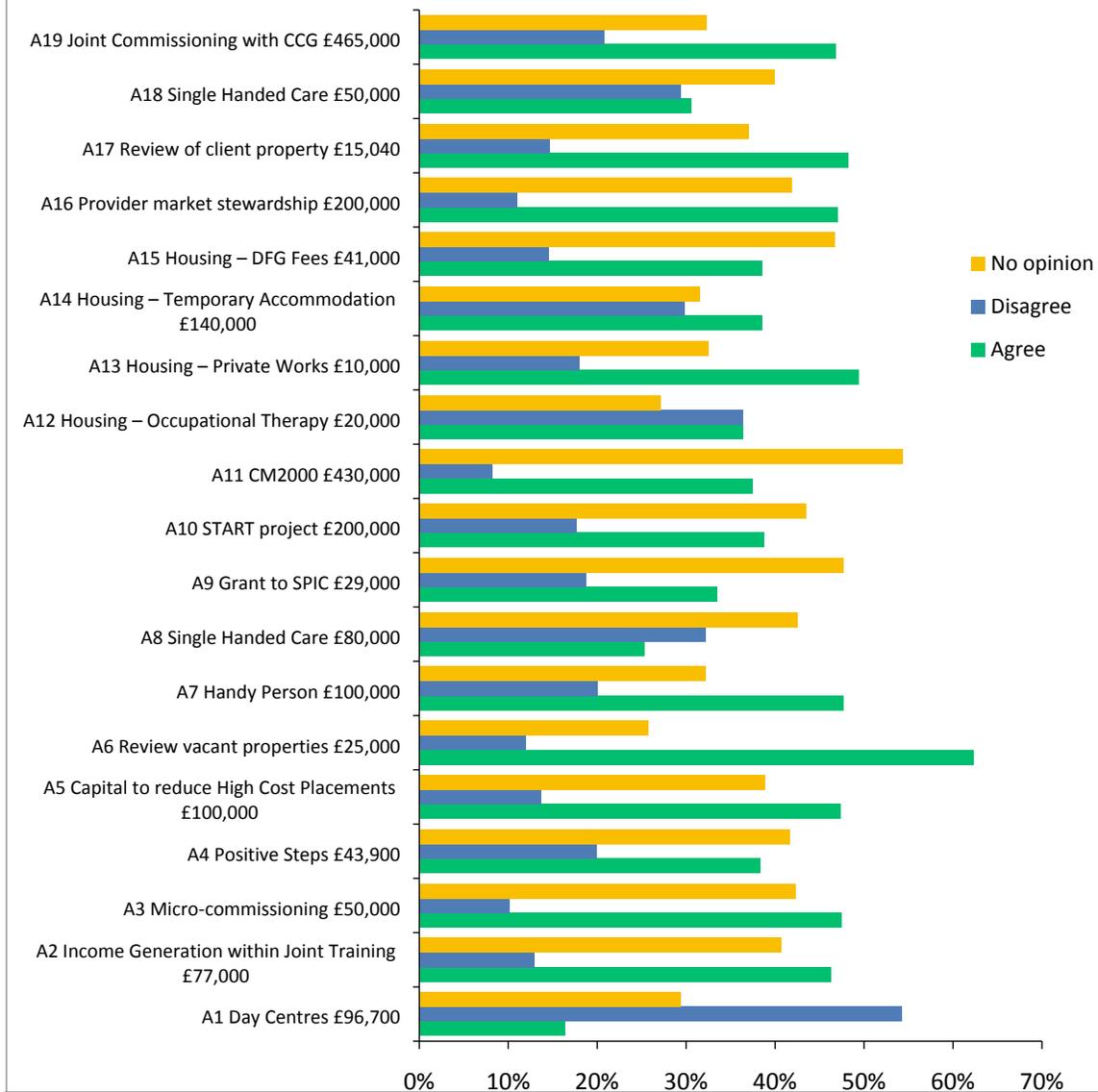


Chart 5 - Saving Plans of £861,980 in Children’s Services

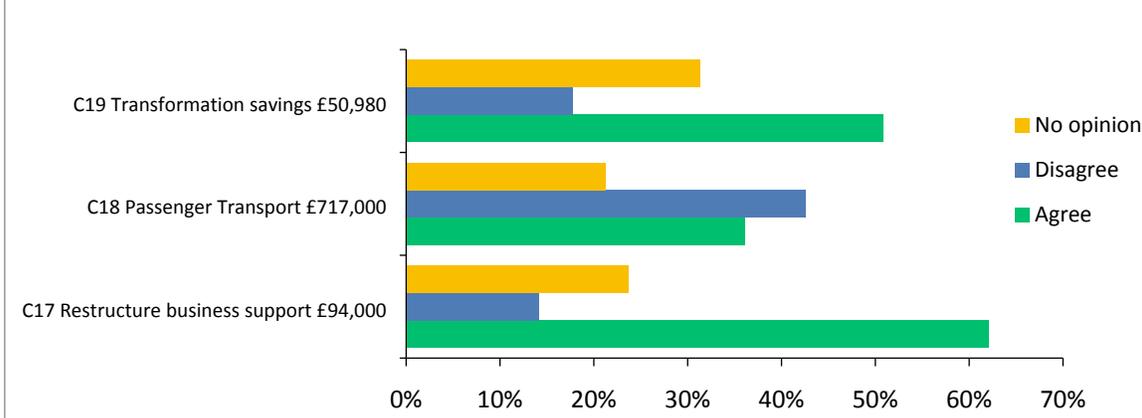


Chart 6 - Saving Plans of £6,251,310 in Place & Enterprise

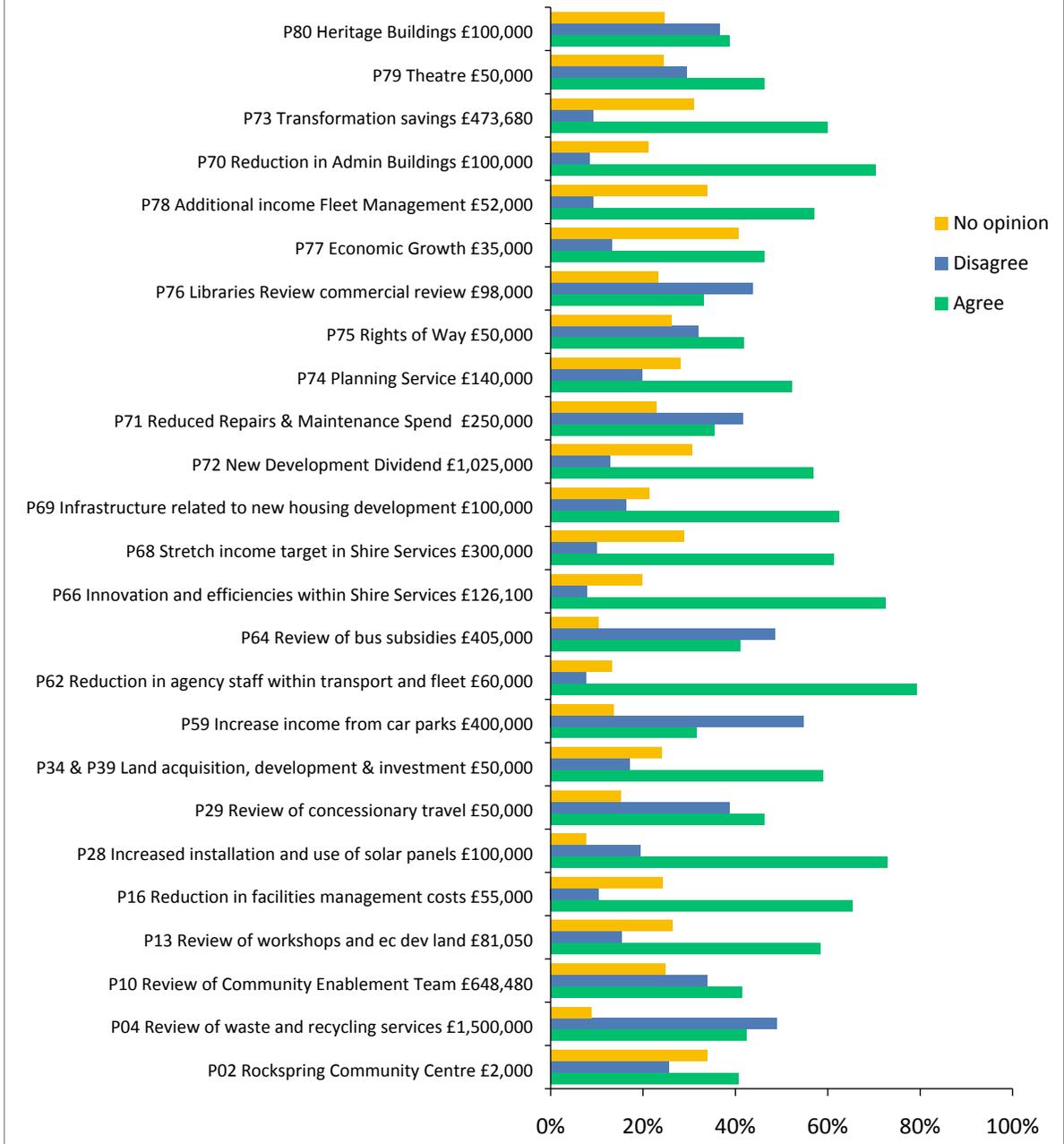


Chart 7 - Saving plans of £3,092,280 in Public Health

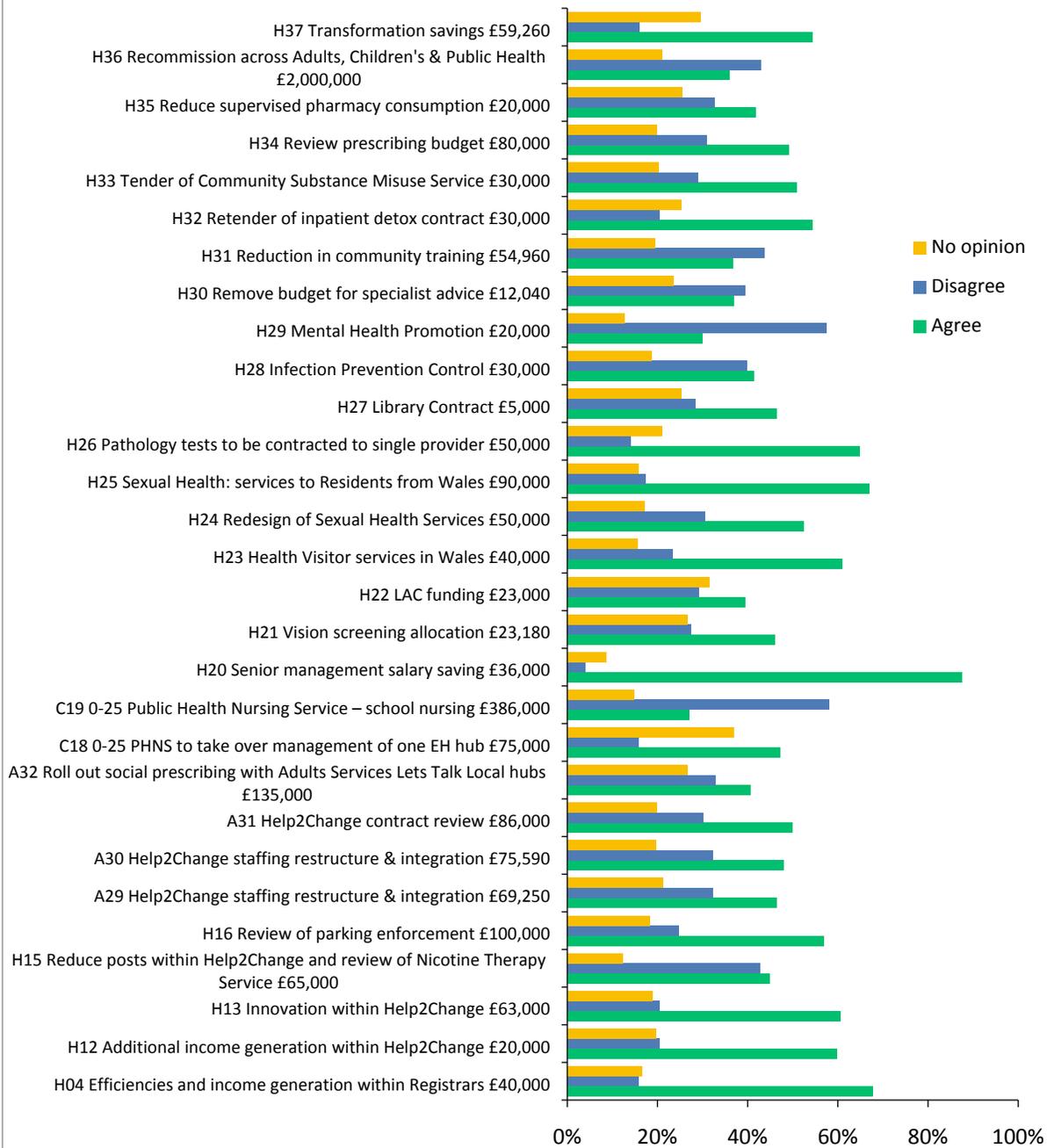


Chart 8 - Saving plans of £4,103,010 in Corporate Budgets

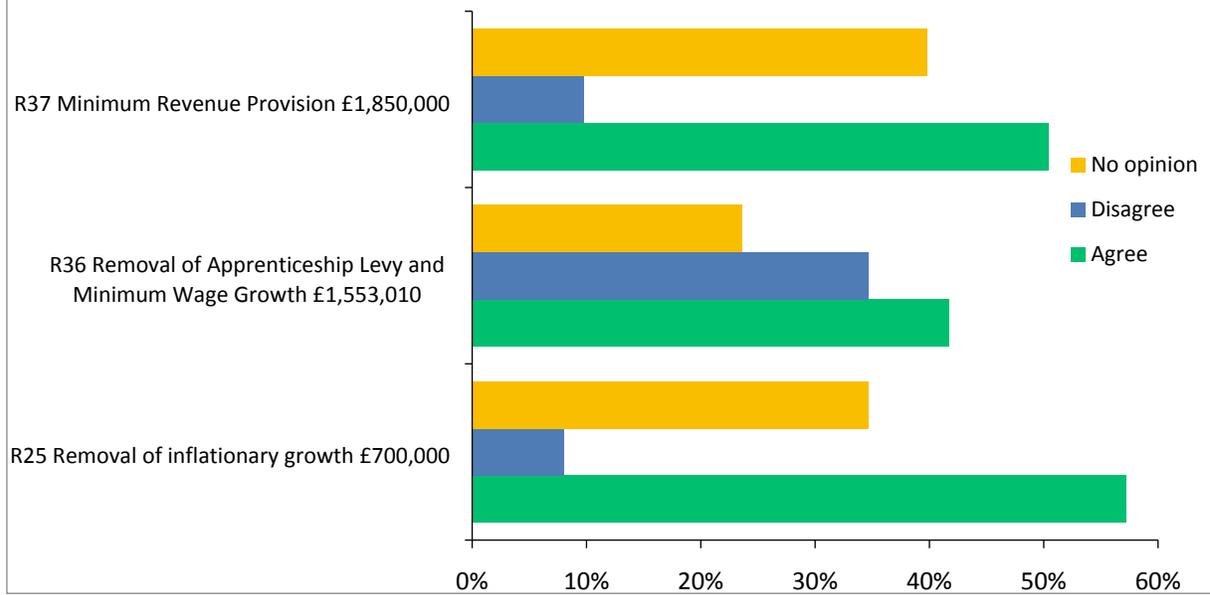
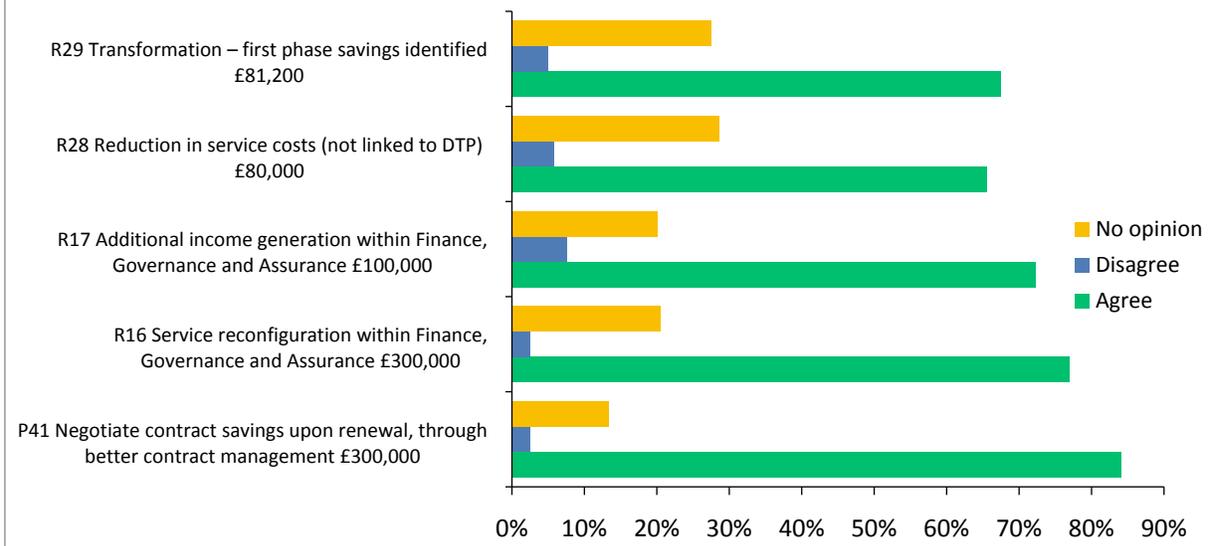
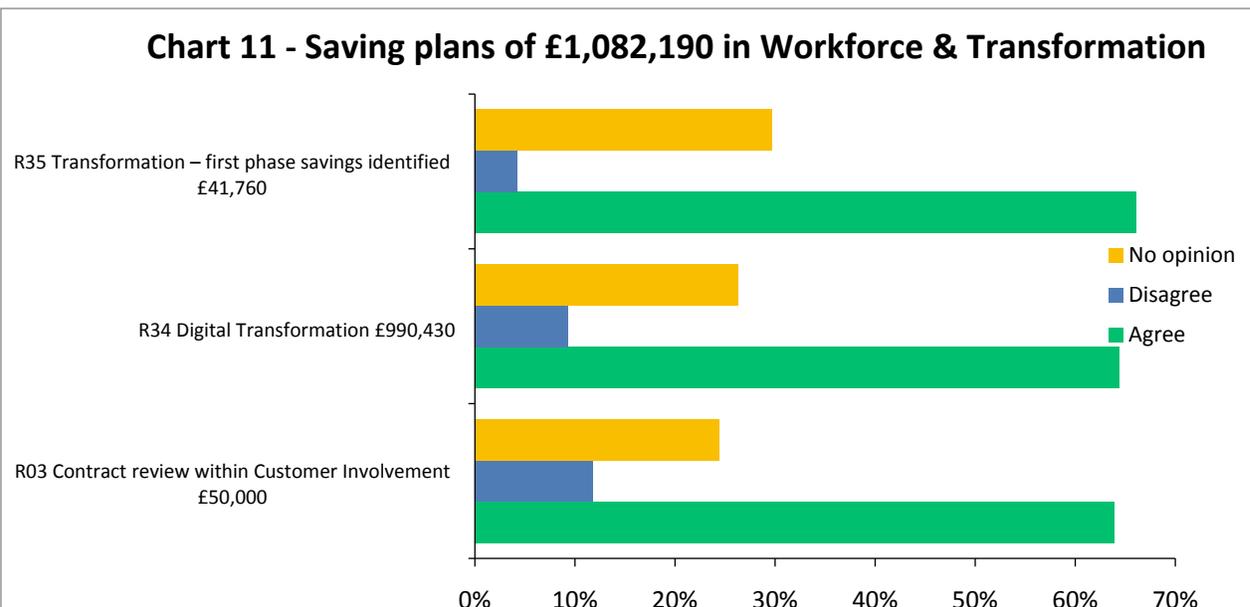
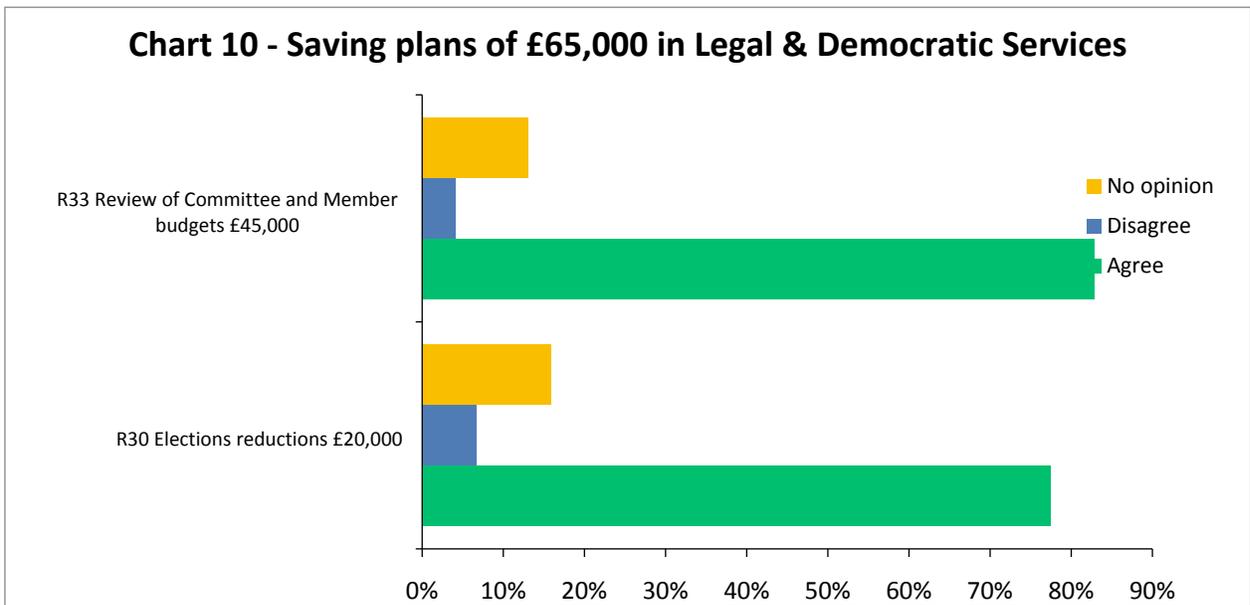


Chart 9 - Saving plans of £861,200 in Finance, Governance & Assurance





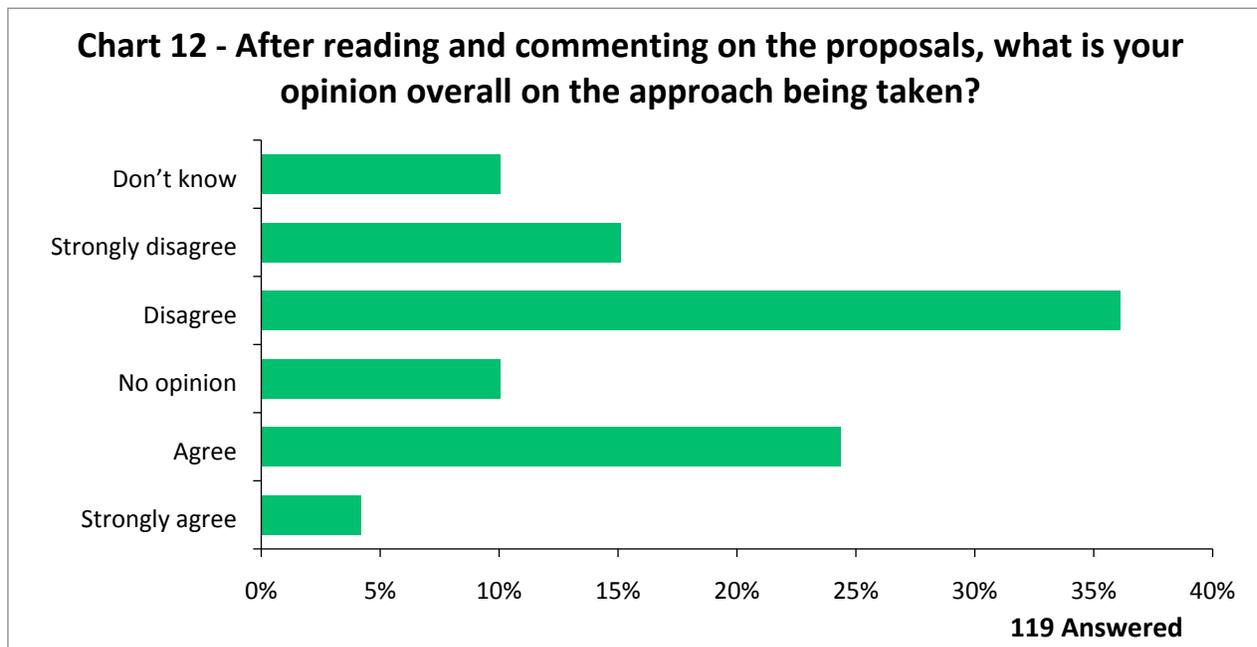
1.7 As Charts 4-11 show, there has been general agreement across the board for the majority of the savings proposals. There have only been four savings proposals where over 50% disagreed with the proposal and one of these has since been removed as not achievable (C19). The three remaining savings (references A01, P59 and H29 respectively) are listed below:

Review of Day Centres	£96,700	54.24% disagreed
Increased income from car parks	£400,000	54.79% disagreed
Mental Health Promotion	£20,000	57.48% disagreed

1.8 Specific comments regarding the savings proposals were also received with the most comments (51) being received on public health savings, with the main theme being that savings in this area were short sighted and the impact that these cuts

would have on the health of Shropshire residents and the resulting costs elsewhere in the system. Other recurring comments related to the Place & Enterprise savings where people were concerned about charging for green waste collection and the impact this may have on fly tipping, several comments suggesting that concessionary travel should be reviewed or means tested for the elderly, further comments about car park charges putting people off from visiting Shropshire centres, and concerns were raised over reducing bus subsidies when the youth and older generation are dependent on them. There was also concern about further cuts hitting Adults and Children’s Services when these services are already struggling to manage their budgets given the demand for the services.

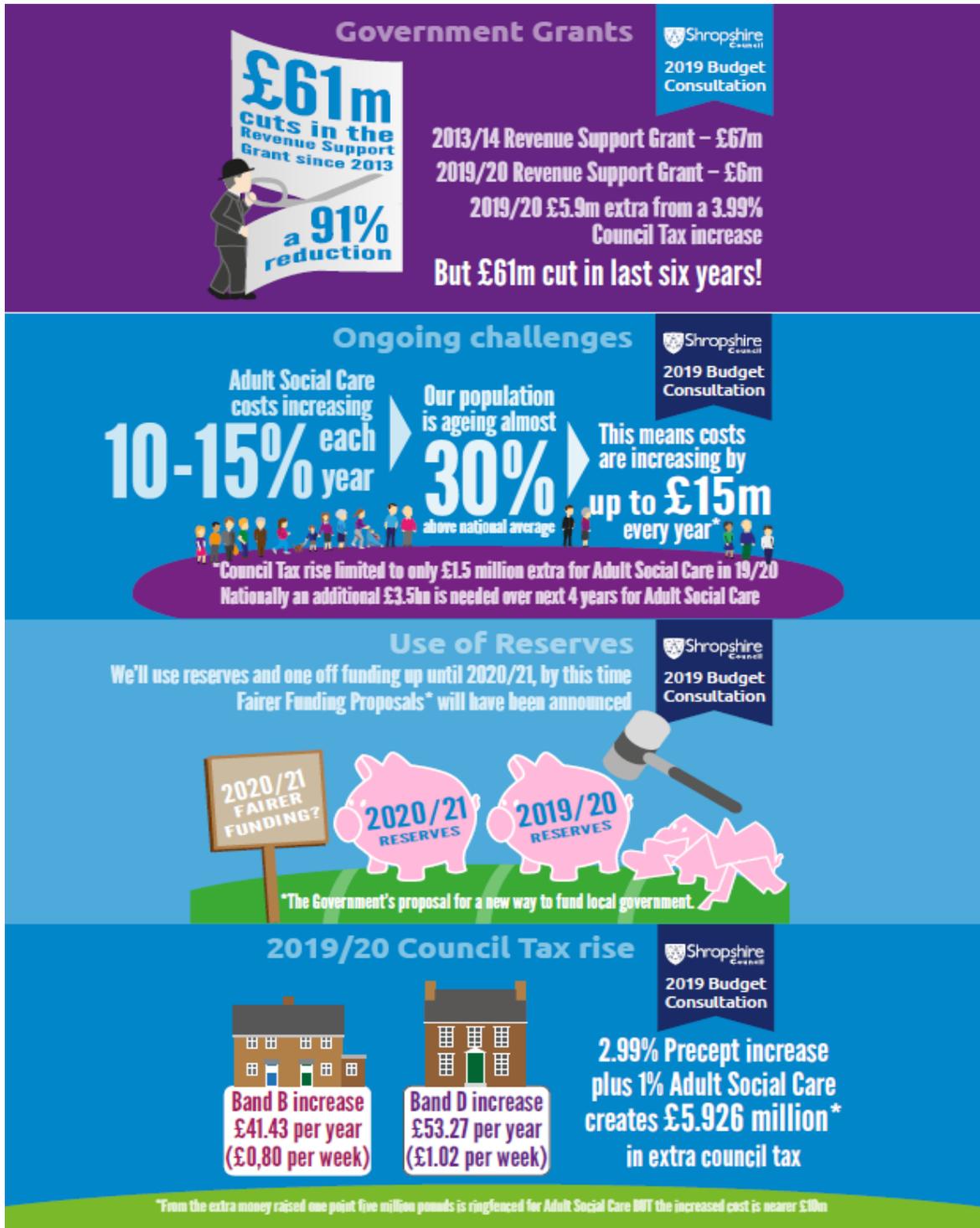
- 1.9 Respondents were also asked if they wished to highlight any alternative savings proposals. 56 comments were received with varied responses, however key themes surrounded the cost of senior manager salaries, reducing number of councillors and members allowances, greater lobbying of central government on the funding position, reducing unnecessary council buildings spend, and selling the shopping centres to use the money elsewhere.
- 1.10 Finally, Question 19 (See Figure 7) invited the public to consider if after reading and commenting on the proposals, their opinion on the approach to close the funding gap taken by the Council. 51% of those that answered this question either disagreed or strongly disagreed with the approach taken and 29% agreed or strongly agreed with the approach.



- 1.11 In summary, the range of comments showed that a number of respondents had concerns over some of the proposals put forward in the budget but others also commented that the proposals were good and the opportunity to feedback was welcomed. Generally the overall feedback, while limited in number, was varied and constructive.

2. Infographics

- 2.1 The following four infographics were released via social media over the course of the consultation. They highlight in pictures the funding challenges the authority is facing.



Appendix 8 – Budget Book 2019/20 – Sent in Separate Document

Appendix 9



<u>Committee and Date</u>	<u>Item</u>
Cabinet	
13 February 2019	<u>Public</u>

ROBUSTNESS OF ESTIMATES AND ADEQUACY OF RESERVES 2018-24

Responsible Officer James Walton

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Telephone: (01743) 258915

1. Summary

- 1.1. Under Section 25 of the Local Government Act 2003, the Authority’s Chief Financial Officer is required to report on the robustness of the estimates made for the purposes of the budget calculations and the adequacy of the proposed reserves.

2. Recommendations

Members are asked to:

- A Approve the recommended level of general balances to support the 2019/20 revenue budget at £20.400m, noting that the projected balance will be below this for 2019/20;
- B Note the projected recommended level of general reserves for the following four years at £26.017m in 2020/21, £32.604m in 2021/22, £34.312m in 2022/23 and £34.700m in 2023/24.
- C Note that further consideration will be made of the implications of figures contained within this report and should there be any material change required, this will be reported to Council on 28 February 2019.

3. Background

- 3.1. Each year council considers a Statement of the Robustness of Estimates. Budget estimates are estimates of spending and income made at a point in time. This statement about the robustness of estimates cannot give a guaranteed assurance about the budget, but in an objective and systematic manner gives members reasonable assurances that the budget has been based on the best available information and assumptions.

- 3.2. In order to meet the requirements for the robustness of estimates a number of key processes were put into place, including:
- Review of expenditure and resources for the entire council for next five years to identify the underlying viability of the council's resource envelope when compared to cost.
 - Review of existing budgets and focus on key risk areas as part of the budget setting and budget monitoring process. For example, our key risk areas in terms of budget size and volatility is Adult Services and Children's Safeguarding. In order to review this, growth models for both service areas have been developed which look at the cost drivers for these service areas. As a result we have a better understanding of the pressures in this area and have used this in the modelling of future costs. This has been successful for some time however, pressures in the 2018/19 monitoring are evident as growth starts to breach original assumptions. Breaches of a small percentage have a significant impact in terms of value.
 - Identification of the in-year and the full year impact of any variations compared to budget. This ensures that the underlying budget and any pressure can always be separately identified and arrangements to manage pressures (for example by the use of one-off resources) is undertaken in an open and transparent mechanism, approved by Cabinet.
 - The Financial Strategy and Budget Monitoring Reports are updated and reported to Cabinet on a quarterly basis. In this period of unprecedented uncertainty in terms of Local Government funding and spending pressures, the latest position is always reported transparently even though this position can change significantly from one reporting period to the next.
 - Separation of roles within the Finance Team in setting budget control totals, identifying budget requirement and inputting into the Finance System which is subject to review by Internal Audit as part of the Council's Internal Audit Plan.
 - Review by Finance Staff with Service Managers to understand the achievability, deliverability and timescales for all proposed service redesign.
 - Notwithstanding these arrangements, which are designed to test the budget throughout its various stages of development, considerable reliance is placed on Senior Managers having proper arrangements in place to identify issues, project demand data, performance information and to consider value for money and efficiency.
- 3.3. On an annual basis the Council also considers the level of reserves held, including the General Fund Balance, to assess whether they are adequate. There are two main approaches for deciding the optimum level of the general balances. One method is to set an arbitrary percentage of expenditure, however this generally has little reflection of the potential contingencies that the Council may need to draw on. An alternative, preferable, method is an approach based on a risk assessment of the budget.
- 3.4. This paper sets out the framework for a risk assessment approach. The issues the framework considers include strategic, operational and financial risks that the authority is facing. This includes, for example, changes in external funding or the council's ability

to deliver savings; the effectiveness of budget monitoring to identify variances from spending plans and trigger timely remedial action; the availability of other funds to cover costs – for example, from an insurance policy, or from the government under the Bellwin Scheme for emergency financial assistance; and the extent to which contingency is built into individual departmental budgets and the council's overall budget.

4. Risk Assessment

- 4.1. On an annual basis the Council will undertake a formal review of risks associated with the budget and Financial Strategy and identify balances at appropriate level compared to the risks. The development and introduction of this risk assessment is not intended to replace the Council's existing Risk Registers, rather that they should inform any revision of these Risk Registers.
- 4.2. The Risk Assessment is intended to form part of the onward budgetary control framework and used at budgetary control meetings with service area personnel and reviewed annually by the authority.
- 4.3. Throughout the budget process Members are able to challenge and assess the robustness of budgets and the achievability of savings, income and budget reductions. The key financial risks that remain are:
 - Changes to staffing arrangements through redundancy, restructure or remodelling of services or the overall Council Structure;
 - The delivery of service redesign proposals, savings and income targets and efficiency measures within the required timeframe;
 - Improvements in budgeting and/or associated IT systems, the implementation of which may throw up funding challenges;
 - The impact of changes on a national or regional basis that do not fall within the existing budget process including the impact of Brexit;
 - Lack of clarity from Central Government on the future funding levels and changes to Local Government powers and financing, plus increased uncertainty re: local resources, which inhibits the ability to calculate future budgets; and
 - Inability to set a sustainable budget with the resources available, resulting in services not being delivered or a legal budget not being set from 2019/20 and beyond.
- 4.4. These assumptions and potential changing circumstances will require the forecasts for future years to be reviewed in each financial year leading to more detailed budgets being prepared for the next financial year and for the Financial Strategy. Impacts within year are reported to Members within the existing monitoring reports for both revenue and capital.

5. Robustness of Revenue Estimates

- 5.1. The 2019/20 budget process continues progress in improving the Council’s budget preparation, most notably in the creation of a detailed growth model and the process of medium term forecasting due to information and trend data drawn from the monitoring of the budget and associated systems, reported as a minimum to Cabinet on a quarterly basis.
- 5.2. As part of developing the 2019/20 budget, Council Members have had the opportunity to review the available options, implications and impact on outcomes, and these are reflected in the proposed budget.
- 5.3. The development of the 5 year financial strategy is based on the assumption that services need to be delivered and funded through an appropriate level of resources over the next five years and this is demonstrated in the resources and expenditure projections given in Table 1 below. This includes assumptions around savings to be delivered as part of the Financial Strategy.

Table 1: Gross Resources and Expenditure Projections

	2019/20 £'000	2020/21 £'000	2021/22 £'000	2022/23 £'000	2023/24 £'000
Projected Resources	566,073	549,024	548,334	558,992	570,338
Current Projected Expenditure	590,357	583,960	591,243	609,255	627,188
Funding Gap	24,284	34,937	42,909	50,263	56,851
Year on Year Gap		10,652	7,972	7,354	6,588

- 5.4. Savings proposals have been identified for 2019/20 through to 2022/23, however the Council is awaiting further clarity on the Fair Funding Review before formalising savings plans from 2020/21 onwards. The savings identified have been based on raising income, innovation and cutting services. Some of the savings values, whilst achievable, are ambitious and so progress against these proposals will be monitored carefully to consider the impact on the budget strategy. Appendix 1 shows the factors taken into account in developing the draft budget.

6. Capital Budget

- 6.1. The agreed programme is fully funded within a 3 year timescale however this is heavily dependent on the Council generating significant levels of capital receipts. Projects have been costed at current year prices but may be subject to tender processes after inclusion in the programme which may lead to a variance in the final cost. In some areas, the design brief may not be finalised, again giving rise to potential price variance.

- 6.2. The risk of the Council being unable to fund variations outside of the programme is minimal mainly due to the phasing of projects. If necessary the Council can choose to freeze parts of the programme throughout the year to ensure spend is kept within the agreed budget.
- 6.3. There are two main risks associated with the Capital Programme.
- Firstly, the ability to deliver the capital programme within the agreed timescales. Slippage from 2018/19 is fully funded over the Financial Strategy period but this in itself will increase pressure on the Council to deliver the anticipated 2019/20 programme.
 - Secondly, the draft three year programme includes projects funded from anticipated capital receipts. In the current climate these receipts may be lower than anticipated or may not materialise in the expected timeframe which will have to be managed through a robust monitoring process.
- 6.4 The capital programme will be actively managed and reprofiled during the course of the financial year to reflect scheme delivery timescales and revisions to funding agreements for projects. At the end of the year, however, slippage within the programme normally occurs which had not previously been anticipated. This will be due to delays in delivery of schemes and the net of underspends and overspends against specific projects. As shown in Table 2 below, in 2017/18 there was slippage of £10.140m which represents 17% of the revised capital programme. Action has already been taken during the course of 2018/19 to reprofile budgets to future years to reflect latest data on project delivery.

Table 2: Three Year Capital position (£000's)

	2017/18	2018/19	2019/20
Capital Programme	+66,058	+53,398	+68,336
Reprofile Budgets	+2,978	+25,598	-
Revised Capital Programme	+69,036	+78,996	+68,336
Slippage	-9,288	-10,140	-
Actual Capital Programme	+59,748	+68,856	+68,336

- 6.5 The capital programme includes a target for capital receipts to be delivered to ensure the programme is fully funded and removing the necessity for prudential borrowing to be undertaken to meet a funding gap. This target generally decreases during the course of the year to reflect the reprofiled budget, however the full capital receipt target will still be required to fully fund the capital programme.
- 6.6 Over the last 2 years (2017/18 and 2018/19) the level of capital receipts has been sufficient for a balance of capital receipts to be carried forward to offset any requirement for funding in the next financial year. This has been managed by natural slippage in the programme which has enabled other sources of funding to be used

initially. In 2019/20 the level of capital receipts required is £22.8m and a shortfall of £6.7m currently exists within receipt projections. There are currently £3.1m of further assets being considered for disposal which partially address this shortfall. Whilst every effort will be made to bring this level of resources in to the Council, should there be a delay in the delivery schedule of capital receipts it is anticipated that this will again be controlled through natural and potentially managed slippage in the capital programme.

7. The Framework for the General Balance

- 7.1 A Framework has been developed to identify areas of risk with an appropriate budget amount, an assessed level of risk (high, medium and low) and a percentage factor which will vary according to the level of risk. This process produces a value from which a risk assessed optimum level of general balance can be created.
- 7.2 There are six main areas that the General Fund Balance is required to cover and the individual risks within these areas have been considered. These risks are detailed, with explanatory text, in Appendix 1, while Appendix 2 provides a summary of the calculation for the general balance.
- 7.3 The risk based assessment of the General Fund Balance was examined in detail by a Task and Finish Group of the Performance Management Scrutiny Committee in 2016, to confirm that the method for calculating the indicative risk based General Fund Balance was a sound basis. It was agreed that this method does cover and appropriately measures the potential financial risks that the Council needs to provide for and so should continue to be used in future years.
- 7.4 The risk calculation used to estimate the required General Fund Balance has been expanded this year to take into account risks associated with Brexit. The impact is unknown at the present time, but there is the potential to see an economic slowdown, impacting on capital receipts generation, construction and a reduction in business rates; increased unemployment and homelessness could reduce discretionary income generation, Council Tax collection and impact on Council Tax Support; across the wider economy general inflation could be impacted and supply chain implications could affect contract prices. The financial impact on the Council is difficult to estimate and to untangle for impacts across the wider economy, but has been estimated where possible.

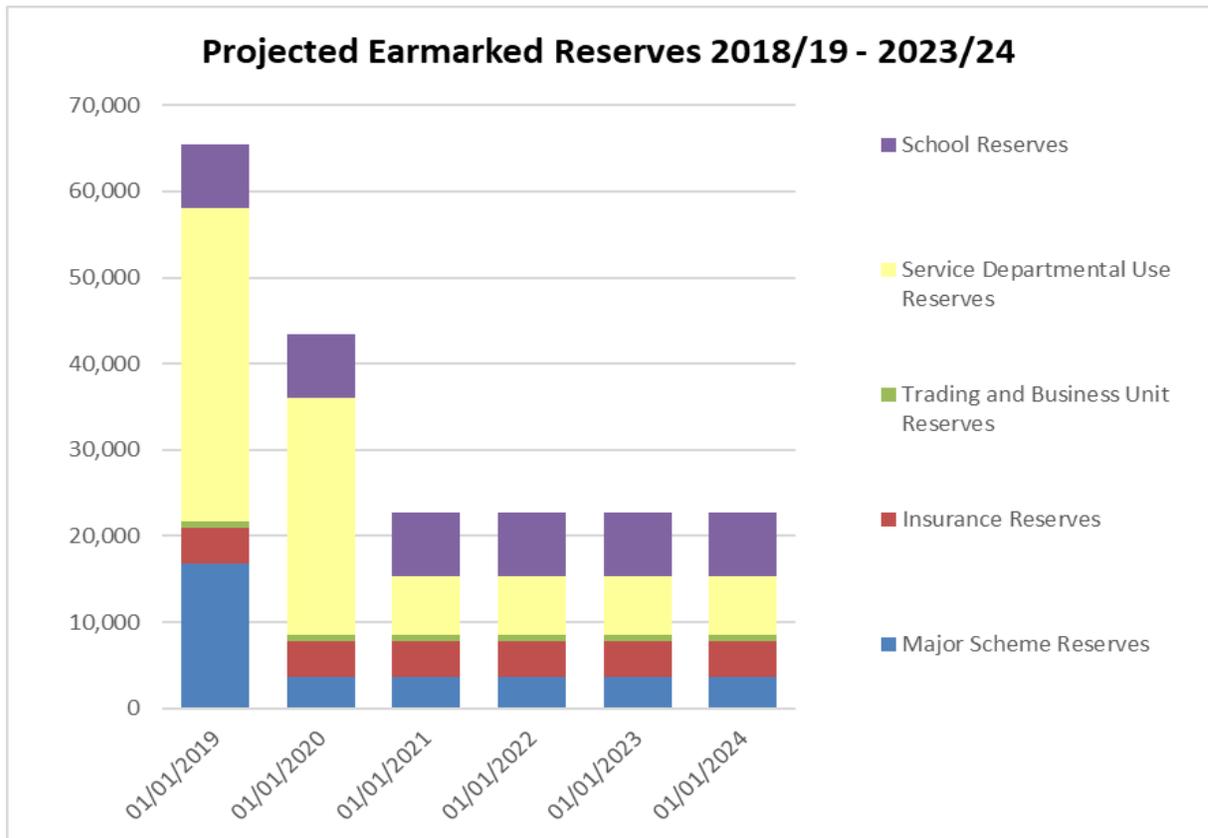
8. Review of Earmarked Reserves and Provisions

- 8.1 A review of the earmarked balances held by the Council has also been performed to establish the purpose of the reserves and the likely timescale that these reserves will be utilised.
- 8.2 Earmarked reserves are created to meet known or predicted requirements in the future. There are 5 main categories of earmarked reserves that the Council holds:
- Sums set aside for major schemes, such as capital developments, or to fund major reorganisations

- Insurance Reserves
- Reserves of trading and business units
- Reserves retained for service departmental use
- School Balances

8.3 The Council held balances of £69.839m in earmarked reserves at 31 March 2018 which includes schools budget balances of £7.372m. During the course of 2018/19 it is anticipated that a net £4.236m will be drawn down from earmarked reserves to fund commitments during the year. Balances taken forwards include contributions of £20.096m to fund the known funding gap in 2019/20 and future years as agreed in the Financial Strategy paper to Cabinet in December 2018. A full breakdown of the earmarked reserves is attached at Appendix 3 with details of the purpose of each reserve.

8.4 A projection has been made on the level of earmarked reserves that will be held over the next 5 years of the financial strategy based on likely timescales of when these balances will be used to fund known commitments, investment in service redesign and help to smooth the impact of savings proposals. Overall a reduction of 65% is anticipated in the earmarked reserves held with the most significant reduction coming within the Financial Strategy Reserve in the next two years, and this is shown in the graph below.



9. General Fund Balance

- 9.1 It is essential in setting a balanced budget that the Council has money available in the event of unexpected spending pressures. The “balances” need to reflect spending experience and risks to which the Council is exposed.
- 9.2 The revenue monitoring reports have provided members with an updated projection on the General Fund and the projected General Fund Balance is provided below:

	£'000
General Fund Balance as at 31 March 2018	15,311
Brexit Funding	105
This Report – Projected Outturn Under/(Over)spend	(72)
Projected Balance at 31 March 2019	15,344

- 9.3 The Financial Strategy previously recognised that balances needed to be increased to the risk assessed level and additional base budget contributions were made over the previous 4 years to increase the balance to its current level. The budget no longer includes any base budget contribution however the Government has recently advised that they are providing £105,000 in 2018/19 and 2019/20 and as the Brexit risks are considered within the General Fund Balance, this funding will be contributed to the General Fund Balance in the two years. The risk-based calculation for the General Fund Balance is significantly higher than this value over the course of the 5 year Financial Strategy as shown below:

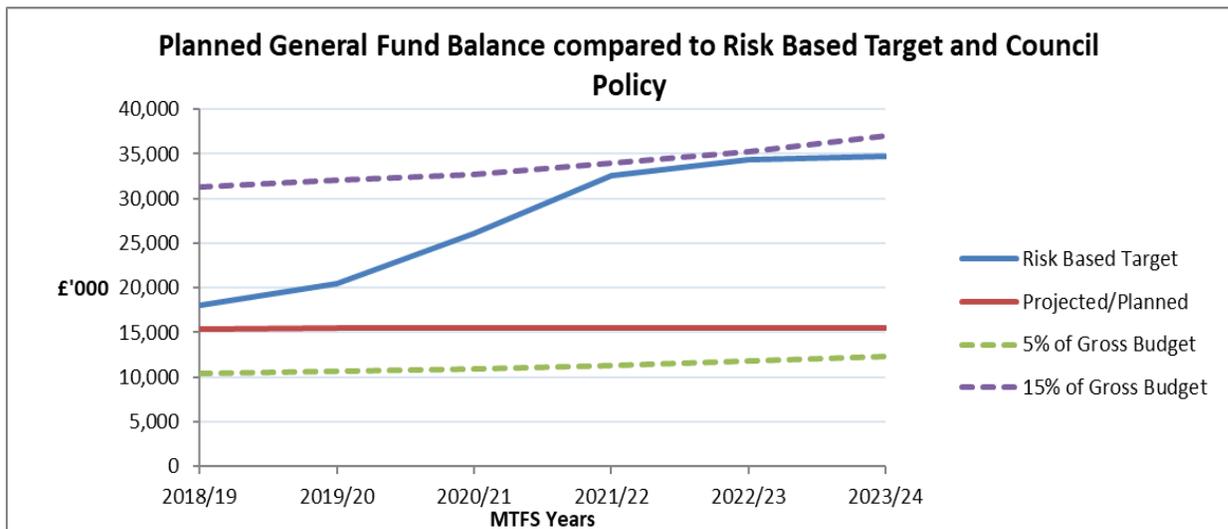
Table 3: Comparison of Risk Based Calculation to Projected General Fund

	2019/20 £000	2020/21 £000	2021/22 £000	2022/23 £000	2023/24 £000
Risk assessed level of General Fund Balance	20,400	26,017	32,604	34,312	34,700
Projected level of General Fund Balance as per Financial Strategy	15,344	15,449	15,449	15,449	15,449

- 9.4 The anticipated General Fund Balance for 2019/20 is below the risk assessed level for that financial year. A significant proportion of this shortfall, however, relates to the financial exemplification of Brexit risks arising from a no-deal exit from the EU. While this remains a material risk, it is very difficult to assess whether the financial estimates identified in the calculation are accurate and realistic, and consequently it is unwise to use this element of the calculation as a robust basis for taking action that could have unnecessary and significant financial implications on the wider Council. It is, of course, anticipated that the UK position in relation to Brexit will be clarified before the end of the Financial Year. Considering the authority as a whole, given this timescale and the potential to decommit earmarked reserves in the short term under an emergency

situation, it is acceptable, in this scenario, for the General Fund Balance to remain below the risk assessed level.

- 9.5 The gap between the general fund balance and the risk assessed level grows significantly in 2020/21 and increases further in future years. This is reflective of the remaining funding gap in these years as set out in the Financial Strategy. Furthermore, there are a number of funding sources that have not yet been confirmed as part of the multi-year settlement that the Council has signed up to. Whilst it is anticipated that the Council will pursue savings and efficiencies or even increase council tax to help reduce this gap, there is a risk that a significant funding gap will still remain that may fall on the General Fund Balance. It should be noted that 2020/21 is the year that a new fair funding formula will be implemented. It is not known at this point whether this will be favourable or present the Council with a further funding pressure. In light of this combined additional risk the Council should consider planning for future contributions to the General Fund Balance in order to bring the balance in line with the risk based assessment.



- 9.5 Research undertaken by CIPFA show that generally upper tier councils hold a general fund balance of approximately 10% of the net revenue budget. Shropshire Council is currently holding a balance which represents 7% of the Net Revenue Budget. Using the CIPFA research as a basis for agreeing a benchmark to evaluate the level of General Fund Balance held, it is considered appropriate that the balance held should be somewhere between 5% and 15% of their net revenue budget. If this benchmark was implemented, it would be necessary for the General Fund Balance to be between £10.438m and £31.315m in 2019/20. This can be seen as a blunt tool for calculating an appropriate balance to hold, but does give a standard to compare to when considering if the risk calculated approach used by this Council is appropriate. As the graph above shows, in 2018/19 and 2019/20, when funding is stable and earmarked reserves have been established to address funding gaps, the risk assessed level is nearer the lower end of the spectrum with values of around 8% of the Council's net budget. However, as the funding position becomes more uncertain and earmarked reserves such as the Financial Strategy Reserve are no longer available, the risk

assessed balance moves to around 14% of the Council's net budget. This would suggest that the current methodology used to calculate an appropriate general fund balance to hold is appropriate.

List of Background Papers (This MUST be completed for all reports, but does not include items containing exempt or confidential information)
Cabinet Member (Portfolio Holder) Peter Nutting - Leader
Local Member All
Appendices Appendix 1: Analysis of Budget Assumptions and Financial Risks, including the Council's Financial Management Arrangements and Appropriate Mitigation Appendix 2: Risk Based Calculation of General Fund Balances Appendix 3: Earmarked Reserves

Analysis of Budget Assumptions and Financial Risks, including the Council's Financial Management Arrangements and Appropriate Mitigation

Budget Assumption	Explanation of Risk	Financial Standing and Management and Mitigating Action
1. The treatment of inflation	<p>There are two key issues in relation to inflation.</p> <ul style="list-style-type: none"> There may be some items of expenditure – fuel or energy costs for example - where any estimate of inflation is a 'best guess'. The risk assessment considers the average level of inflation experienced over a 5 year period and so reflects the higher levels of inflation that may seem to be unreasonable to include in a budget, but might come to pass. Information is less accurate for years 2 onwards; the risk assessment covers the higher range. <p>It is difficult to predict the direction that the wider economy will take and thus the level of inflation required.</p> <p>The risk on inflation resulting from Brexit has been included based on government projections off a Brexit deal and a no deal Brexit.</p>	<p>Pay – 2% has been provided in the 2019/20 budget to reflect the pay award (pending) for staff with 2% thereafter. Funding has also been provided for increments due to be awarded for 2019/20 based on existing staffing levels.</p> <p>Pension contribution rates are at the increased rate of 14.8% introduced in 2018/19</p> <p>Price inflation has been provided on contractually or quasi-contractually committed budgets at the rate stated in the relevant agreement.</p>
2. Interest rates on borrowing and investment	<p>This issue here are similar to those in 1 above, but for a specific area.</p> <p>The Council's policy of generating capital receipts to prevent new borrowing, and allowing existing borrowing to mature has resulted in a reduction in available cash balances to invest. The level of interest rates on investments has also dropped to record lows resulting in reduced returns on cash balances. In the past it was possible for the Council to lend money and get a better interest rate than it was paying for borrowed money.</p> <p>The Council's borrowing has been undertaken at fixed rates of interest and so the level of interest payable is not considered as a risk to variable rates. However if borrowing should be required, there is a potential risk that any new borrowing may not be secured at similar interest rates to those currently budgeted for.</p>	<ul style="list-style-type: none"> Interest receivable budgets have been set based on 0.75% interest receivable. These range from investments for 12 months gaining 1% to short term call accounts which gain between 0.53% and money market funds achieving rates of 0.7% The average interest rate of the total debt portfolio (excl. HRA) is calculated at 5.1% for 2019/20 and this is used for all borrowing costs.
3. Estimates of the level and timing of capital receipts.	<p>The Council has developed an asset management strategy and has a policy of reducing borrowing costs around the capital programme where possible. Therefore the capital programme is dependent on the</p>	<p>Capital receipts are monitored monthly in the capital monitoring report and are RAG rated in terms of their anticipated delivery against target.</p>

Budget Assumption	Explanation of Risk	Financial Standing and Management and Mitigating Action
	<p>delivery of capital receipts. The planned receipts estimated to the Council are made more difficult due to reducing market values and problems for potential procurers in obtaining finance. The risk around an economic downturn in relation to Brexit has also been factored in.</p>	
<p>4. The treatment of demand led pressures</p>	<p>There are long standing areas of risk due to volatility, where we budget for demographic changes in future years, but might find the actual is at the higher end resulting in a shortfall, particularly in the short term.</p> <p>Two areas specifically affected by demography are adult social care and children's social care, where we have seen significant budget pressures due to increasing numbers of clients receiving care packages.</p>	<p>Managers review their base budgets including demand led pressures. Services are expected to put forward management and policy actions to manage the additional demand within the relevant legislation either within the relevant budget or reprioritising within their Service budgets. If this is not possible and under-spending management action or policy actions in other Services are not sufficient to cover the additional demand, then reserves may have to be used to address the additional expenditure temporarily.</p> <p>Such an eventuality has been considered in future years' budgets and it is assumed that general fund reserves are restored to an appropriate prudent level over the course of the Financial Strategy.</p> <p>The 2019/20 budget has been based upon specific demand levels identified during budget monitoring in 2017/18 and six months of 2018/19 and projections made by Heads of Service of demand levels in future years. A growth model for both Children's social care and Adults social care is relied upon for setting these budgets.</p>
<p>5. The treatment of efficiency savings</p>	<p>The budget includes improvement programmes that will deliver savings; the risk is that they may be delivered at a slower rate.</p> <p>This includes total savings targets of £27m over the next five years projected in the Financial Strategy which will have risks involved in terms of delivery, and also from delays in delivery. It should also be noted that from year two of the Financial Strategy the Council has a funding gap of £13.7m which rises to £54.2m will require compensatory savings to be identified. The savings whilst achievable are ambitious and this should be reflected in the risk factor applied.</p>	<p>All Managers have a responsibility to ensure the efficient delivery of services and when efficiency savings are proposed that those savings are both realistic in terms of the level of savings and timing.</p> <p>Should the level and timing of such savings vary due to unforeseen events and under-spending, management action or policy actions within the relevant Service Area and corporately will be implemented where appropriate. Alternatively the General Fund Balance will be utilised as a temporary funding mechanism until the full savings are achieved.</p> <p>If the funding gap remains unresolved by future savings plans the council will need to consider making further efficiencies and/or potentially increasing council tax.</p>

Appendix 1

Budget Assumption	Explanation of Risk	Financial Standing and Management and Mitigating Action
<p>6. The financial risks inherent in any significant new funding partnerships, major outsourcing deals or major capital developments</p>	<p>The Council may decide to establish separate delivery vehicles in order to improve service delivery in the future. Full business cases are required for any services being considered for transfer to an alternative service vehicle.</p>	<p>The sharing of risk is in accordance with the principle of the risks being borne by the party best placed to manage that risk. Inherent risks include any guarantee or variation of service throughput (service volumes). If risks materialise the expectation is that such an eventuality will be considered in future years' budgets.</p> <p>Business cases for any new delivery vehicles will fully investigate any financial risks that the Council may face in the future and the Financial Strategy updated accordingly.</p>
<p>7. The availability of other funds to deal with major contingencies</p>	<p>Were a disaster to occur, we have to have a reserve in place to pick up costs that will fall to the Council.</p> <p>The impact of flooding within the Council area based on present experience is that it is limited to localised pockets.</p> <p>The geographical area covered by the Council has resulted in budget pressures in some years due to extreme weather conditions and additional costs such as snow clearance. Changes to the base budget provision has been made in previous years to help mitigate this, but overspends in previous years have, at times, been in excess of this growth level. In more recent years it has not been necessary to utilise all available funding, but a risk remains.</p> <p>Other disasters such as those relating to ICT could occur on a one off basis.</p>	<p>The level of reserves assumes that management and policy actions will be taken to address major contingencies. Should these be insufficient, the general fund balance may have to be used.</p> <p>An earmarked reserve has been established for Severe Weather however any pressure not covered by this reserve would need to be funded from the general fund balance.</p> <p>A risk based approach in calculating the general fund balance takes into consideration the types of incidents and costs associated and this is reviewed annually.</p> <p>The Council's insurance arrangements are a balance between external insurance premiums and internal funds to "self-insure" some areas. 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. Therefore the values of Insurance Reserves are reviewed each year to ensure that the optimum balance is held based on the level of outstanding liabilities.</p> <p>Any major incident or emergency may result in significant costs to the Council. Depending on the incident concerned, the Council may be able to recover such costs through the Bellwin Scheme however the Council would need to cover any expenditure up to the agreed threshold level. This level is fully included within the Council's general fund balance.</p>

Appendix 1

Budget Assumption	Explanation of Risk	Financial Standing and Management and Mitigating Action						
8. Impact on council funding of announcements of national changes	<p>Council funding is always subject to change, especially in the current economic climate. However the Financial Strategy takes account of projected changes in the Revenue Support Grant and specific government grants.</p> <p>In recent years the Dedicated Schools Grant allocation to the Council has come under pressure, in relation to the costs of supporting High Needs Pupils and the centrally retained share due to the academisation process.</p>	<p>The major risk factor included is in relation to the Housing Benefits grants which the Council receives. Changes are planned for welfare benefits which may increase the Council's exposure to costs over and above the grant that is received. This has been factored into the General Fund risk based calculation.</p> <p>The risk around a shortfall in the Dedicated Support Grant arising from High Needs costs and academisation programme has been quantified as any overspend in this area would need to be picked up within the General Fund Balance.</p>						
9. The overall financial standing of the authority (level of, debt outstanding, council tax collection rates etc.)	<p>Changes may mean doing things in a way for which we have no ready evidence and any assumptions made may be wrong. Additionally, the areas of change will alter over time.</p> <p>An allowance for budget pressures has been built in to accommodate any corrective action that needs to be taken if the assumptions about changes in service delivery should change.</p> <p>In the current economic downturn the risk of collecting all income due to the Council is enhanced, which includes all sundry debt, and charges relating to Council Tax and Business Rates. Any such pressure identified should be evaluated and provided for.</p> <p>Income from fees and charges is also vulnerable to change based on the current economic climate. This is likely to continue and is adjusted for within the Financial Strategy, but is subject to short term negative variations from year to year.</p> <p>The impact of Brexit and a further economic downturn also needs to be factored in as a key risk to income collected by the Council.</p>	<p>The level of aged debt within the sundry debtors figure is monitored reported to management regularly so that the appropriate action may be taken. Bad debt provisions are maintained to protect the budget against any such pressures, but should these not be sufficient, the general fund would be used.</p> <p>The assumed Council Tax collection rate for 2019/20 onwards is 98% and is judged to be achievable based on previous experience. Legislation states that any Collection Fund surplus/deficit be corrected through the Council Tax in the next year. The surplus is distributed in 2019/20.</p> <p>An income review is produced for Cabinet covering income from fees and charges. This review considers the level of income as monitored in the quarterly revenue monitors to Cabinet, and considers the impact of increases in charges, or the freezing of charges on the 2019/20 budget.</p>						
10. The authority's track record in budget and financial management.	<p>Any overspend realised in a financial year would result in the use of the general fund balance. The Council has identified that general fund balances need to be in place in order to protect the Council against specific financial risks, and so any general overspend due to weaknesses in budget management, undermine any planned action being taken on the General Fund Balance.</p>	<p>The Council's recent track record in budget and financial management 2013 to 2019 shows potential variations from a £0.1m overspend to a £2.8m underspend (a range of £2.9m).</p> <table border="1" style="margin-left: auto; margin-right: auto;"> <thead> <tr> <th style="text-align: center;">Financial Year</th> <th style="text-align: center;">(£'000)</th> <th style="text-align: center;">Underspend/ Overspend</th> </tr> </thead> <tbody> <tr> <td style="text-align: center;">2013/14</td> <td style="text-align: center;">(390)</td> <td style="text-align: center;">Under</td> </tr> </tbody> </table>	Financial Year	(£'000)	Underspend/ Overspend	2013/14	(390)	Under
Financial Year	(£'000)	Underspend/ Overspend						
2013/14	(390)	Under						

Appendix 1

Budget Assumption	Explanation of Risk	Financial Standing and Management and Mitigating Action		
	Financial management needs to be considered across all service areas of the Council. If a particular service area is unable to manage a particular overspend pressure, this may present a need to use general fund balance in the current financial year. Also this may have implications on future level of balances if no action is taken to reduce the spending pressure for the service area in future years or offset by compensating savings.	2014/15	(300)	Under
		2015/16	(2,816)	Under
		2016/17	(894)	Under
		2017/18	(613)	Under
		2018/19*	72	Over
		Total 2013 to 2019		Under
		<p>* As projected at Quarter 3 monitoring</p> <p>This has been achieved by careful management and policy actions to ensure spending is in line with the budget each year.</p> <p>Ultimately, financial performance relies on all budget holders actively managing their budgets and complying with financial rules, including not committing expenditure if there is no budget provision available.</p> <p>The most recent three years outturn (estimated outturn for 2018/19) position suggests that variances are underspends or a minor overspend.</p> <p>The authority needs to continually improve its ability to manage in-year budget pressures. The following steps are already in place:</p> <ul style="list-style-type: none"> • Accuracy of projections has improved over the year, but further work is required. • The monitoring system continues to be improved in terms of accuracy, the frequency of reporting and the challenge process. <p>Collaborative Planning budget monitoring tool is now used within the Council to improve the financial information provided and the consistency of financial reports produced. For future years this will be managed within the ERP system</p> <p>The Council's virement and carry forward rules are clear and detailed in the Constitution.</p>		

Risk Based Calculation of General Fund Balances

Calculation of Risk Assessed General Fund Balance

2018/19					2019/20			2020/21			2021/22			2022/23			2023/24		
Budget/ Value £000	Risk Level	Risk Assessed General Fund £000	Budget Assumption	Area of Risk	Budget/ Value £000	Risk Level	Risk Assessed General Fund £000												
Treatment of inflation and interest rates																			
102,900	0.10%	103	Inflation	Salaries	100,054	0.10%	100	97,215	0.10%	97	96,714	0.10%	97	96,215	0.10%	96	95,719	0.10%	96
24,968	0.56%	140		Premises	24,278	0.56%	136	23,589	0.56%	132	23,467	0.56%	131	23,346	0.56%	131	23,226	0.56%	130
29,241	2.94%	860		Transport	28,432	2.94%	836	27,626	2.94%	813	27,483	2.94%	809	27,341	2.94%	804	27,201	2.94%	800
60,370	0.10%	60		Supplies & Services	58,700	0.10%	59	57,034	0.10%	57	56,740	0.10%	57	56,448	0.10%	56	56,157	0.10%	56
172,940	0.10%	173		Third Party Payments	168,157	0.10%	168	163,385	0.10%	163	162,542	0.10%	163	161,704	0.10%	162	160,871	0.10%	161
68,644	0.10%	69		Transfer Payments	66,745	0.10%	67	64,851	0.10%	65	64,517	0.10%	65	64,184	0.10%	64	63,853	0.10%	64
459,063	0.00%	0		Brexit effect on inflation	446,367	0.30%	1,339	433,700	0.30%	1,301	431,464	0.30%	1,294	429,239	0.30%	1,288	427,026	0.30%	1,281
83,841	0.00%	0		Pension triennial valuation unaffordable	83,841	0.00%	0	83,841	1.00%	838	83,841	1.00%		83,841	1.00%		83,841	1.00%	838
		1,405		Total Inflation			2,705			3,467			2,615			2,601			3,426
258,368	0.00%	0	Interest rates	Existing Borrowing	254,368	0.00%	0	242,368	0.00%	0	237,368	0.00%	0	237,368	0.00%	0	231,868	0.00%	0
0	0.00%	0		New Borrowing	0	0.00%	0	0	0.00%	0	0	0.00%	0	0	0.00%	0	0	0.00%	0
4,000	1.00%	40		PWLB	4,000	0.50%	20	12,000	0.50%	60	5,000	0.50%	25	0	0.50%	0	5,500	0.50%	28
100,526	0.50%	503		Investment	100,526	0.50%	503	100,526	0.50%	503	100,526	0.50%	503	100,526	0.50%	503	100,526	0.50%	503
		543		Total Interest Rates			523			563			528			503			530
Level and timing of capital receipts																			
-11,499	1.38%	-159	Capital Receipts	Land Sales	6,721	1.38%	93	8,928	1.38%	123	0	1.38%	0	0	1.38%	0	0	1.38%	0
13,342	1.38%	184		Required for new Powers to use for Revenue	13,342	1.38%	184	13,342	1.38%	184	13,342	1.38%	184	13,342	1.38%	184	13,342	1.38%	184
0	0.00%	0		Economic slowdown resulting from Brexit	6,721	1.00%	67	8,928	1.00%	89	0	1.00%	0	0	1.00%	0	0	1.00%	0
		25		Total Capital Receipts			344			397			184			184			184
Treatment of demand led pressures																			
136,738	1.68%	2,293	Demand Led	Adult Social Care	136,450	1.68%	2,288	137,692	1.68%	2,309	138,945	1.68%	2,330	140,209	1.68%	2,351	141,485	1.68%	2,373
19,617	15.68%	3,076	Pressures	Childrens Social Care	15,958	15.68%	2,502	16,452	15.68%	2,579	16,961	15.68%	2,659	17,486	15.68%	2,741	18,028	15.68%	2,826
		5,369		Total Demand Led Pressures			4,790			4,888			4,989			5,093			5,199
Treatment of planned efficiency savings/productivity gains																			
15,541	16.36%	2,543	Efficiency Savings	18/19 non achievement of savings															
15,541	2.75%	428		18/19 slippage of savings															
				19/20 non achievement of savings	15,947	8.18%	1,305												
				19/20 slippage of savings	15,947	1.38%	220												
				20/21 non achievement of savings				2,897	25.00%	724									
				20/21 slippage of savings				2,897	25.00%	724									
				20/21 funding gap requiring savings				12,433	25.00%	3,108									
				21/22 non achievement of savings							3,850	25.00%	963						
				21/22 slippage of savings							3,850	25.00%	963						
				21/22 funding gap requiring savings							39,146	25.00%	9,787						
				22/23 non achievement of savings										4,469	25.00%	1,117			
				22/23 slippage of savings										4,469	25.00%	1,117			
				22/23 funding gap requiring savings										46,780	25.00%	11,695			
				23/24 slippage of savings													0	25.00%	0
				23/24 funding gap requiring savings													0	25.00%	0
				23/24 funding gap requiring savings													57,157	25.00%	14,289
		2,971		Total Efficiency Savings			1,524			4,557			11,712			13,929			14,289

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Continued...

...Continued

Availability of reserves, government grants and other funds to deal with major contingencies and the adequacy of provisions																
3,824	5.00%	191	Insurance and	Provision	3,824	5.00%	191	3,824	5.00%	191	3,824	5.00%	191	3,824	5.00%	191
4,165	5.00%	208	Emergency	Reserve	4,165	5.00%	208	4,165	5.00%	208	4,165	5.00%	208	4,165	5.00%	208
500	Quantum	500	Planning	ICT Disaster	500	Quantum	500	500	Quantum	500	500	Quantum	500	500	Quantum	500
500	Quantum	500		Other Incident	500	Quantum	500	500	Quantum	500	500	Quantum	500	500	Quantum	500
433	Quantum	433		Bellwin	433	Quantum	433	433	Quantum	433	433	Quantum	433	433	Quantum	433
1,070	10.00%	107		Severe Weather	1,099	10.00%	110	1,128	10.00%	113	1,159	10.00%	116	1,190	10.00%	119
		1,940		Total Insurance and Emergency Planning		1,942		1,945		1,949		1,952		1,955		1,955
18,936	5.00%	947		Other Government Settlement Changes	26,297	5.00%	1,315	8,115	25.00%	2,029	9,047	25.00%	2,262	8,909	25.00%	2,227
60,874	1.00%	609		Housing Benefits	60,874	1.00%	609	60,874	1.00%	609	60,874	1.00%	609	60,874	1.00%	609
25,205	5.00%	1,260		DSG pressures - High Needs	25,205	5.00%	1,260	25,205	5.00%	1,260	25,205	5.00%	1,260	25,205	5.00%	1,260
3,160	5.00%	158		DSG pressures - Academisation	3,160	5.00%	158	3,160	5.00%	158	3,160	5.00%	158	3,160	5.00%	158
488	25.00%	122		Academy School transfer leaving deficit budget	488	25.00%	122	488	25.00%	122	488	25.00%	122	488	25.00%	122
		3,096		Total Funding Changes		3,464		4,178		4,411		4,376		4,376		4,376
General Financial Climate																
11,181	5.00%	559	General Financial	Debt Collection	11,181	5.00%	559	11,181	5.00%	559	11,181	5.00%	559	11,181	5.00%	559
145,638	0.50%	728	Climate	Council Tax - General risk	154,427	0.50%	772	163,399	0.50%	817	172,892	0.50%	864	182,936	0.50%	915
145,638	0.00%	0		Council Tax - Brexit risk	154,427	1.00%	1,544	163,399	1.00%	1,634	172,892	1.00%	1,729	182,936	1.00%	1,829
40,310	0.50%	202		Business Rates - General risk	40,055	0.50%	200	40,779	0.50%	204	41,516	0.50%	208	42,267	0.50%	211
40,310	0.00%	0		Business Rates - Brexit risk	40,055	1.00%	401	40,779	1.00%	408	41,516	1.00%	415	42,267	1.00%	423
36,541	0.50%	183		Discretionary Income	37,445	0.50%	187	37,445	2.50%	936	37,445	2.50%	936	37,445	0.50%	187
36,541	0.00%	0		Discretionary Income - Brexit risk	37,445	1.00%	374	37,445	1.00%	374	37,445	1.00%	374	37,445	1.00%	374
		1,671		Total General Financial Climate		4,038		4,932		5,086		4,499		3,508		3,508
208,768	0.50%	1,044		Additional Budget Pressures	213,839	0.50%	1,069	218,128	0.50%	1,091	226,318	0.50%	1,132	235,073	0.50%	1,175
		18,063		TOTAL RISK ASSESSED GENERAL FUND		20,400		26,017		32,604		34,312		34,700		34,700

Earmarked Reserves

Reserves	Balance Brought Forward (£'000)	2018/19 Anticipated Movement (£'000)	Balance Carried Forward (£'000)
Sums set aside for major schemes, such as capital developments, or to fund major reorganisations			
Redundancy	0		0
Revenue Commitments for Future Capital Expenditure	7,191	-19	7,171
Development Reserve	1,703	4,335	6,038
Invest to save Reserve	3,553		3,553
University	197	-197	0
	12,644	4,119	16,763
Insurance Reserves			
Fire Liability	3,072	19	3,092
Motor Insurance	1,093	12	1,105
	4,165	31	4,196
Reserves of trading and business units			
Shire Catering and Cleaning Efficiency	701		701
	701	0	701
Reserves retained for service departmental use			
Building Control	165		165
Care Act Reserve	4,168	-1,388	2,780
Economic Development Workshops Major Maintenance	180		180
External Fund Reserve	556	1,418	1,973
Financial Strategy Reserve	24,556	-4,460	20,096
Highways Development & Innovation Fund	14	92	106
Highways Savings Management	5,625		5,625
New Homes Bonus	3,922	-952	2,970
Planning Reserve	0		0
Public Health Reserve	927	-531	396
Repairs & Maintenance Reserve	1,116	-747	369
Resources Efficiency	422	-225	198
Revenue Commitments from Unringfenced Revenue Grants	1,510	-455	1,055
Severe Weather	1,496	-1,100	396
TMO Vehicle Replacement	300	-38	262
	44,792	-8,386	36,406
School Balances			
Balances held by schools under a scheme of delegation	5,375	0	5,375
Education – Staff Sickness Insurance	2	0	2
Education – Theft Insurance	68	0	68
Schools Building Maintenance Insurance	1,927	0	1,927
	7,372	0	7,372
Total Reserves	69,839	-4,236	65,604

Appendix 10 - Financial Strategy Context

Sustainable Funding

Shropshire Council became a unitary Council in 2009/10. Since that date government funding has reduced year on year, while costs have continued to grow and a shift to locally raised funding has been seen. In 2013/14 local government funding was amended and at that time Revenue Support Grant was introduced, delivering £67m in government funding. In 2019/20 that funding will have reduced to just £6m, a 91% reduction.

In 2016/17 the government introduced the multi-year settlement, ostensibly providing financial certainty to local government through guaranteed funding streams for the following four years (through to 2019/20).

Council funding is now defined by the government definition of 'Core Spending Power' which takes into account a number of new grants (many of which are not included in the multi-year settlement 'guarantee') that have been introduced since 2011/12. Many of these grants are one-off in nature and extended for one or more years, but none are guaranteed beyond 2019/20.

The latest Core Spending Power calculation is shown in the table below. Over the multi-year settlement period, Shropshire Council funding has risen by £20m or 9.1%. This increase, however, has been funded by an increase in locally raised Council Tax (an assumption the government made at the beginning of the settlement period). This means that the £36m increase in Council Tax over the period has masked the £16m reduction in overall government funding, leaving a net £20m increase. Furthermore, only Council Tax is guaranteed to continue beyond 2019/20, meaning that over £85m of funding that the Council does receive in 2019/20 is not guaranteed to be there in 2020/21. The government has stated that Local Government will be notified of the funding available in 2020/21 as a result of a new 'Fair Funding' formula in the autumn of 2019. This means the current uncertainty about a proportion of the £85m referred to above will not be clarified until a few months before the Council has to set its budget for 2020/21 in February 2020.

CORE SPENDING POWER					
Shropshire					
Illustrative Core Spending Power of Local Government;					
	2015-16 £ millions	2016-17 £ millions	2017-18 £ millions	2018-19 £ millions	2019-20 £ millions
Settlement Funding Assessment	92.135819	78.313311	68.149286	62.436042	56.379933
Compensation for under-indexing the business rates multiplier	0.676098	0.676098	0.716550	1.126008	1.637829
Council Tax of which; <i>Council Tax Requirement excluding parish precepts (including base and levels growth)</i>	119.280524	127.068971	134.220817	145.638262	154.612879
<i>additional revenue from referendum principle for social care</i>	0.000000	2.443412	5.112330	9.512902	11.488586
<i>Potential additional Council Tax from £5 referendum principle for all Districts</i>	0.000000	0.000000	0.000000	0.000000	0.000000
Improved Better Care Fund	0.000000	0.000000	6.193580	8.288253	10.120779
New Homes Bonus	7.353179	9.219285	7.694354	7.121966	7.753873
New Homes Bonus returned funding	0.151448	0.108313	0.114878	0.000000	0.000000
Rural Services Delivery Grant	1.265667	6.573303	5.307636	6.614131	6.614131
Transition Grant	0.000000	0.575652	0.585686	0.000000	0.000000
The Adult Social Care Support Grant	0.000000	0.000000	1.400051	0.871140	0.000000
Winter pressures Grant	0.000000	0.000000	0.000000	1.393823	1.393823
Social Care Support Grant	0.000000	0.000000	0.000000	0.000000	2.381115
Core Spending Power	220.862736	222.534933	224.382837	233.489623	240.894363
Change over the Spending Review period (£ millions)					20
Change over the Spending Review period (% change)					9.1

Since Unitary Status was gained in 2009/10 Shropshire Council made ongoing annual savings of over £227m. These savings have helped to offset government funding cuts and also have been switched to other services within the Council to fund unprecedented growth in the costs of Adult Services and more recently Children's Services. Savings per year are

detailed in the table below and together are equivalent to a reduction in Council Tax of approximately £2,040 per household per annum.

Financial Year	Council Tax increase	Savings Made in Year (£m)	Tax Base	Tax Base Increase
2009/10	0.00%	10.280	106,997.04	
2010/11	1.20%	7.540	107,939.04	0.88%
2011/12	0.00% ¹	28.440	109,369.99	0.93%
2012/13	0.00% ¹	23.890	109,997.75	0.57%
2013/14	-1.24% ¹	23.880	99,279.65 ²	-9.74% ¹
2014/15	0.00% ¹	39.890	100,475.19	1.20%
2015/16	0.00% ¹	26.440	102,411.33	1.93%
2016/17	3.99% ³	22.726	104,912.48	2.44%
2017/18	3.99% ⁴	14.105	106,565.90	1.58%
2018/19	5.99% ⁵	11.798	109,095.60	2.37%
2019/20	3.99% ⁶	18.490	111,240.10	1.97%
Total		227.479		

Staffing, assets, corporate services and procurement

Unitary status was gained by Shropshire Council in 2009 through the combination of the former County Council and five district and borough councils. This provided an opportunity to reduce headcount across all service areas, and in particular in senior management – reducing from six Chief Executives to one, for example. Following this once in a generation change to the face of local government in Shropshire staffing reductions and efficiency savings have continued to be made. Between 2011 and 2018 our headcount (excluding schools) has reduced from 4,140 FTE to 2,508 FTE, representing almost a 40% reduction in staffing over the last seven years.

¹ One-off Council Tax Freeze Grant available over this period and taken by Shropshire Council.

² Taxbase reduced following requirement to express the local Council Tax Support scheme in terms of a reduction in the Council Tax taxbase

³ Includes Social Care Precept of 2%

⁴ Includes Social Care Precept of 2% (Year one of a three year 6% overall cap)

⁵ Includes Social Care Precept of 3% (Year two of a three year 6% overall cap)

⁶ Includes Social Care Precept of 1% (Year three of a three year 6% overall cap)

This general reduction in staff was predicated by a restructure of senior managers across Shropshire Council. In 2010, the year following significant reductions delivered through the Unitary process, there were 95 senior managers in post. By 2018 that number had reduced to 46.

Since 2009 back-office costs have been reduced by approximately 30%, saving £15m every year. This reduction has been achieved through efficiency measures including the establishment of central teams, more effective working practices and through investing in key back office systems and technologies.

Since 2009 there has been an opportunity to rationalise contractual spend as contracts from legacy authorities have matured. New procurement processes and commissioning approaches, combining services and service outcomes and drawing up new service specifications have all delivered efficiency savings for the authority. This has continued through to the present time, with £1m procurement savings built into the Financial strategy for 2019/20 through to 2021/22. In 2018/19, £0.457m of savings and cost reduction was delivered by commissioning and procurement activity. Our processes still ensure that 72% of the council's contractor expenditure is with local contractors: this ranks first of the 14 West Midlands higher tier authorities.

We have generated over £19.8m in capital receipts the last three years by disposing of council owned land and property in the county. The refurbishment of the Shirehall in Shrewsbury as a base to co locate with public and private sector partners is forecast to deliver £1.5m revenue savings and £1.7m additional income whilst supporting a public sector workforce enabled by digital technology to work in a more mobile and agile way around the county. This in turn will reduce time and cost in terms of travel.

The One Public Estate programme continues to provide the platform to enable innovative service redesign and co location of public service staff in Shrewsbury and our market towns. The reduction in poorly utilised buildings which are costly to operate and maintain will save money and generate income where the council is the landlord.

A planned review of council depots will lead to a more efficient configuration of sites used by staff and contractors and the potential to generate income from new tenants and from plans to operate a tar recycling facility.

Innovation, transformation and income generation

The Shropshire Economic Growth Strategy 2017- 2021 sets out our commitment and ambition to grow the economy of the county. The three key objectives are to support and grow new and existing businesses, attract inward investment in key sectors, and develop and retain talent and skills. We expect to generate an extra £8.2m through growth in business rates and council tax in the next 2 years. We will receive around £7.7m in 2019/20 from New homes Bonus paid by Government to reward councils for increasing housing supply.

In 2018 we purchased the Shrewsbury shopping centres for £52m to support the economic growth and regeneration of the town centre. This has generated an income stream of

approximately £2.4m in 2018/19, which will help support the Council in the long term delivery of services within a challenging financial environment.

We will bring forward land owned and acquired by the council to build more affordable homes and those adapted for older and vulnerable people. We are proposing to set up a housing development company to accelerate housing growth to address unmet housing need. The company will work closely with national and regional development and funding agencies and other partners to achieve this. It is anticipated that the housing company will generate £1m income per annum for the council.

We will continue to invest in housing, health and care hubs in local communities such as the Paul's Moss scheme in Whitchurch to improve outcomes for local people, reduce demand and pressure on health and care services, reduce costs and generate income. This work is driven by a successful and well established one public estate approach which has been awarded up to £0.5m of revenue funding to progress these schemes. We have plans to build two new medical practices with services designed and integrated into hubs which will deliver £0.55m of revenue. We have plans to extend this approach and investment into other market towns by working in collaboration with our health partners.

New affordable homes that will be developed by the council's housing company for sale and private and affordable rent and will provide a valuable source of new commercial income for the county.

We will develop and adapt more homes for looked after children to reduce costs associated with contracts with external providers and also for adults requiring social and residential care. These have the potential to provide an additional income stream for the council.

We have recently completed the second phase of University Centre of Shrewsbury (UCS) student accommodation at the Tannery in Shrewsbury which, along with Mardol House, provides 140 beds for rent paying students. This includes international students and apprentices working in the public and private sector.

We continue to grow the turnover and income generated from council teams who provide services for schools, other public authorities, housing providers and private businesses. Our Shire Services team has a turnover of £14m with over 50% of business now provided outside of the county.

We shall continue to develop and use consumer technology to equip people to live independently for longer in their local communities. This can be implemented at low cost and supplied to other local authorities as a source of income. We shall use data analytics to help reduce demand associated with people who are deemed to be vulnerable and likely to require a lot of public sector intervention. The innovative design and use of data and technology will also provide a valuable source of income when marketing and selling our approach and services to others.

Digital Transformation of the Council's ICT resources and transformation of Council Services began in 2017 and Phase One of this programme is nearing completion. To date work has included investment in new corporate software solutions for Finance, HR, Payroll, Adults and Children's Social Care, Customer Experience and Infrastructure changes. This investment, totalling over £20m, is expected to deliver savings year on year of up to £10m, covering the cost of investment and enabling our limited funding to be channelled to other areas of the Council seeing growth in demand such as Adult Social Care.

The next phase of this work will see changes to public facing service delivery to channel shift customers, where appropriate, to lower cost delivery models such as online and self service delivery. In dealing with enquiries, we are seeing phone calls reduce and corresponding web usage increase

Pay and Reward Policy Statement For All Council Staff 2019-2020

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1. Introduction
2. Legal Framework
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9. Review of Policy

Appendices

- i) Appendix A – Shropshire Council Pay Scales (NJC Staff)
- ii) Appendix B – Pensions and Retirement Policy
- iii) Appendix C – Redundancy and Compensation Policy

Summary

Shropshire Council recognises the importance of managing pay fairly and in a way that motivates staff to make a positive contribution and support the delivery of the Council's objectives. The pay policy details our approach to managing pay and reward in a way which supports the aims and objectives of the organisation.

This policy applies to all council staff, excluding schools where a separate policy exists.

1.0 Introduction

- 1.1 Shropshire Council has a clear written policy on wages and salaries to ensure that all staff employed at the Council are rewarded fairly, without discrimination, for the work they do.
- 1.2 When reviewing the pay policy, Trade Union Representatives will be consulted as appropriate and their views taken into account when deciding the respective elements of the pay policy.

- 1.3 Shropshire Council recognises that pay is not the only means of rewarding and supporting staff, and endeavours to ensure that all staff have good working conditions, regular access to appropriate development and training opportunities, and other forms of financial and non-financial reward.
- 1.4 This policy aims to reflect:-
- pay and grading underpinned by job evaluation (where a scheme exists)
 - fairness and equality of opportunity
 - the need to encourage and enable people to perform to the best of their ability
 - the need to recruit and retain skilled, experienced, and qualified staff in a competitive market
- 1.5 Shropshire Council's employment offer includes a wider range of benefits alongside pay
- access to learning and development
 - access to local government pension scheme
 - flexible working where this fits business needs
 - performance management which incorporates smart objectives and behaviours
 - access to a range of benefits offered through 'Shropshire Rewards'
 - carrying out work which is of public value and contributes to making Shropshire a great place to live and work.
- 1.6 To make these principles work, Shropshire Council needs remuneration arrangements which:-
- are based on a clear and rational process for setting and reviewing the pay of employees;
 - provide a pay framework and levels of remuneration which are sufficiently flexible and reasonably competitive, taking account of relevant benchmarking, and market related pay data at local and national level;
 - enable the Council to recruit and retain employees with the required skills, knowledge and experience; and
 - which are affordable by the Council and support the provision of good quality public services.
- 1.7 Shropshire Council will make this policy and any related procedures available to all staff, ensuring that any concerns, complaints or formal appeals about its application are managed promptly, fairly and objectively.
- 1.8 Shropshire Council wishes to ensure that development and promotion opportunities, where possible, are available to all employees.
- 1.9 Shropshire Council will not promote staff through the grading system nor use other pay mechanisms in order to improve an employee's pension entitlement.

2.0 Legal Framework

2.1 The primary legislation governing equal pay is the Equalities Act 2010 and subsequent amendments. This requires employers to ensure that men and women in the same employment, carrying out equivalent work (as defined below), receive the same level of pay. The following terms are contained in Equal Pay Legislation:

- 'Like work' is defined as work which is the same or broadly similar
- 'Work rated as equivalent' is defined as work which has achieved the same or similar number of points under a job evaluation scheme.
- 'Work of equal value' is defined as work which is broadly equal in value when compared under headings such as effort, skill and decision making responsibility.

2.2 In addition, indirect discrimination has been incorporated into equal pay as a result of case law in the UK and Europe. Indirect discrimination may arise when the pay policy has a disproportionate impact on one particular sex.

2.3 Differences in pay may be justified where it is established that the difference is for a genuine and material reason which is not related to gender.

2.4 From April 2018 all employers with more than 250 employees are required to report on the Gender Pay Gap. This information is published on Shropshire Council's website.

3.0 Definitions

3.1 For the purposes of this policy and in line with legislation, pay is defined by Article 141 of the Treaty of Rome as:

The ordinary basic or minimum wage or salary and any other consideration, whether in cash or kind, which the worker receives, directly or indirectly, in respect of his (or her) employment from his (or her) employer.

3.2 Pay therefore includes allowances, pensions, discretionary bonuses, annual leave and sick pay, as well as other non-financial benefits such as vocational training.

3.3 Chief Officer means the Head of Paid Service - Chief Executive, Executive Director of Children's Services, Executive Director of Adult Services, Executive Director of Place, Directors (including Monitoring Officer and Section 151 Officer) and Assistant Directors,. For further details of the Council's delegations to officers including delegations to Chief Officers, see Part 8 of the Council's Constitution or follow the link below:

<http://shropshire.gov.uk/committee-services/ecSDDisplay.aspx?NAME=Part%208%20Delegations%20to%20Officers&ID=372&RPID=0&sch=doc&cat=13331&path=13331>

4.0 Principles

4.1 Pay Structures

- 4.1.1. Shropshire Council's pay structure is currently split across three sectors, described below. The pay range for a large proportion of staff is based on the NJC framework for Local Government Services (the Green Book). The national pay spine applies for posts on Grades 1 to PO 22 / Band 15.
- 4.1.2 Salaries in Shropshire Council were reduced, as part of changes by the Council to staff terms and conditions of employment in two stages, October 2011 and again in October 2012. Incremental progression was frozen from 1 April 2011 until 31st March 2013 and reinstated from 1 April 2013.
- 4.1.3. All other pay related allowances are the subject of either nationally or locally negotiated rates, having been determined from time to time in accordance with collective bargaining mechanism and/or as determined by Council Policy.
- 4.1.4 Following national negotiations between the NJC and three trade unions (Unison, GMB and Unite), agreement was reached for a pay award for 2018-2020. The agreement involves changes to the national pay spine. The agreement covers employees on spinal column points scp 6 to (new) scp 54.
- 4.1.5 The pay award consisted of a % increase on salaries from 2018 equating to a 2% increase overall, but with higher percentage increases for the lower spinal column points to allow headroom from the National Living Wage. From 1 April 2019 the structure significantly changes and has the lowest scp value starting at £9.00 per hour. The value of subsequent points is then determined by 2% increases on the previous spinal column point up to scp 28 (new scp 22). From scp 29 (new scp 23) there is an increase of 2% on 2018 values.
- 4.1.6 In determining its grading structure and setting remuneration levels for all posts, the Council takes account of the need to ensure value for money in respect of the use of public expenditure, balanced against the need to recruit and retain employees who are able to meet the requirements of commissioning or provide high quality services to the community, delivered effectively and efficiently and at the times at which those services are required.
- 4.1.7 The Council faces significant challenges in attracting, recruiting and retaining talent. The use of market supplements, additional payments and agency staff has increased over the years to compensate for the pay cuts in 2011 and 2012 which reduced the salaries of staff.
- 4.1.8 The Council, at its meeting on 17th May 2018 approved the implementation of the % pay award from 1 April 2018 and a return to the NJC rates of pay with effect from 1 October 2018.

- 4.1.9 A review of the pay and grading structure for 2019, including market supplements and additional payments, has been undertaken in consultation with the trade unions and changes agreed are reflected in this pay policy.
- 4.1.10. Equal opportunity considerations; pay and conditions will apply equally to employees working full-time and part-time in accordance with the Part-time Employment (Prevention of Less Favourable Treatment) Regulations 2000.

See Appendix A for current pay scales for Grade1 to PO22 / Band 15.

4.2 Pay Range – Grades 1 to 10

- 4.2.1. For the majority of its staff, Shropshire Council operates a Grade 1 to 10 pay structure, ranging from spinal column point (scp) 7 to scp 28 (formerly scp 34). The Shropshire grading structure has been developed through the local application of the National Joint Council (NJC) Job Evaluation Scheme. The NJC Scheme is designed for application within local authorities and provides a mechanism for reviewing the duties and responsibilities of posts to determine the appropriate grade.
- 4.2.2. Salary on recruitment in all pay ranges should be set at a level within the range consistent with attracting and securing the appointment of good calibre people. Flexibility exists to pay a higher incremental point or a higher salary within the range for both recruitment and retention purposes. Such practice must be made within budgetary arrangements and take account of equality implications.
- 4.2.3. The lowest remuneration for Council employees is Grade 1, scp 7 (new scp 1) £17,364 p.a at 1 April 2019. In essence the council's "lowest paid employees", these jobs have been evaluated objectively using the NJC job evaluation scheme. (The Council also employs apprentices who are not included within the definition of 'lowest paid' as they are temporary training posts).

4.3 Pay Ranges – Principal Officer (PO)/Banded Posts

- 4.3.1. From new scp 29 Shropshire Council has a Principal Officer grading structure in place. Originally 22 overlapping PO grades, these posts require a high level of technical competence or have significant management responsibility.
- 4.3.2. The overlapping structure is being replaced with five abutting bands (Band 11 to Band 15). Each band contains five spinal column points. The structure was developed by means of benchmarking existing job/roles using the Monks Job Evaluation Scheme, as agreed with the trade unions. All PO grades will transfer to the banded structure.
- 4.3.4 As previously mentioned in 4.1.4 the NJC agreed a pay award, effective from 1 April 2018, for 2018-2020 for all grades covering existing scp 6 to scp 60.

4.4 Pay Ranges – Senior Pay Grades

- 4.4.1 The Senior Manager Pay rates were reduced by 2.7% with effect from 1 January 2012, and were further reduced in October 2012 by 1.7%.
- 4.4.2 A review by the Local Government Association (LGA) was undertaken in March 2018 and recommended an increase in salaries for the Executive Directors (from £100,928 p.a. to £120,000 - £130,000 p.a.) and the Chief Executive (from £103,010 p.a. to £150,000 p.a.). All posts in the Senior Manager Pay Bands were job evaluated using the LGA Scheme for Chief Officers in the summer of 2018.
- 4.4.3 As outlined in 4.1.8, the Council at its meeting on 17th May 2018 agreed to restore NJC rates of pay from 1 October 2018. This also applies to Senior Manager Pay bands.
- 4.4.4 The revised grades from 1 October 2018 are shown below and take account of the positions detailed in 4.4.2 and 4.8.2.

Grade	Pay Range 1 October 2018	Pay Range 1 April 2019 (2% pay award applied)	Job Title
C1	£150,000	£153,000	Chief Executive
C2	£120,000 to £130,000	£122,400 – £132,600	Executive Director
C3	£105,000 to £110,000	£107,100 – £112,200	Director
C4	£90,000 to £95,000	£91,800 – £96,900	Assistant Director
C5	£80,000 to £85,000	£81,600 – £86,700	Head of Service
C6	£65,000 to £75,000	£66,300 – £76,500	Service Manager

- 4.4.5 The Joint National Council (JNC) for Chief Officers agreed a two year pay award covering the period 1 April 2018 to 31 March 2020 (2% applied on 1 April 2018 and 1 April 2019).

4.5 Other Pay Schemes

- 4.5.1 Shropshire Council has a small number of employees on other nationally determined pay scales and conditions, including:
- Soulbury (teaching staff now in Education Improvement Roles)
 - NJC for Youth Workers
 - NHS (TUPE staff only)
- 4.5.2 These pay schemes are used to give greater flexibility to meet particular service needs and assist in recruitment and retention of appropriately qualified and experienced staff within the respective sectors.

4.6 Salary Progression

Grade 1 to PO22/PO Band 15 (scp 6 to scp 60)

- 4.6.1. Any incremental progression within an evaluated grade is due on the 1st April each year, or 6 months after appointment if the employee was appointed between 1st October and 31st March. Progression is subject to work performance.
- 4.6.2. Posts are usually advertised within salary bands which contain several annual increments, and where the top of the salary band advertised represents the maximum incremental point within that pay range. Appointments are normally made at the minimum of the pay range, unless there is an objectively justifiable reason e.g. the candidate's previous experience or difficulties in recruiting at the lowest pay point. However, the advice of Human Resources must be sought in these cases, to ensure equality issues have been considered.
- 4.6.3. Incremental progression (for posts on NJC for Local Government Services terms and conditions) up to Band 14 within the pay range for the job takes place until the maximum scp of the job is achieved.
- 4.6.4 For Band 15 and Senior Pay Grades (C Grade), progression through the grade will be dependent upon individuals meeting objectives set through review at annual appraisals. There is no automatic incremental progression.
- 4.6.5. **Accelerated Increments**
- 4.6.5.1 The salary of an employee may be accelerated within the grade on the grounds of special merit or ability, by up to two increments, provided that the maximum of the grade is not exceeded. The additional benefit of increments granted in this way is not carried over on the regrading of the post or on the employee's promotion to a higher graded post.
- 4.6.6. **Additional Increments**
- 4.6.6.1 Up to two additional increments may be granted to employees (graded on an NJC grade) beyond the normal maximum of the grade of the post to which they are appointed.
- 4.6.6.2 The award of up to two additional increments may only be made to employees who have consistently achieved a high level of performance and who have made a significant contribution to the Council's work.
- 4.6.6.3 All employees who have completed 35 years of service will be considered, but not automatically accepted for the additions.
- 4.6.6.4 At any one time, the number of employees receiving additional increments shall not exceed 3% of the number of full time employees employed under the conditions of service to which the scheme applies.
- 4.6.7. **Honoraria**
- 4.6.7.1. An employee, who for any reason other than the annual leave of another employee is called upon at the request of their Directorate to undertake the full duties and responsibilities of a higher graded post for a continuous period of at least four weeks, is entitled to be paid in accordance with the grading of the post temporarily occupied.

The salary to be paid in such circumstances is the salary that would apply if the employee were promoted to the higher graded post. Once the qualifying period of four weeks has been satisfied the higher salary will be paid with effect from the first day on which the employee was required to undertake the full duties and responsibilities of the higher post.

4.6.7.2. In any case where there is no automatic entitlement to a higher salary the Council may consider granting an honorarium (of an amount dependent upon the circumstances of each case) to an employee who performs duties outside the scope of his post over an extended period or where the additional duties and responsibilities involved are exceptionally onerous.

4.6.8. Ex Gratia Payments

4.6.8.1. The principal purpose of the ex-gratia payments scheme is to maintain the goodwill of staff who have suffered personal loss during the course of their duties and where no provision exists for the claim to be referred to the council's Insurers.

4.7 Senior Pay Grade

4.7.1 New appointments will normally commence on the bottom of the salary band or on an 'entry salary' within the bottom 10% of the salary band. However, this may be adjusted to take account of previous experience and remuneration.

4.7.2. Any additional payment within the Senior Pay Grade will be based on performance in relation to the achievement of objectives and on meeting the behavioural competences set.

4.8 Pay Review

4.8.1. Grades 1 to PO22/Band 15 are reviewed in line with the National Pay Award for Local Government staff, as described in 4.1.4.

4.8.2 Shropshire Council's Senior Pay Grades are locally determined and not subject to national pay negotiations by the JNC for Chief Executives and Chief Officers in Local Authorities. There are no automatic cost of living increases and any adjustments to the pay band range are based on affordability and market forces. As detailed in 4.4.5 above, the nationally agreed pay award for Chief Officers for 2018-2020 has been agreed and adopted by Shropshire Council.

4.9 Market Supplement

4.9.1. Basic pay may be supplemented by a market supplement which reflects the current national or regional rate for the nature of the post, provided this can be supported by researched market evidence.

4.9.2. Any Market Supplements are reviewed annually and can be adjusted or removed in line with market changes. As mentioned in 4.1.9 a review of pay and grading structures has taken place and market supplements has been included in this.

4.10. Recruitment and Retention Payments

4.10.1 The Director of Workforce & Transformation has delegated powers under Shropshire Council's Constitution to introduce and maintain employee benefits, other than the provision of cars, where these are likely to assist with recruitment and retention and where the costs can be found within existing budgets.

4.11 Pay Data

4.11.1. Shropshire Council will obtain up to date local, regional and, if appropriate, national pay data to inform decision making on local pay awards and market levels, alongside, other relative factors e.g. labour turnover rates.

4.12 Allowances

- **Sick pay**

During 1st year of service 1 month's full pay

During 2nd year of service 2 months' full pay

During 3rd year of service 4 months' full pay

During 4th and 5th years of service 5 months' full pay

After 5 years of service 6 months' full pay

- **Overtime**

Additional hours / overtime, which are not eligible for an enhancement (for night, weekend or public holiday work), will be paid at plain time.

- **Subsistence**

Subsistence payments for reimbursement of the cost of breakfast and evening meal are made when an employee is required to stay away from their home overnight on Council business, on production of appropriate receipted evidence of such expenditure.

- **Annual Leave**

All staff are eligible to receive 25 days annual leave plus bank holidays per year, with 5 days extra awarded to those staff with 5 years local government service, giving a maximum entitlement of 30 days a year. Pro rata for part time staff.

An additional 2 days annual leave are given to staff per year which is to be used at Christmas when council buildings are closed between Christmas and New Year. Where a service operates at this time, the 2 days are added to leave entitlement to be used during the year.

- **Office Hours / Annualised Hours**

The public opening hours for Shropshire Council are 7am to 7pm, Monday to Friday and 8am to 1pm on a Saturday. All staff are subject to Annualised Hours, i.e. they are contracted to work a set number of hours over a year, not a fixed working week, with working patterns designed in line with the Council's Flexible Working Hours policy.

- **Callout/Standby**

Payments are made to reflect the unsociability of working in particular circumstances, where an employee is recalled to work at short notice. These are locally agreed.

- **Relocation**

Shropshire Council may provide relocation assistance to new recruits as part of the employment package; this is offered on an exceptional basis to attract candidates to hard to fill roles. The Council does not make payments to employees to reflect the costs of increased travel to work if the employee's work location changes. Approval of relocation assistance is delegated to the Director of Workforce & Transformation.

- **Salary Protection**

Shropshire Council operates salary protection arrangements in a range of circumstances including:

- where an employee has been at risk of redundancy and is successfully redeployed to another post at a lower salary (within 15%)
- Where an employee has been redeployed to another lower graded post due to a disability or health related issue
- Where as a result of a restructuring or grading review/ job evaluation process the grade of the post is reduced

In these circumstances the employee will receive pay protection (based on the level of pay but not hours of work). Protection normally applies for a period of up to 12 months.

- **Car Allowances**

Employees using their cars, motor cycles or cycles for the efficient performance of their duties, which have been agreed by their line manager, will be eligible to receive an allowance in line with HMRC Approved Mileage rates as follows

Cars Up to 10,000 miles (in each financial year April to March) – 45p per mile

Over 10,000 miles (in each financial year April to March) – 25p per mile

Motor Cycle 24p per mile

Cycles 45p per miles for the first 10,000 miles (for cycles, reimbursement above 20p per mile is liable for income tax)

4.13 Termination of Employment

4.13.1. In relation to the termination of employment, the Council will have due regard to making any appropriate payments where it is in the Council's best interests. Any such payments will be in accordance with contractual or statutory requirements and take into account the potential risks and liabilities to the Council, including any legal costs, disruption to services, impact on employee relations and management time. This is consistent with the risk management practices of well governed organisations in private, public and voluntary/charitable sectors.

4.13.2 Where a severance package (not including employee statutory entitlements) exceeds £100,000, the decision to award such a package will be made by full Council.

4.13.3. Shropshire Council has adopted a policy preventing any employee who has retired early from being re-employed or re-engaged by the authority other than in exceptional circumstances.

5.0 Notice Periods

5.1 The contractual period of notice required to be given to an employee to terminate their employment, and that required of them on resignation, will be clearly stated in the

terms of their appointment. The following local scheme on contractual notice periods has been adopted for NJC employees:-

Those graded up to and including Grade 8	1 month
Those graded Grades 9 and 10 (scp 29-34) inclusive	2 months'
Those graded Band 11 (scp 35-39)	2 months'
Those graded Band 12 (scp 40-44)	3 months'
Those graded Band 13 (scp 45-49)	3 months'
Those graded Band 14 (scp 50-54)	3 months'
Those graded Band 15 (scp 55, 57, 59)	3 months'

5.2 The contractual notice period for Chief Officers is 3 months.

5.3. The statutory provisions relating to minimum periods of notice to be given by the employer to any employee are as contained in the Employment Rights Act 1996

Period of continuous employment - Minimum notice

One month or more but less than 2 years	Not less than 1 week
Two years or more but less than 12 years	1 week for each year of continuous service
12 years or more	Not less than 12 weeks

5.4 The employer's obligation to the employee under the contractual notice agreed must always be read against any additional notice required to be given to the employee under the statutory grade. Therefore an employee with one month's contractual notice entitlement, with 5 years' service, will be entitled to five weeks statutory notice on the termination of their employment by the Council and an additional week's notice for each additional year's service up to a maximum of 12 weeks' notice.

6.0 Pensions

6.1 All Council employees are entitled to join the Local Government Pension scheme (LGPS) which is offered by Local Government Employers. Staff eligible for membership of the LGPS will automatically become a member of the "scheme" in accordance with the Auto Enrolment Regulations. Employees have the right to decide to opt out of the "scheme" by following the required process. The benefits and contributions payable under the Fund are set out in the Local Government Pension

Scheme (Benefits, Membership and Contributions) Regulations 2013. Appendix B provides details of Shropshire Council's Pensions and Retirement Policy and Appendix C details of the Council's Redundancy and Compensation Policy.

- 6.2 The current level of contribution to the scheme by employees effective from 1 April 2017 is as follows, based on actual pensionable pay:

Band	Full-time equivalent salary	Contribution rate – main scheme	Contribution rate – 50/50 scheme
1	£0 - £14,100	5.5%	2.75%
2	>£14,101 -£22,000	5.8%	2.90%
3	>£22,001 - £35,700	6.5%	3.25%
4	>£35,701 - £45,200	6.8%	3.40%
5	>£45,201 - £63,100	8.5%	4.25%
6	>£63,101 - £89,400	9.9%	4.95%
7	>£89,401 - £105,200	10.5%	5.25%
8	>£105,201 - £157,800	11.4%	5.70%
9	More than £157,800	12.5%	6.25%

The contribution band will be assessed using the actual pensionable pay plus any pensionable extra payments.

7.0 Senior Pay

- 7.1. The salary levels of Chief Officers (to 3rd tier) on appointment is set by elected members, at the relevant committee of the council. The salary details for Chief Officers are published at:

<https://shropshire.gov.uk/open-data/datasets/senior-salary-information/>

This information has been published since October 2010 in the interests of openness and transparency, and shows levels of remuneration for Chief Officers for the previous financial year. The definition of Chief Officer is contained in paragraph 3.3 above.

- 7.2 Under Regulation 4 of the Accounts and Audit (Amendment No2) (England) Regulations 2009 [SI 2009 No.3322] the Council has a legal requirement to report the remuneration of senior employees as part of its published salaries information. This requirement has now been reinforced under section 38 (1) of the Localism Act 2011, which requires the Council to produce a pay policy statement on an annual basis.
- 7.3 The relationship between the rate of pay for the lowest paid Council employees and the chief officers' is determined by the processes used for determining pay and grading structures as set out earlier in this policy statement. The statutory guidance under the Localism Act recommends the use of pay multiples as a means of measuring the relationship between pay rates across the workforce and that of senior managers, as included within the Hutton review 'Review of Fair Pay in the Public Sector' 2010. The Government supports the case for a fixed limit on dispersion of pay, through a requirement that no public sector manager can earn more than 20 times the lowest

paid person in the organisation. The Hutton report concluded that the relationship to median earnings was a more relevant measure and the Government's Code of Recommended Practice on Data Transparency recommends the publication of the ratio between the highest paid salary and the median average salary of the authority's workforce.

- 7.4 The remuneration of the most senior manager within Shropshire Council, the Chief Executive is £153,000 (at 1 April 2019). The median basic remuneration for a full time equivalent employee of Shropshire Council is £22,462 per annum. The mean basic pay, based on 3,393 posts ranging in pay from the Chief Executive remuneration to Grade 1 (scp 7 - £17,364), is £26,086. The current pay multiple from top to bottom of the organisation is 1:9. The ratio from the median pay to the Chief Executive pay is 1:7, which is well within the limits outlined in the Hutton Review.
- 7.5 Chief Officers do not receive bonuses.
- 7.6 All Chief Officers are eligible for the same Car Allowance as outlined for all employees in section 4.12 above
- 7.7 Chief Officers are currently entitled to 30 days annual leave (plus 2 days to be used at Christmas).
- 7.8 The Council will have regard to the specific legal requirements which apply to the termination of employment of the Head of Paid Service, the Section 151 Officer and the Monitoring Officer as its Statutory Officers.

8.0 Accountability and Decision Making on Remuneration and Reward

- 8.1 The Council's Cabinet has powers delegated to it in accordance with Section 3 of the Constitution, to make decisions on major policy matters affecting the council as a whole and to make decisions which have significant service or resource implications across the Council as a whole. This includes significant locally determined changes to staff terms and conditions and remuneration.
- 8.2 The Employees' Joint Consultative Committee which consists of Trade union representatives and Members is constituted to agree changes to employee terms and conditions, such as changes to allowances, mileage, and annual leave, subject to ratification by Cabinet and, where the decision has significant financial implications, by full Council.
- 8.3 In accordance with the Council's constitution the Head of Paid Service (Chief Executive) has delegated powers to approve the grading and regrading of posts (covered by NJC for Local Government Service, Soulbury and Youth and Community Worker Conditions of Service) where the grade maximum is PO17/Band 15 or above (or equivalent). Chief Officers have authority to approve changes to the grading of posts (covered by NJC for Local Government Service, Soulbury and Youth and Community Worker Conditions of Service), taking account of job evaluation outcomes for posts covered by these schemes and subject to financial provision for the current

and future years being available, and the proposed maximum of the grade being below PO 17/Band 15 (or equivalent).

- 8.4 New appointments that are made which have a remuneration package with a value of over £100,000 will be subject to approval of full Council.

9.0 Review of the Policy

- 9.1 This policy will be subject to annual review and amendment, taking account of legislation, external best practise, internal data on recruitment and retention and external pay data etc.

Appendix A to Pay Policy

1 April 2019 Rates of Pay			
Grade	scp	Hrly Rate £	Annual Salary £
Grade 1	1	9.00	17,364
Grade 2	2	9.18	17,711
Grade 3	3	9.36	18,065
Grade 4	4	9.55	18,426
Grade 5	5	9.74	18,795
	6	9.94	19,171
Grade 6	7	10.14	19,554
	8	10.34	19,945
	9	10.54	20,344
	10		
Grade 7	11	10.97	21,166
	12	11.19	21,589
	13		
	14	11.64	22,462
	15	11.88	22,911
	16		
Grade 8	17	12.35	23,836
	18		
	19	12.85	24,799
	20	13.11	25,295
	21		
Grade 9	22	13.64	26,317
	23	13.99	26,999
	24	14.46	27,905
Grade 10	25	14.92	28,785
	26	15.36	29,636
	27	15.81	30,507
Band 11	28	16.26	31,371
	29	16.60	32,029
	30	17.04	32,878
	31	17.52	33,799
	32	18.03	34,788
Band 12	33	18.63	35,934
	34	19.11	36,876
	35	19.62	37,849
	36	20.12	38,813
	37	20.62	39,782
	38	21.13	40,760

1 April 2019 Rates of Pay			
Band 13	39	21.60	41,675
	40	22.12	42,683
	41	22.63	43,662
	42	23.13	44,632
	43	23.63	45,591
Band 14	44	24.14	46,572
	45	24.64	47,547
	46	25.31	48,821
	47	25.63	49,449
	48	26.13	50,414
Band 15	49	26.64	51,392
	50	27.13	52,348
	51	27.63	53,305
	52	28.14	54,284
	53	28.64	55,263



Pensions and Retirement Policy

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Appendix 1 – Flexible Retirement Process Flow

Appendix 2 – Flexible Retirement Request Manager Report

1.0 Statement of Purpose/Objective

In supporting one of our core values of promoting diversity, Shropshire Council no longer applies compulsory retirement at age 65. An early and flexible retirement age is provided as part of enhancing of the employment policies. This is to ensure that Shropshire Council's retirement policy meets the requirements of the Equalities Act 2010.

APPENDIX B

2.0 Scope

This policy is effective from April 2014, as a result of the changes in LGPS Regulation.

This policy applies to all Shropshire Council employees, other than those employed by schools, for which a separate policy will apply.

3.0 Roles and Responsibilities

3.1 The Responsibilities of Managers

3.1.1 Managers have a statutory duty to ensure that all employees approaching retirement age are informed of Shropshire Council's retirement policy, 6 to 12 months prior to an employee reaching the age of 65. They are also required to be aware of the flexible retirement provisions.

3.2 The Responsibilities of Employees

3.2.1 Employees are responsible for deciding whether or not they wish to be a member of the pension scheme and for taking the necessary actions to request the transfer in of any other scheme membership as outlined in this policy. They are also responsible for following the relevant processes outlined below in respect of pension transfers, early retirement or flexible retirement.

4.0 Pensions

4.1 Pension Auto-enrolment

The government has introduced new regulations to encourage more people in the UK to save for their retirement and require employers (both private and public sector) to automatically enrol employees' into a 'qualifying pension scheme'. The Shropshire Pension Scheme is classified as a 'qualifying scheme'.

Employees who have previously opted out of the Pension Scheme, and who are eligible (please see below) for auto enrolment on 1 February 2013, will not be auto enrolled until 1 October 2017 due to a transitional delay.

4.1.2 Eligibility criteria for auto enrolment?

Criteria set by the government means that you will be eligible for auto enrolment if you:-

- are aged 22 or over, and are below state pension age, and
- are paid more than Pension Regulator threshold, which is subject to change each year in line with inflation.

APPENDIX B

4.1.3 How does this affect you?

Under the Pension Regulations, employees can join the scheme at any time.

If you are currently a member of the Pension Scheme, you will still receive correspondents (for each of your posts) regarding auto-enrolment as the Authority is required by legislation to keep you informed about how this affect you or the Scheme.

If you are not currently a member of the Scheme, and you meet the eligibility criteria on 1st February 2013, you will be automatically enrolled into the LGPS on 1 October 2017. You will receive correspondence from Pensions Services advising you of this. You will have the right to opt out if you wish

You may also be auto enrolled in the following circumstances: -

- a) If you change your role or take on an additional role.
- b) If you become eligible for auto enrolment after 1 February 2013. You will be auto enrolled into the Scheme from the date you become eligible.

So, for example, if your 22nd birthday falls after 1 February 2013, and you are paid more than Pension Regulator threshold you will be auto enrolled from your 22nd birthday.

Likewise, if you are paid more than the Pension Regulator threshold and you meet the age criteria, you will be auto enrolled from the first of the month that your pay increases over that threshold.

If you are auto enrolled, Pension Services will write and advise you of this. You do have the option to opt out of the Scheme if you wish. Forms for this purpose are available on the County Pension Scheme Website.

4.2 Joining the Pension Scheme and Contribution Rates

4.2.1 Employees will automatically become a member of the pension scheme, unless one of the following applies: -

- Unless in a post in which the employee is required to join another public sector scheme, e.g. teachers
- Employed as a casual worker, in which case, if you have worked for us for three consecutive months or more, you are not already in the LGPS and you meet the eligibility criteria detailed in section 4.1.2, you will be written to advising you that we will be applying the transitional delay. If you have worked on a casual basis for less than three consecutive months, you'll be written to advising you that we'll postpone auto enrolment until you have worked for three months, but that you have the right to opt into the LGPS at any time.

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- Whereby the offer of employment, and subsequent contract does not exceed three months – You'll be written to advising you that auto enrolment will be postponed for three months, but that you have the right to opt into the LGPS at any time. If your contract is then extended beyond three months, you will be auto enrolled into the LGPS if you are not already a member and you meet the eligibility criteria detailed in section 4.1.2.
- Where the employee has written to Shropshire Pension Fund to confirm they do not want to be a member of the pension scheme. This can only be done once employment with the organisation has commenced.
- Employees aged 75 or over.

4.2.2 Bandings

Effective from 1st April 2018, employees' pension contribution rate will be based on their actual pensionable pay according to the following table:

Band	Full-time equivalent salary	Contribution rate – main scheme	Contribution rate – 50/50 scheme
1	£0 - £14,100	5.5%	2.75%
2	>£14,101 -£22,000	5.8%	2.90%
3	>£22,001 - £35,700	6.5%	3.25%
4	>£35,701 - £45,200	6.8%	3.40%
5	>£45,201 - £63,100	8.5%	4.25%
6	>£63,101 - £89,400	9.9%	4.95%
7	>£89,401 - £105,200	10.5%	5.25%
8	>£105,201 - £157,800	11.4%	5.70%
9	More than £157,800	12.5%	6.25%

The contribution band will be assessed using the actual pensionable salary plus any pensionable extra payments.

For term time staff, the actual pensionable salary will be based on the actual pensionable salary across the term time week's only, plus any pensionable extras.

Any fee earning staff will be assessed on the previous year's earnings to 31st March or part year if the individual is not employed for the whole year.

The salary figures detailed in the table above will increase on 1st April each year by the rise in the Consumer Price Index.

4.2.3 –Reassessment of Banding

The Council will re-assess bandings for all employees every April, with the exception of the following:

- Promotion or permanent/long term honoraria payments

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- Down-grading or demotion
- A re-grading exercise

All of the above will prompt an immediate reassessment.

4.2.4 The Council will not re-assess pension contribution bandings after a back dated pay award.

4.2.5 Individual Pension contribution banding can be found on your payslip accessed through [MyView](#)

4.2.6 Any appeal against a decision regarding an employees pension contribution banding, or any other decision relating to an employees rights or liabilities under the scheme, will be as detailed in paragraph 9.1 below.

4.2.7 All payments in respect of the job carried out by the employee are pensionable, save for the following exclusions:

- Any sum which has not had income tax liability determined on it
- Any expenses incurred in carrying out the duties of the role
- Any payment made in consideration of loss of holidays
- Any payment in lieu of notice to terminate the contract of employment
- Any retention payment made in order not to terminate the contract
- Any amount paid in relation to the provision of a motor vehicle or any amount in lieu of
- Any payment in consideration of loss of future pensionable payment or benefits
- Any award of compensation for the purposes of achieving equal pay in relation to other employees
- Any payment made by the Authority to a member of staff on reserve forces service leave
- Returning Officer (or acting) fees other than those paid in respect of local government elections, elections for the National Assembly of Wales, Parliamentary Elections or European Parliamentary Elections.

4.2.8 In addition to pensionable contributions, an employee is able to pay additional pension contributions (APC). There is no minimal payment, although the maximum is £6,675 (figure at April 2015) per annum. Advice on this is available from the Pensions team (see paragraph 11.1 below).

4.3 Those scheme members wishing to voluntarily draw benefits on or after 55 and before 60, the 85 year rule will not be applied by the Authority in this circumstance, except in circumstances where the Council considers it is in its financial or operational interests to do so. For those employees would have to meet any strain on fund cost via an actuarial reduction applied to their pension.

85 year rule is a very complex area and individuals considering retirement should contact Shropshire County Pension Fund for clarification as to whether, and if so how, protections apply to their pension benefits.

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4.4 50:50 Option

- 4.4.1 This option allows employees to contribute half the normal contribution rates to the pension scheme, yet still provides the full death in service benefit.
- 4.4.2 The intention is that this option allows those who wish to join the scheme, but can't afford to pay the full contribution rates, as a "stepping stone" into the scheme.
- 4.4.3 Should you wish to remain in this option longer term, you will be required to opt out of the full contribution rate scheme every three years and re-join the 50:50 option
- 4.4.4 The employer will pay the same contribution rates as members paying the full contribution rates.
- 4.4.5 For new employees to the Council who wish to join the 50:50 option, you must elect to pay reduced contributions as a 50:50 member. You are only allowed to do this once you have started your employment with the Council.
- 4.4.5 Should you elect to join the 50:50 option, please refer to the Shropshire County Pension Scheme website where you are able to find the application form.
- 4.4.6 The switch to the 50:50 option will only take effect from the next available pay period and not the date that the application form has been completed.
- 4.4.7 The Pension Scheme will provide you with information regarding how joining the 50:50 option will impact on your benefits.

4.5 Transferring Pension into the Shropshire Pension Fund

- 4.5.1 Employees may choose to transfer other pension rights into the Shropshire Pension Scheme. Advice on this is available from the Pensions Team (see paragraph 11.1 below).
- 4.5.2 Transfers between Local Government Pensions Funds will happen automatically, unless the employee requests for this not to happen.
- 4.5.2 The request to transfer pension rights as per section 4.4.1, or in the event of 4.4.2 the employee then decides to transfer other Local Government Pension Fund benefits, should normally be made within 12 months of the employee starting employment with Shropshire Council.
- 4.5.3 In exceptional circumstances, where an employee can demonstrate good cause, they may seek an extension to the first twelve months by up to a further 12 months before making a decision on making an application to transfer their pension rights subject to confirmation from their Director that they are not likely to retire, or be subject to ill-health retirement in the near future. Please note that this provision is **discretionary** and in **all instances**, the employee should write

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to the Head of Human Resources requesting an extension to the twelve months, detailing any extenuating circumstances. The Head of Human Resources will be the first stage approval, with the Pension Fund having to also agree to the transfer.

- 4.5.4 Any appeal against a decision not to allow an employee to transfer pension rights, or any other decision relating to an employee's rights or liabilities under the scheme, will be as detailed in paragraph 9.1 below.
- 4.5.5 Relevant employees (those who have AVC contracts taken out prior to 13th November 2001) at retirement may request to transfer in AVCs (Additional Voluntary Contributions). Requests should be made within 1 month of retiring; however this may be extended to 3 months to allow for administrative procedures.

4.6 Awarding extra Annual Pension

- 4.6.1 As a result of the changes to the Local Government Pension Scheme Regulations 2014, Augmentation (also known as "Added Years") will no longer be permitted as part of the Scheme. The option for the employer to grant extra annual pension of up to £6,675 (figure at April 2015) to an active member of the scheme, or within 6 months of leaving to a member whose employment was terminated on the grounds of redundancy or business efficiency (APC) will only be in exceptional circumstances and is not an automatic entitlement.
- 4.6.2 The Head of Human Resources, in consultation with the Head of Finance, has discretion to approve an award after taking into account all the financial implications, including sharing the cost with the employee (Shared Cost Additional Pension Contributions – SCAPC). It should be noted that any extra annual pension granted would be subject to an actuarial reduction if the pension is drawn early, other than if on the grounds of Ill Health.
- 4.6.3 Shropshire Council will only voluntarily contribute towards the cost of purchasing extra pension via a SCAPC if a member has a period of authorised unpaid leave of absence and elects within 30 days of return to work to pay a SCAPC to cover the amount of pension 'lost' during that period of absence. The Council will contribute 2/3rds of this cost to a SCAPC.
- 4.6.4 Granting extra pension will also be permitted in accordance with the Council's Redundancy and Compensation Policy

5.0 Retirement

For information on all aspects of retirement please refer to the "Shropshire Fund Pension Scheme Booklet – a guide to your pension" available from the Pensions Team (01743 – 252130) or look on their website <http://shropshirecountypensionfund.co.uk/>

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5.1 Early Retirement on Compassionate or Exceptional Grounds

- 5.1.1 With effect from 1st April 2014, the opportunity to apply for early release of benefits on compassionate or exceptional grounds will no longer be available and will only be considered in exceptional circumstances only.

Employees that left prior to 01 April 2014, the provision for compassionate grounds remains **discretionary** and in **all instances**, the employees should write to the Head of Human Resources detailing the exceptional circumstances and any associated evidence to support their request. The case will then be considered on the basis of the submission and any associated costs that the Council may have to meet.

5.2 Early Retirement on the Grounds of Ill Health

- 5.2.1 With effect from 1st April 2008, a three tiered ill health retirement scheme will apply (amended under the 2013 regulations). Extra membership on the grounds of ill health retirement will be awarded on the following basis:

- The first condition is that the member is, as a result of ill-health or infirmity of mind or body, permanently incapable (that the member will, more likely than not, be incapable until at the earliest, the member's normal pension age) of discharging efficiently the duties of the employment the member was engaged in.
- The second condition is that the member, as a result of ill-health or infirmity of mind or body, is not immediately capable of undertaking any gainful employment (in this instance, "gainful" is defined as "paid employment for not less than 30 hours per week for a period of not less than 12 months")

- 5.2.2 The process for ill health retirements can be found within the Council's policy on "Caring about Sickness", Section 9.

5.3 Flexible Retirement

- 5.3.1 Under the flexible retirement arrangements, employees who are members of the Local Government Pension Scheme, may request a reduction in their hours or move to a lower graded post and also draw their pension whilst continuing to work, under regulation 30(6) of the LGPS Regulation 2013 of the pension scheme regulations. This will be subject to management consent and will only be considered where there is a justifiable business case and the cost, if any, of early release of pension is managed within the section's budget.

It should be noted that as this provision needs to be cost effective, cases will be considered on an individual basis and a reduction in hours needs to equate to a minimum requirement equivalent to one working day (pro-rotta) if already part-time.

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5.3.2 To be considered for this, employees must:

- be aged 55 or over
- not work in a post or area of work where there are difficulties in recruiting; there are skill shortages or work of a particular nature which requires their skills;
- get authorisation for early release of their pension.

5.3.3 Employees who request a reduction in their hours or in the grade of their post should use the procedure outlined in the Flexible and Agile Working Policy and submit a Flexible and Agile Working Request Form to their Manager. The manager will then complete a Flexible Retirement Request Manager Report, outlining the business case. See Appendix 1 Flexible Retirement Process Flow and Appendix 2 for manager report template.

5.3.3 Early release of pension before age 65 may mean pension benefits are reduced (please refer to Section 5.3.5). Employees should therefore obtain information on their pensionable benefits, which would apply in these circumstances before submitting a request. This is available from the Pensions team (see paragraph 11.1 below).

5.3.4 The decision to permit an employee to receive immediate payment of their pension under flexible retirement will be authorised by their Director, in discussion with the Head of Human Resources.

5.3.5 When making the decision to permit Flexible Retirement, all benefits pre 1st April 2008 will be released. A cost analysis of benefits accrued between the 1st April 2008 and 31st March 2014, and 1st April 2014 onwards will determine whether all, part or none of the benefits are released and whether actuarial reduction, in whole or in part, will be waived to benefits taken before Normal Pension Age (NPA).

5.3.6 Once the Manager has received approval from their Director and Head of Human Resources, they should complete the Flexible and Agile Working Acceptance Form and submit a Contract Amendment e-Form through MyView (refer to Appendix 1 for process).

Please note that in order to be accepted for Flexible Retirement, approval is required from the Head of Human Resources and the appropriate Director. Merely accepting the reduction in hours does not automatically release the pension benefits of the employee

6.0 Working beyond the age of 65

6.1 Job applicants over the age of 65

There will be no upper age restriction for job applicants to the Council. Where a job applicant aged 65 or over is appointed, they will receive the standard contractual terms which apply to the post.

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6.2 Existing employees working beyond age 65

6.2.1 The Employment Equality (Age) Regulations 2006 state that employees have the right to request not to be retired. As Shropshire Council does not apply a compulsory retirement age, an employee can continue in their post beyond the age of 65 if they wish to do so.

6.2.2 Performance of all employees will continue to be reviewed through the normal annual performance appraisal mechanisms. When being appraised, no employee should be treated differently because of their age.

6.3 Implications for employees in the Local Government Pension Scheme (LGPS) who work beyond age 65

6.3.1 Employees in the LGPS who continue to work beyond 65

Employees over the age of 65 can remain in the scheme to the eve of their 75th birthday and their LGPS benefits earned up to their Normal Pension Age will be increased to compensate for their late payment. Benefits must be paid from age 75, even if employment continues beyond that age.

6.3.2 Employees formerly in the LGPS who after a break in service are re-employed at 65 or above

Employees under the age of 75 can re-join and remain in the scheme up to that age and benefits must be paid from age 75, even if employment continues beyond that age. Any LGPS pension already in payment will not be affected, but any part of that pension resulting from added years given in early retirement cases may be subject to adjustment. Details are available from the pension section in individual cases.

6.3.3 Employees appointed at 65 or above with no previous reckonable service

Employees under the age of 75 can join and remain in the scheme up to that age and benefits must be paid from age 75, even if employment continues beyond that age.

7.0 Pre-retirement Courses

7.1 Employees who have indicated that they wish to retire will have the opportunity of attending a Pre-Retirement Course, to better prepare them for that change.

7.2 Further details of the Planning a Positive Retirement course are available on SC Intranet: <http://staff.shropshire.gov.uk/training-and-development/staff/planning-a-positive-retirement/>

8.0 Links to Other Policies

- 8.1 This policy links to Shropshire Council's Flexible Working Framework and to the Council's Redundancy and Compensation Policy, Absence Management Policy with relation to ill health.

9.0 Pensions Appeals

- 9.1 In accordance with Regulation 73 of the Local Government Pension Scheme (Administration) Regulations 2013, the Council is required to draw all employees' attention to the fact that, if they are dissatisfied with any decision in relation to their rights or liabilities under the Scheme, they may make an application to the Head of Treasury and Pensions, as the person appointed for resolving first stage disputes. An appeal must be made within six months of the event. Standard forms and guidelines are available from the Pension Team for this purpose.

If employees remain dissatisfied, they may apply for a reconsideration of the decision to the Head of Legal and Democratic Services. The final level of appeal would be to the Pensions Ombudsman.

In all instances, all initial concerns, or matters whereby an employee is not in agreement, should be referred to the individual who made the original decision. The Pension Scheme will also be available to advise you of your rights under the Scheme.

10.0 Monitoring and Review

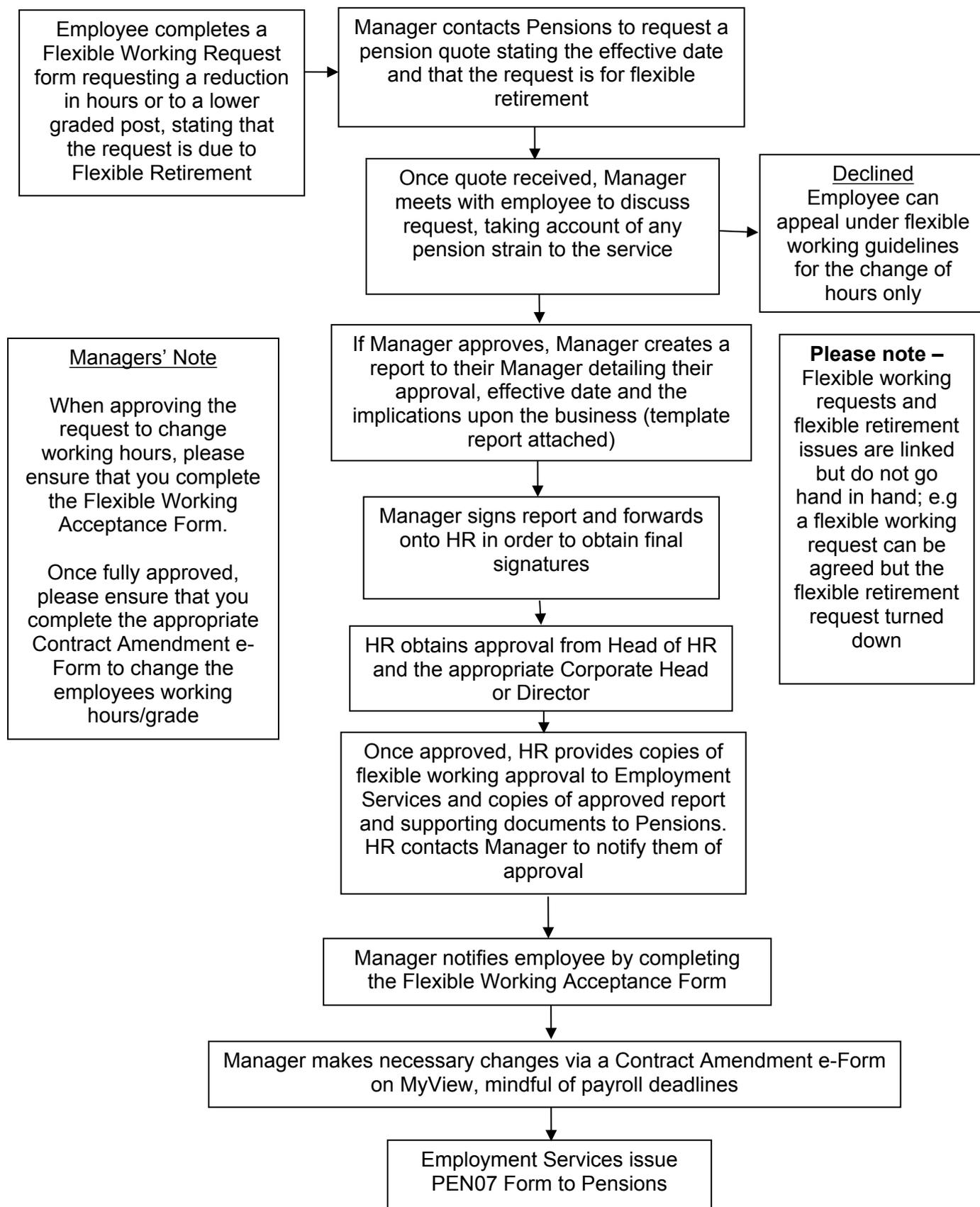
- 10.1 Human Resources will work with Managers to monitor the application of this policy. Shropshire Council may review any aspect of the procedure in the light of changing circumstances at any time, in consultation with the trade unions.
- 10.2 The policy will be reviewed at regular intervals, in conjunction with changes to legislation, and any changes to the regulations as informed by the LGPS that may impact upon it.

11.0 Further Advice on Pensions

- 11.1 Advice and information on the Local Government Pension Scheme (LGPS) is available from the Pensions team who can be contacted on 01743 252130 or at pensions@shropshire.gov.uk. Further useful information can also be found at <http://shropshirecountypensionfund.co.uk/>

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Appendix 1 - Flexible Working Process Flow



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Flexible Retirement Request Manager Report

Employee Name:

Employee number:

Background

Include the following in your business case:

- *Current employment details – include current post, hours worked and current SCP details*
- *Effective date of change and what that change will be*
- *How the approval of the request will benefit the team*
- *Details regarding the strain (if any) on the pension fund, and the cost implications in relation to the team budget (if any)*

I agree to this request for flexible retirement and that pension payments commence with effect from (date).

Direct Line Manager

.....Date.....
(Name and sign)

Post:

Next Level of Line Management

.....Date.....
(Name and sign)

Post:

Head of Human Resources & Development

.....Date.....
(Name and sign)

Director of Group or Service Area

.....Date.....
(Name and sign)

Attached supporting paperwork:

Flexible Working Request Form

Flexible Working Approval Form

Redundancy Policy

Contents

1. Introduction
 2. Exclusions to the Policy
 3. Objectives
 4. Potential Redundancy Situation
 5. Alternatives to Compulsory redundancy
 6. The Consultation Process
 7. Application of the Compulsory Redundancy Criteria
 8. Redeployment
 9. Issuing Notice of Redundancy
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 11. Redundancy Payments
 12. Payment of Pension
 13. Assistance to Seek New Employment
 14. Review of Policy
- Appendix A Redundancy Selection Criteria
Appendix B Redundancy Appeals Procedure

1. Introduction

- 1.1 Shropshire Council aspires to be a fair and equitable employer committed to the principle of maintaining the highest possible level of job security for its employees. However, it is recognised that there may be certain circumstances e.g. in times of severe budgetary constraints when staffing reductions are necessary.
- 1.2 In the event of a potential redundancy situation being identified Shropshire Council will endeavour to address this by limiting external recruitment, redeploying employees where possible, considering requests for voluntary redundancy and other reasonably practicable measures in order to avoid a compulsory redundancy situation. However, should compulsory redundancy become necessary Shropshire Council will strive to ensure a consistent and fair method of selection is applied.
- 1.3 The Redundancy Policy sets out how potential redundancy situations and, if necessary, compulsory redundancies will be managed within Shropshire Council.
- 1.4 The policy applies to all Council employees, except those employed directly by schools who have a specific policy available on the Schools Learning Gateway.

A.

B. 2. Exclusions to the Policy

2.1 The Redundancy Policy will not apply in the following circumstances:

- Termination during, or at the end of a probationary period of service in accordance with the Probationary Performance Policy, whether or not the probationary period was extended beyond its originally specified duration.
- Resignation by an employee, or other termination, by mutual consent.

- To agency staff, contractors or external consultants.
- Apprentices who do not secure permanent employment after their training.
- Employees on a fixed term contract with less than 2 years' service in the affected post.

C.

D. **3. Objectives**

3.1 The objectives of the Redundancy Policy are to:

- Ensure the Council complies with its legislative requirements in relation to redundancy situations;
- Provide clear advice when handling potential redundancy situations;
- Outline measures that may be available to seek to minimise or avoid compulsory redundancy;
- Set out a clear framework for the management of compulsory redundancy situations including the application of a Redundancy Selection Criteria;
- Ensure that where compulsory redundancy is necessary employees leave the Council feeling that they have been treated in a fair and equitable manner.

4. Potential Redundancy Situation

4.1 A potential redundancy situation arises when:

- An employer has ceased, or intends to cease, to carry on the business in the place where an employee was so employed; or
- Where the requirements of the business for employees to carry out work of a particular kind have ceased or diminished or are expected to cease or diminish; or
- Where the requirements of the business for employees to carry out work of a particular kind, in the place where they are so employed, have ceased or diminished or are expected to cease or diminish.

4.2 As soon as it becomes evident that a potential redundancy situation could exist then the Service Manager, in conjunction with HR Business Partner will identify those likely to be affected, both directly and indirectly.

4.3 In some instances the employee(s) to be made redundant will comprise all those undertaking a particular job. In these circumstances, however, care must be taken to check whether a wider group of employees could potentially be affected as a consequence of them having similar or common contracts of employment. In this situation it may be appropriate to ring fence those employees highlighted and follow the process as detailed in Appendix A.

5. Alternatives to Compulsory Redundancy

5.1 In order to avoid or reduce the need for compulsory redundancy alternative measures will be considered. These will include the following:

- Natural wastage through normal staff turnover;
- Suspending relevant external recruitment;
- Reducing overtime;
- Reducing the number of hours worked;
- Voluntary redundancy;
- **Redeployment within the Council.**

E. 6. The Consultation Process

6.1 Consultation must be carried out “in good time” i.e. as soon as redundancies are proposed. Where 20 or more redundancies are proposed there is a statutory duty to consult with the Trade Unions. The Chief Executive or Director with the support of HR will be responsible for issuing a Section 188 notice to the relevant Trade Unions and submitting a HR1 form to the Secretary of State.

6.2 When consulting staff, it is important to consult those who are sick, on maternity, paternity or adoption leave. Failure to consult an employee on maternity leave may lead to a successful sex discrimination claim at tribunal, with unlimited compensation.

6.3 Where the Council is proposing to make redundancies consultation must begin at the earliest opportunity and no less than follows:

Number of employees	Period of Consultation
between 20 and 99 employees at one establishment within a period of 90 days or less,	at least 30 days before the first of the dismissals takes effect.
Over 100 employees at one establishment within a period of 90 days or less,	a period of at least 45 days consultation will apply.
fewer than 20 in one establishment	the Council will endeavour to observe a consultation period of at least 30 days

6.4 Fixed term contracts that have reached their termination date or will terminate during the consultation time are excluded from the requirement to consult collectively.

6.5 An employee(s) and, where appropriate, his/her representative(s) will be provided with the following information as part of the genuine and meaningful consultation process:

- The reason(s) for the proposal(s);
- The number(s) and description of employees proposed to be dismissed as redundant;
- The total number of employees of that description employed at the establishment in question;
- The timeline of the planned consultation period;
- The proposed structure;

- The proposed method of selecting the employees who may be dismissed;
- The proposed method of carrying out the dismissals, including the period over which the dismissals are to take effect; and
- The proposed method of calculating the amount of any redundancy payments – other than statutory payments – to be made to the employees who are dismissed.

Consultation will also include ways of:

- Avoiding or reducing the number of dismissals i.e. considering other options instead of dismissal; e.g. suspending recruitment or reviewing the options for redeployment; and
- Mitigating the consequences of dismissal, e.g. outplacement support

During the consultation process all employees have the option to have individual consultations with management and HR to discuss their options or to put forward evidenced counter proposals to the planned restructure or redundancy.

F.

G. 7. Application of the Compulsory Redundancy Selection Criteria

7.1 If, despite consideration of alternative measures, the need for compulsory redundancy is unavoidable, then the 'Redundancy Selection Criteria', attached at Appendix A to the Policy, will be used to determine which employee(s) will ultimately be declared redundant unless it is evident that all employees will be made redundant. In the event of a restructure or job re-design the selection method may be through interviews. It should be noted that the Council reserves the right to amend the redundancy selection criteria/weighting where circumstances suggest that this would be reasonable.

7.2 All employees involved in the redundancy selection process will be provided with a copy of the 'Redundancy Selection Criteria', together with an explanation as to how this will be applied, prior to the redundancy selection taking place.

8. Redeployment

8.1 The Council will make every reasonable effort to find alternative work within the organisation for any employee who is selected for redundancy. Such employees will be added to the redeployment register for any available vacancies at the time of their redundancy selection and during their notice period.

8.2 Where either an employee or management have identified a post as being potentially suitable alternative employment the employee will need to participate in a selection process in order to establish whether or not the position is suitable for the employee taking into account his/her skills, knowledge, experience, level of seniority as well as the terms and conditions of the post.

8.3 Employees who are on Maternity, (or Adoption), leave are legally entitled to be offered any suitable alternative job before any other employee Failure to do so will result in the dismissal being automatically unfair.

8.4 Where an alternative post offered is substantially the same with regards to:

- Existing Grade
- Work location;
- Duties of the post;
- Working hours

the post will be considered Suitable Alternative Employment (SAE).

If the employee accepts the offer of redeployment they will be entitled to a 28 day trial period. The purpose of the trial period is to enable both the Council and an employee to assess the suitability of the post.

8.5 Should the Council deem an employee to be unsuitable for the post, or the employee themselves has concerns about their new role during the 28 day trial period, appropriate action will be taken in consultation with the employee, which may include seeking further redeployment opportunities, but may also include an employee finishing work in line with notice previously issued.

The determination of what is suitable and, indeed, what constitutes an unreasonable refusal is not statutorily defined and hence each case will need to be determined on merit and in consultation with HR

Should an employee unreasonably refuse an offer of SAE, the employee will lose his/her right to any redundancy payment that may be due.

For more information please refer to the [Redeployment Procedure](#).

9. Issuing Notice of Redundancy

9.1 Notice of redundancy will not be issued until the agreed consultation period has elapsed.

9.2 The Council's obligation to the employee must always be read against any additional notice required so the notice period will be whichever is greater; statutory or contractual. Therefore an employee in a Grade 7 post with a contractual notice period of 1 month who has 6 years' service will be given 6 weeks statutory notice. For more information on notice periods please see the [Periods of Notice Policy](#).

9.3 Payment in lieu of notice is not justifiable in cases where the timetable for redundancy is known sufficiently well in advance to give normal notice, and there is nothing else preventing this.

9.4 If you have been made aware through consultation that you are at risk of redundancy the employee and manager need to work together to ensure that all pro rata annual leave and credit/debit hours are taken wherever possible. Payment of annual leave is not justifiable in cases where employees have known sufficiently well in advance of their termination date. Annual leave needs to be pro rata to their termination date and used prior to leaving. In the event that an individual has exceeded their annual leave entitlement, action will be taken to recover the amount from pay.

H.

I. 10. Appeals against Redundancy

10.1 Notice of redundancy will contain details of the right of appeal against Selection for Redundancy to the Redundancy Appeals Panel. Any appeal must be submitted in writing to the Head of HR within 10 working days of receipt of the redundancy notification and provide all details of the reason for the appeal. For the full appeal process see Appendix B.

10.2 While an appeal is in progress, the contractual period of notice will continue to run from the original date of notification of redundancy.

11. Redundancy Payments

11.1 All eligible employees (see paragraph 2.1) who are made redundant either following a call for volunteers, or through a compulsory redundancy and have a minimum of two years continuous service with local government or a Redundancy [Modification Order](#) body are entitled to a redundancy payment. Redundancy payments are calculated dependent of the length of continuous service in the affected post. The maximum length of service counted for statutory redundancy pay is 20 years.

11.2 Employees will receive the following entitlement:

Service	Entitlement
For service between ages 16 – 21	½ weeks' pay for each completed year of service multiplied by 1.5
For service between ages 22 – 40	1 weeks' pay for each completed year of service multiplied by 1.5
For service from age 41 and above.	1 ½ weeks' pay for each completed year of service multiplied by 1.5

11.3 A weeks' pay is defined as the amount to which an employee is entitled under his or her contract of employment when he/she works a normal week. If an employee's working hours vary, or where additional payments are made, pay is averaged over the previous 12 weeks from the date of your termination letter.

11.4 If an employee holds more than one post they will only be made redundant from the affected post and will remain in any other posts. Redundancy pay will be calculated on the continuous start date of the post from which they are being made redundant and all other continuous start dates will remain.

For Example:

Post 1: Admin post started 01/01/1990

Post 2: Assistant Social Worker post started 01/01/2005

If you were made redundant from your Admin post then the continuous start date used for redundancy calculations would be 01/01/1990 and your start date would remain as 01/01/2005 for the other post.

If you were made redundant from your Assistant Social Worker post then the continuous start date used for your redundancy pay would be 01/01/2005.

- 11.5 The additional compensatory payment (1.5 multiplier) is calculated taking account of any local government service, and service covered by the Redundancy Payments Modification Order up to a maximum of 20 years in total.

For example:

Current Continuous Service: 4 years from age 41 = 6 weeks' pay (4 x ½ week's pay)

Previous Service: 10 years from age 20 = 9 weeks' pay (2 years at ½ week's pay + 8 years at 1 weeks' pay)

Total: 6 + 9 = 15 week's pay x 1.5 multiplier

- 11.6 Final redundancy payments will be made once the employee has completed their notice period and all final salary payments have been made. The redundancy payment will then be calculated and paid on the next available pay run.
- 11.7 Redundancy payments are expressly exempt from income tax. They will, however, be taken into account in determining whether or not the total compensation paid to an employee exceeds the £30,000 tax-free limit.
- 11.8 Any offer of employment made by any local authority (or specified body covered by the Modification Order) accepted whilst under notice of redundancy and commencing within four weeks of the date of redundancy would disqualify an employee from receiving a redundancy payment.
- 11.9 In the event of being re-employed in another local authority post (or with a related employer) after termination and having received a redundancy payment, continuity of service for purposes of any future redundancy pay rights will start afresh.
- 11.10 All employees are responsible for checking their redundancy calculations to ensure any errors are highlighted as soon as possible.

12. Payment of Pension

- 12.1 Any employee who is subject to these redundancy provisions, who is aged 55 and over at the date of termination and is a member of the pension scheme, will be eligible to receive immediate payment of their pension. In these cases, the employing service will meet any additional strain on pension fund.

12.2 Purchasing Additional Pension Benefits

If the employee is a member of the Local Government Pension scheme, there will be an option for the council to purchase additional pension benefits under regulation 13 of the Local Government Pension Scheme Regulations 2013 as an alternative, but not as well as additional compensation under section 11.1. The award of additional pension cannot exceed £6,500 from 1st April 2015 and that figure is increased on 1st April each year. Additional pension benefits can be purchased by the notional additional compensation i.e. the excess over the

statutory payment calculated in accordance with paragraph 11.1. This will be at no extra cost to the Council and the calculation will take into account any additional pension costs met by the Council resulting from the early payment of pension benefits. The employee must be an active member of the LGPS and any decision to opt for this alternative must be made before their employment is terminated.

J. 13. Assistance to Seek New Employment

13.1 An employee with at least two years continuous service at the dismissal date has a statutory entitlement to reasonable time off with pay during his/her notice period to look for new employment or to make arrangements to undertake training for future employment. The Employment Rights Act 1996 does not specify what is deemed to be a reasonable amount of time off, However, employers do not have to pay more than two-fifths of a week's pay regardless of the length of time off allowed. For example, if an employee works five days a week and they take four days off in total during the whole notice period, Shropshire Council is only obliged to pay employees for two days. Employees are required to provide reasonable notice of their interview, including proof of the interview date, time and location to their Manager

13.2 The council also provides a number of courses for employees facing redundancy to give them the skills and knowledge to apply for alternative employment. Further information is available [here](#).

14. Review of Policy

a. 14.1 This policy will be reviewed by HR and Development, in consultation with unions.

i..1.1

1.0 Introduction

- 1.1 It is essential that during a redundancy process the Council ensures that fair and transparent criteria for selection for redundancy are identified and applied consistently.
- 1.2 As a preliminary stage to selection, volunteers for redundancy may be invited to express an interest and be considered by management. However the Council is under no obligation to accept these volunteers. Care must be exercised when selecting from a list of volunteers to ensure that a balanced workforce remains in order to meet the demands of the service.
- 1.3 The handling of compulsory redundancies where selection is involved requires a systematic approach, if any dismissals are to be judged as fair. There is also an expectation amongst Trade Unions that in the event of compulsory redundancies being necessary, the Council will adopt reasonable selection criteria. These guidelines are to be used in the event of compulsory redundancies affecting National Joint Council for Local Government Services, Soulbury, Youth Service employees, other than those whose posts form part of the establishment of a school. The guidelines aim to ensure that good industrial relations practice is maintained in dealing with difficulties of this kind. There may be occasions where different selection criteria is used and in this case employees will be made aware of this at the beginning of the consultation period.
- 1.4 Any team or service faced with the problem of achieving employee reductions by selection for compulsory redundancy will have the principal objective of maintaining a balanced workforce after the redundancies are carried out, measured against the anticipated needs of the Authority. On this basis the approach to selection will be as follows:-

2.0 Unit of Selection

- 2.1 The "unit of selection" should be clearly defined - that is the area of work (based on geography, function and/or level) where reductions are necessary. The relevant Trade Unions and employees concerned will be made aware of the unit of selection by the consultative stages required by the Redundancy Policy.

3.0 Selection Procedure

- 3.1 Wherever possible two senior managers and a HR Business Partner together, with responsibility and/or knowledge of staff in the unit of selection will then apply selection criteria in the following way:-

Stage 1

Completion of the Selection Criteria Matrix. The application of the redundancy matrix will effectively score or rank the individuals within the pool and identify those employees who are likely to be 'at risk' of redundancy, depending on the number of redundancies needed in the particular service area. Once agreed, for a specific situation, matrices and weighting cannot be changed to influence the results.

Relevant Qualification and skills	Score
Has all the relevant qualifications and skills required	5

Is working towards a relevant qualification and has the skills required	4
Either has the relevant qualification but does not have all the skills required OR has the skills required but does not have the relevant qualification	3
Does not have the relevant qualification or skills	1

Relevant Experience	Score
Has the relevant experience to be able to be effective in the role with immediate effect, or with minimal development	5
Has relevant experience but would require some structured development	3
Has insufficient experience	1

Work Performance	Score
Regularly exceeds target performance in a number of different and additional tasks	5
Regularly achieves target performance in usual tasks	3
Usually performs below target performance	1

Ability to learn new tasks	Score
Learns new tasks faster than the majority of employees at the same level	5
Learns new tasks as quickly as the majority of employees at the same level	3
Needs longer than the majority of other employees at the same level to learn new tasks	1

Attitude towards others	Score
Is always co-operative with colleagues and managers and demonstrates a positive attitude	5
Usually co-operative with colleagues and managers and normally demonstrates a positive attitude	3
Can sometimes be negative and does not always co-operate fully with colleagues or managers.	1

Continuous Employment	Score
Over 15 years' service	5
Between 10 and 15 years' service	4
Between 5 and 10 years' service	3
Between 2 and 5 years' service	2
Up to 2 years' service	1

Weighting

Compulsory Redundancy

To achieve the total score for an employee, each criterion is weighted by a factor of 1-3 to reflect its relative importance. The weightings take into account the service's requirements to meet its future service needs and targets as well as the need to maintain a balanced workforce. The weighting will be as follows:

- Qualifications & Skills (x3)
- Experience (x3)
- Work performance (x3)
- Ability to learn new tasks (x2)
- Attitudes towards other (x2)
- Continuous Service (x1)

Having weighted the scores, a total is calculated for each employee. For example, where necessary to reduce the headcount in a service area from 20 to 15 a selection matrix is completed for all 20 employees. The 5 with the lowest scores will be provisionally selected for redundancy.

Voluntary Redundancy

- Qualifications & Skills (x1)
- Experience (x1)
- Work Performance (x3)
- Ability to learn new tasks (x1)
- Attitudes towards others (x1)
- Continuous Service (x3)

Stage 2

Where a tie-break situation arises and more than 1 employee has a similar score, the following criteria will be taken into consideration. This criteria is to be used only in such a situation.

Disciplinary Record	Score
No disciplinary record	5
Informal disciplinary discussion / letter of concern	4
Verbal warning	3
Written Warning	2
Final written warning	1

Only current warnings on file where the disciplinary process has been completed at the date of the selection exercise should apply. Do not take into consideration any current or outstanding disciplinary investigations.

Stage 3

If selection is still necessary, timekeeping records will be considered from the previous 12 months. The frequency of and reasons for poor timekeeping will be taken into account.

Stage 4

If it has not been possible to select by Stage 3 then an interview or assessment will be carried out.

- 3.2 The personal circumstances of employees at risk of redundancy must not be taken into account at any stage of the selection process. At all stages the employees concerned should be given details of any records to be used.
- 3.3 Where selection criteria have been applied those selected must be notified as soon as possible and in a sensitive manner which fully recognises the difficulties faced by the employee. Those not selected should also be told of the decision as soon as possible.
- 3.4 Where someone has been selected for compulsory redundancy, they must be given the reasons for their selection in writing and notifying them of their right to appeal (refer to section 11).

1 Process to be followed prior to the Appeal

- 1.1 The Appeal will be heard by the Chief Executive, or a delegated Director, and the Head of HR will appoint a Clerk to the Appeal.
- 1.2 The Clerk to the Appeal will write to the employee informing of them of the date and time of the appeal hearing which will usually be held within three weeks of receipt of the notification of appeal. However, if this will not be possible the employee will be notified of the likely timescale. Acknowledgement of receipt will be required from the employee and the employee must also provide any written evidence they intend to use in the hearing to the clerk of the Appeal at least seven days in advance of the hearing.
- 1.4 Seven days prior to the Appeal, the manager who made the redundancy decision will prepare a statement of case and send it to the Clerk of the Appeal. The statement of case will need to explain the following:
 - The papers (often including committee reports) which provide information on the need for the redundancy
 - The selection criteria used (where applicable)
 - Details of the employees in all posts included in the pool for redundancy selection broken down by gender, age, start date, ethnic origin, disability and length of service in current post.
 - Any measures taken to try and avoid compulsory redundancy
 - Details of consultation arrangements
 - The reasons provided by the employee appealing against redundancy.
- 1.5 Although the employee is likely to have seen the documentation contained within the statement a copy should be sent to the employee seven days before the hearing by the Clerk of the Appeal.

2 Process to be followed at the Appeal

- 2.1 An employee has the right to be accompanied, at the Appeal, by a Trade Union representative or work colleague.
- 2.2 At the Appeal it will be the responsibility of the manager who made the redundancy decision to demonstrate to the Redundancy Selection Appeals Panel that the redundancy selection criteria have been applied fairly. It will be for the employee or his/her Trade Union representative, or work colleague, to demonstrate to the Redundancy Selection Appeals Panel that the redundancy selection criteria have been applied inappropriately and/or the information considered had been incorrect resulting in the employee being selected wrongly for redundancy.
- 2.3 The Chief Executive, having considered submissions from both parties, can determine that the redundancy selection criteria had:
 - Been applied correctly and dismiss the appeal;
 - Not been applied correctly and/or the information upon which it was based was incorrect but that the resultant amendments would have made no difference to

the outcome of the redundancy selection and on these grounds dismiss the appeal;

- Not been applied correctly and/or the information upon which it was based was incorrect but it was unclear what impact this would have on the redundancy selection and so refer the matter back to the Redundancy Selection Panel for reassessment;
- Been applied incorrectly and/or the information upon which it was based was incorrect with the result that the employee had been selected wrongly for redundancy and so uphold the appeal;
- Not been applied to the correct group of employees and so refer the matter back to the Redundancy Selection Panel for re-assessment.

3. Process to be followed after the Appeal

- 3.1 The decision of the Chief Executive will be final.
- 3.2 The Chief Executive will give the outcome to the appeal in writing as soon as reasonably practicable and normally within 14 working days.
- 3.3 Where the appeal is unsuccessful and a redundancy decision is confirmed, employment will terminate on the date specified in the original written notification of redundancy.
- 3.4 In the event that an appeal against redundancy selection is allowed this may mean that another employee will have to be selected for redundancy, provided that the alternatives to redundancy have been considered in respect of the selected employee and the employee has subsequently been afforded the right of appeal. In these circumstances the employee concerned should be advised as soon as is practicable and the opportunity to appeal afforded.

Agenda Item 8



<u>Committee and Date</u>	<u>Item</u>
Council	
28 February 2019	
10.30 am	Public

COUNCIL TAX RESOLUTION 2019/20

Responsible Officer James Walton

e-mail: james.walton@shropshire.gov.uk

Tel: (01743) 258915

1. Summary

- 1.1 This report details the budget requirement for 2019/20 and sets the council tax precept to be levied.
- 1.2 The Council Tax increases approved by the various precepting authorities for the 2019/20 financial year are summarised below:

Precepting Authority	Increase Over 2018/19
Shropshire Council	3.99%
West Mercia Police & Crime Commissioner	9.94%
Shropshire & Wrekin Fire Authority	2.99%
Parish / Town Council (Average)	3.84%

2.

Recommendations

Members are asked to:

- 2.1 Approve a 3.99% Council Tax rise resulting in a basic amount of council tax for a Band D property of £1,388.23 in the billing authority's area, calculated in accordance with the provisions of the Local Government Finance Act 1992 (section 44) and the Local Government (Structural Changes) (Further Financial Provisions and Amendment) Regulations 2008.

- 2.2 In accordance with the provisions of Section 40 (2) of the 1992 Act, approve the amount of Council Tax calculated for each category of dwelling in the billing authority's area to be as follows:

Property Band	2019/20 Charge £
A	925.49
B	1,079.74
C	1,233.98
D	1,388.23
E	1,696.72
F	2,005.22
G	2,313.72
H	2,776.46

- 2.3 Approve that a total precept of £154,426,844 be levied.
- 2.4 Approve the formal council tax resolution as set out in Appendix 1 to determine the levels of Council Tax for Shropshire Council for 2019/20.

REPORT

3. Risk Assessment & Opportunities Appraisal

- 3.1 The 2019/20 budget drawn up within the parameters detailed in the Financial Strategy agreed by Cabinet on 13 February 2019 sets out the Council's approach to managing its finances over the period 2019/20 to 2023/24.

4. Financial Implications

- 4.1 The Council's Financial Strategy 2019/20 to 2023/24 identifies the financial implications of the overall strategic direction of the Authority.

5. Background

- 5.1. Council is expected to agree a net budget of £213.839m. This would result in an average Council Tax rise for its own purposes, for 2019/20, of 3.99%. In setting this increase, Shropshire Council has used the increase in the council tax referendum principle from 2% to 3% for 2019/20 and consequently set an increase of 2.99%. The Council has also applied the additional flexibility to increase its council tax above the core referendum principle to specifically fund adult social care duties. This flexibility allows Councils to raise the precept by 6% over the period 2017/18 to 2019/20. Shropshire Council increased the precept by 2% in 2017/18 and 3% in 2018/19 in relation to this and in 2019/20 proposes a 1% increase.

5.2 Local Precepting Authorities

The Parish Precepts for 2019/20 total £8,211,338. These are detailed, on a Band D equivalent basis at Appendix 2 which also details the change in Band D amounts between 2018/19 and 2019/20.

5.3 Major Precepting Authorities

The West Mercia Police & Crime Commissioner (WMP&CC) met on the 07 February 2019 to agree its precept requirement for 2019/20. The WMP&CC approved a net budget of £218.891m and will precept £24,101,141.91 from Shropshire. The Band D equivalent is £216.66, an increase of 9.94% from 2018/19.

The Shropshire & Wrekin Fire Authority (S&WFA) met on 13 February 2019 to agree its precept requirement for 2019/20. The recommendation to S&WFA is that they approve a net budget of £22.288m and a precept of £11,151,821 from Shropshire. This will equate to a Band D equivalent of £100.25, a 2.99% increase from 2018/19.

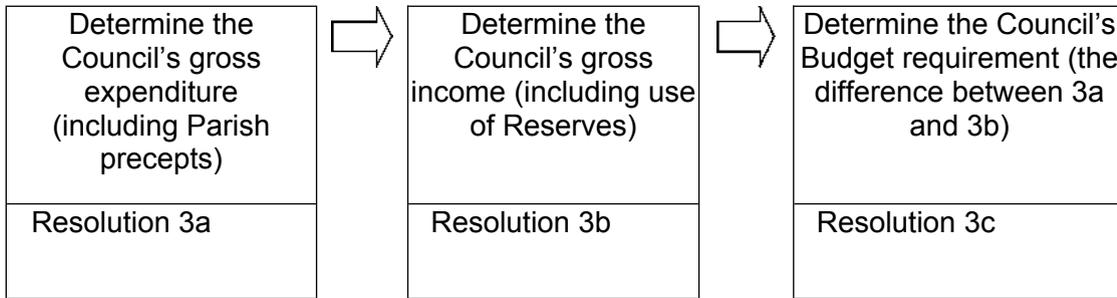
6. Special Items

- 6.1 Sections 34 and 35 of the Local Government Act 1992 require Parish precepts to be determined by the Council as special items. This is reflected in the Council Tax resolution (Appendix 1). The individual parish precepts on a Band D basis are detailed at Appendix 2.

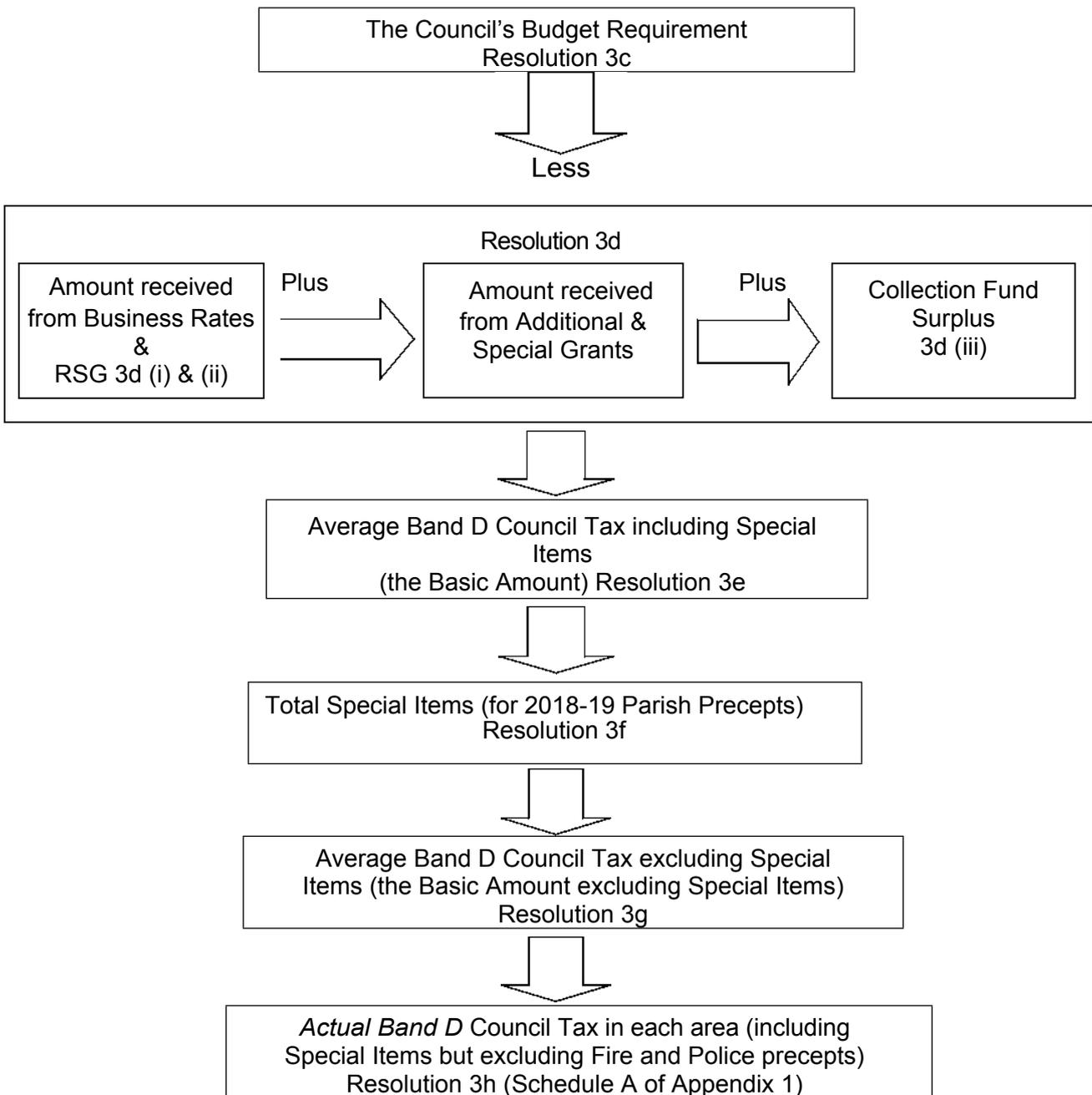
7. Setting the Council Tax

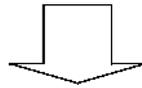
- 7.1 If the recommendations above are approved, the Band D Council Tax for Shropshire Council services will be set at £1,388.23. After taking account of the Parishes, the Police & Crime Commissioner, and the Fire Authority, the average increase in Shropshire's tax levels will vary depending on the relevant area's tax charge. The details behind these charges are set out at Appendix 1.
- 7.2 In order to set the Council Tax legally, the Council must agree a complex set of resolutions shown at Appendix 1. These resolutions build up from the Council's budget requirement including Parish precepts, through deducting Business Rates, Revenue Support Grant and collection fund surpluses (or adding a deficit) to arrive at a basic Council Tax including and excluding Parish precepts. To that is added the precepts for the Fire Authority and the Police & Crime Commissioner to arrive at a total Council Tax by Parish and by Council Tax Band.
- 7.3 Draft Resolution 1 reiterates the General Fund budget requirement and special items that are then covered more formally in Resolution 2. Resolution 3 confirms the Council has calculated the Council Tax base at a total area level and at a parish level. The remainder of the Council Tax setting process is shown below diagrammatically.

Stage 1: Determining The Council’s Budget Requirement (Resolutions 3a, 3b, and 3c)



Stage 2: Determining the Amount to be raised from Council Taxes excluding Fire and Police (Resolutions 3c to 3j)

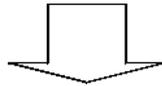




Actual Council Tax by Band in each area (including Special Items but excluding Fire and Police precepts)
Resolution 3i (Schedule B of Appendix 1)

Stage 3: Determining the Amount to be Raised from Council Taxes including Fire and Police (Resolutions 4 to 5)

Council Tax by Band for the Police & Crime Commissioner and Fire Authority
Resolutions 4



Council Tax by Band including Police & Crime Commissioner and Fire Authority i.e. total Council Tax by Parish and Band
Resolutions 5 (Schedule C to Appendix 1)

8. Legal

- 8.1 The Council is required to set its Council Tax level before 11 March. The legal requirements in relation to the setting of the Council Tax are noted against the relevant resolutions in **Appendix 1**.

List of Background Papers (This MUST be completed for all reports, but does not include items containing exempt or confidential information)

Financial Strategy - 2019/20 to 2023/24.

Cabinet Member (Portfolio Holder)

All

Local Member

All

Appendices

Appendix 1 Council Tax Resolution 2019/20

Appendix 1 Schedule A - Band D Council Tax for Combined Shropshire Council and Parish/Town Councils 2019/20

Appendix 1 Schedule B - Council Tax for Combined Shropshire Council and Parish/Town Councils 2019/20 by each valuation Band

Appendix 1 Schedule C - Council Tax for Combined Shropshire Council, Parish/Town Councils , Police and Fire 2019/20

Appendix 2 - Basic Amounts of Council Tax at Band D for Parish/Town Councils 2019/20

COUNCIL TAX RESOLUTION 2019/20

1. The format of the Council Tax setting resolution that the Council must approve, has been previously agreed between the Local Government Association and Communities and Local Government, and the determination follows that format.
2. That it be noted that at its meeting on 13th December 2018 the Council calculated the following amounts for the year 2019/20 in accordance with Regulation 3 of the Local Authorities (Calculation of Council Tax Base) Regulations 1992 made under Section 33(5) of the Local Government Finance Act 1992 (The Act):

(a) **111,240.10** being the number calculated by the Council, in accordance with Regulation 3 of the Local Authorities (Calculation of Council Tax Base) Regulations 2002 (The Regulations), as its Council Tax Base for the year.

(b)

Parish of:	Taxbase
Abdon & Heath	105.51
Acton Burnell, Frodesley, Pitchford, Ruckley & Langley	259.86
Acton Scott	40.30
Adderley	203.50
Alberbury with Cardeston	378.53
Albrighton	1,511.40
All Stretton, Smethcott & Woolstaston	171.64
Alveley & Romsley	851.24
Ashford Bowdler	37.04
Ashford Carbonel	183.29
Astley	195.89
Astley Abbots	243.62
Aston Bottrell, Burwarton & Cleobury North	113.56
Atcham	99.25
Badger	59.17
Barrow	262.41
Baschurch	1,097.63
Bayston Hill	1,794.57
Beckbury	152.62
Bedstone & Bucknell	313.27
Berrington	414.56
Bettws-Y-Crwyn	89.58
Bicton	409.44
Billingsley, Deuxhill, Glazeley & Middleton Scriven	163.90
Bishops Castle Town	646.56
Bitterley	350.39
Bomere Heath & District	814.92
Bonningale	141.31
Boraston	73.38
Bridgnorth Town	4,552.26
Bromfield	117.92
Broseley Town	1,530.35
Buildwas	105.17
Burford	428.21
Cardington	201.77

Parish of:	Taxbase
Caynham	522.52
Chelmarsh	230.20
Cheswardine	390.20
Chetton	156.69
Childs Ercall	299.00
Chirbury with Brompton	341.18
Church Preen, Hughley & Kenley	125.20
Church Pulverbatch	161.50
Church Stretton & Little Stretton Town	2,156.90
Claverley	855.71
Clee St. Margaret	69.94
Cleobury Mortimer	1,154.01
Clive	243.25
Clun Town with Chapel Lawn	507.03
Clunbury	246.08
Clungunford	151.52
Cockshutt-cum-Petton	302.13
Condover	864.66
Coreley	135.08
Cound	208.91
Craven Arms Town	796.50
Cressage, Harley & Sheinton	411.41
Culmington	169.91
Diddlebury	265.70
Ditton Priors	324.23
Donington & Boscobel	577.43
Eardington	238.67
Easthope, Shipton & Stanton Long	202.52
Eaton-Under-Heywood & Hope Bowdler	184.83
Edgton	48.22
Ellesmere Rural	922.35
Ellesmere Town	1,420.35
Farlow	182.98
Ford	297.66
Great Hanwood	392.15
Great Ness & Little Ness	476.60
Greete	49.87
Grinshill	112.34
Hadnall	348.60
Highley	1,062.28
Hinstock	486.05
Hodnet	569.31
Hope Bagot	28.96
Hopesay	234.47
Hopton Cangeford & Stoke St. Milborough	161.41
Hopton Castle	47.12
Hopton Wafers	281.38
Hordley	101.52
Ightfield & Calverhall	193.15
Kemberton	116.88
Kinlet	410.69
Kinnerley	489.73
Knockin	114.66

Parish of:	Taxbase
Leebotwood & Longnor	200.81
Leighton & Eaton Constantine	205.93
Llanfairwaterdine	100.16
Llanyblodwel	265.29
Llanymynech & Pant	668.74
Longden	524.28
Loppington	282.55
Ludford	242.81
Ludlow Town	3,500.87
Lydbury North	221.13
Lydham & More	127.32
Mainstone & Colebatch	87.30
Market Drayton Town	3,824.92
Melverley	52.20
Milson & Neen Sollars	117.97
Minsterley	583.98
Montford	251.76
Moreton Corbett & Lee Brockhurst	125.18
Moreton Say	201.84
Morville, Acton Round, Aston Eyre, Monkhopton & Upton Cressett	358.42
Much Wenlock Town	1,207.49
Munslow	174.99
Myddle & Broughton	610.69
Myndtown, Norbury, Ratlinghope & Wentnor	258.54
Nash	139.30
Neen Savage	153.17
Neenton	62.67
Newcastle	126.30
Norton-In-Hales	314.18
Onibury	130.90
Oswestry Rural	1,637.44
Oswestry Town	5,278.11
Pontesbury	1,205.28
Prees	1,083.93
Quatt Malvern	96.93
Richards Castle	141.19
Rushbury	264.95
Ruyton-XI-Towns	457.99
Ryton & Grindle	77.66
Selattyn & Gobowen	1,248.11
Shawbury	838.95
Sheriffhales	318.90
Shifnal Town	3,085.13
Shrewsbury Town	24,565.77
Sibdon Carwood	49.60
St. Martins	910.19
Stanton Lacy	164.34
Stanton-Upon-Hine Heath	235.55
Stockton	132.29
Stoke-Upon-Tern	474.13
Stottesdon & Sidbury	326.80
Stowe	48.06
Sutton Maddock	107.73
Sutton-Upon-Tern	406.45
Tasley	416.30
Tong	119.90

Parish of:	Taxbase
Uffington	104.89
Upton Magna	157.58
Welshampton & Lyneal	369.79
Wem Rural	672.26
Wem Town	1,986.33
West Felton	541.17
Westbury	523.96
Weston Rhyn	839.56
Weston-Under-Redcastle	120.51
Wheathill	74.37
Whitchurch Rural	591.72
Whitchurch Town	3,349.83
Whittington	845.86
Whitton	61.26
Whixall	339.81
Wistanstow	328.65
Withington	105.20
Woore	597.26
Worfield & Rudge	921.02
Worthen with Shelve	783.26
Wroxeter & Uppington	156.78
Shropshire Council	111,240.10

being the amounts calculated by the Council in accordance with Regulation 6 of The Regulations, as the numbers of its Council Tax taxbase for the year for dwellings in those parts of the Council to which one or more special items relate.

3. That the following amounts be now calculated by the Council for the year 2019/20 in accordance with Sections 32 to 36 of The Act:

	Description	Amount £	Notes
A	Gross Expenditure	576,700,683	Gross expenditure including Parish precepts in accordance with s32(2) (a) - (e) of the Act.
B	Gross Income	354,650,590	Gross income including the use of reserves in accordance with s32(3) (a) - (c) of the Act.
C	Budget Requirement	222,050,093	The budget requirement in accordance with s32(4) of the Act
D	i) Business Rates	49,925,364	From the LG Finance Settlement
	ii) Revenue Support Grant	6,119,050	From the LG Finance Settlement
	iii) Transfer to Collection Fund	3,367,497	Collection Fund surplus in accordance with s97 of the Local Government Finance Act 1988 and regulations made under s98 of the 1988 Act
	iv) Total of (D i-iv) inclusive	59,411,911	Business Rates, RSG, special grants and Collection Fund surplus.
E	Basic Amount of Council Tax	1,462.05	Item (c) - (d) divided by tax base (resolution 2(a) - this represents the weighted average Council Tax at Band D including Parish precepts but excluding Fire and Police in accordance with s33(1) of the Act.
F	Total of Special Items	8,211,338	This represents the total of Parish precepts in accordance with s34(1) of the Act.
G	Basic Amount of Council Tax for dwellings in parts of the area to which no special items relate	1,388.23	Item (c) - (d) - (f) divided by tax base (resolution 2(a)) in accordance with s34(2) of the Act.
H	Basic Amount of Council Tax for dwellings in parts of the area to which one or more special items relate	Sums shown in Schedule A Appendix 1	This represents the Band D Council Tax by Parish including Parish precepts but excluding Fire and Police in accordance with s34(3) of the Act.
I	Amount of Council Tax as in (h) for each Council Tax Band	Sums shown in Schedule B Appendix 1	This represents the Council Tax by Parish and by each valuation band including Parish precepts but excluding Fire and Police in accordance with s36(1) and s5(1) of the Act..

4. That it be noted that for the year 2019/20 the West Mercia Police & Crime Commissioner and the Shropshire & Wrekin Fire Authority have stated that 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 dwelling shown below:

Precepting Authority	Valuation Bands - 2019/20							
	A £	B £	C £	D £	E £	F £	G £	H £
Shropshire & Wrekin Fire Authority	66.83	77.97	89.11	100.25	122.53	144.81	167.08	200.50
West Mercia Police & Crime Commissioner	144.44	168.51	192.59	216.66	264.81	312.95	361.10	433.32

5. That having calculated the aggregate in each case of the amounts at 3(i) and 4 above, the Council, in accordance with Section 30(2) of the Local Government Finance Act 1992, hereby sets the amounts listed in Schedule C Appendix 1 as the amounts of Council Tax for the year 2019/20 for each of the categories of dwellings in the Council's area.

		Schedule A	
Basic Amounts of Council Tax at Band D for Combined Shropshire Council and Parish/Town Councils 2019/20			
Parish / Town Council	£:p		
Abdon & Heath	1,388.23		
Acton Burnell, Frodesley, Pitchford, Ruckley & Langley	1,410.53		
Acton Scott	1,393.19		
Adderley	1,461.94		
Alberbury with Cardeston	1,412.01		
Albrighton	1,474.24		
All Stretton, Smethcott & Woolstaston	1,414.45		
Alveley & Romsley	1,449.52		
Ashford Bowdler	1,388.23		
Ashford Carbonel	1,431.23		
Astley	1,421.46		
Astley Abbotts	1,413.68		
Aston Botterell, Burwarton & Cleobury North	1,436.66		
Atcham	1,450.11		
Badger	1,452.45		
Barrow	1,418.97		
Baschurch	1,429.96		
Bayston Hill	1,473.28		
Beckbury	1,436.06		
Bedstone & Bucknell	1,456.86		
Berrington	1,415.69		
Bettws-Y-Crwyn	1,455.21		
Bicton	1,417.42		
Billingsley, Deuxhill, Glazeley & Middleton Scriven	1,424.84		
Bishops Castle Town	1,601.67		
Bitterley	1,408.66		
Bomere Heath & District	1,412.22		
Bonningale	1,404.51		
Boraston	1,392.32		
Bridgnorth Town	1,522.92		
Bromfield	1,419.90		
Broseley Town	1,545.63		
Buildwas	1,454.79		
Burford	1,430.27		
Cardington	1,415.49		
Caynham	1,425.45		
Chelmarsh	1,442.13		
Cheswardine	1,444.52		
Chetton	1,420.14		
Childs Ercall	1,430.80		
Chirbury with Brompton	1,423.48		
Church Preen, Hughley & Kenley	1,420.18		
Church Pulverbatch	1,408.58		
Church Stretton & Little Stretton Town	1,572.21		
Claverley	1,414.52		
Clee St. Margaret	1,388.23		
Cleobury Mortimer	1,487.88		
Clive	1,443.43		
Clun Town with Chapel Lawn	1,463.49		
Clunbury	1,404.48		
Clungunford	1,413.31		
Cockshutt-cum-Petton	1,451.92		
Condover	1,431.88		
Coreley	1,419.90		
Cound	1,415.78		
Craven Arms Town	1,458.37		
Cressage, Harley & Sheinton	1,448.57		
Culmington	1,409.01		
Diddlebury	1,409.13		
Ditton Priors	1,423.90		
Donington & Boscobel	1,442.41		
Eardington	1,430.13		
Easthope, Shipton & Stanton Long	1,393.17		
Eaton-Under-Heywood & Hope Bowdler	1,413.58		
Edgton	1,397.52		
Ellesmere Rural	1,427.82		
Ellesmere Town	1,537.70		
Farlow	1,415.56		
Ford	1,459.37		
Great Hanwood	1,460.78		
Great Ness & Little Ness	1,432.06		
Greete	1,388.23		
Grinshill	1,437.19		
Hadnall	1,421.64		
Highley	1,490.24		
Hinstock	1,435.40		
Hodnet	1,425.59		
Hope Bagot	1,405.50		
Hopesay	1,440.66		
Hopton Cangeford & Stoke St. Milborough	1,401.24		
Hopton Castle	1,403.09		
Hopton Wafers	1,415.60		

		Schedule A	
Basic Amounts of Council Tax at Band D for Combined Shropshire Council and Parish/Town Councils 2019/20			
Parish / Town Council	£:p		
Hordley	1,431.90		
Ightfield & Calverhall	1,449.05		
Kemerton	1,416.17		
Kinlet	1,410.76		
Kinnerley	1,435.30		
Knockin	1,483.08		
Leebotwood & Longnor	1,420.60		
Leighton & Eaton Constantine	1,414.91		
Llanfairwaterdine	1,416.19		
Llanyblodwel	1,426.79		
Llanymynech & Pant	1,426.62		
Longden	1,452.05		
Loppington	1,402.03		
Ludford	1,407.59		
Ludlow Town	1,547.34		
Lydbury North	1,439.55		
Lydham & More	1,388.23		
Mainstone & Colebatch	1,398.54		
Market Drayton Town	1,509.08		
Melverley	1,464.86		
Milson & Neen Sollars	1,452.07		
Minsterley	1,421.62		
Montford	1,412.06		
Moreton Corbett & Lee Brockhurst	1,401.81		
Moreton Say	1,448.67		
Morville, Acton Round, Aston Eyre, Monkhopton & Upton Cressett	1,404.97		
Much Wenlock Town	1,549.47		
Munslow	1,409.67		
Myddle & Broughton	1,433.83		
Myndtown, Norbury, Ratlinghope & Wentnor	1,406.06		
Nash	1,409.87		
Neen Savage	1,423.56		
Neenton	1,388.23		
Newcastle	1,440.49		
Norton-In-Hales	1,438.88		
Onibury	1,424.53		
Oswestry Rural	1,416.07		
Oswestry Town	1,464.77		
Pontesbury	1,454.60		
Prees	1,410.72		
Quatt Malvern	1,449.41		
Richards Castle	1,420.10		
Rushbury	1,413.90		
Ruyton-XI-Towns	1,455.92		
Ryton & Grindle	1,434.84		
Selattyn & Gobowen	1,454.53		
Shawbury	1,449.32		
Sheriffhales	1,435.27		
Shifnal Town	1,533.43		
Shrewsbury Town	1,438.44		
Sibdon Carwood	1,388.23		
St. Martins	1,446.57		
Stanton Lacy	1,410.27		
Stanton-Upon-Hine Heath	1,434.89		
Stockton	1,429.81		
Stoke-Upon-Tern	1,426.19		
Stottesdon & Sidbury	1,475.89		
Stowe	1,402.80		
Sutton Maddock	1,408.91		
Sutton-Upon-Tern	1,402.99		
Tasley	1,406.34		
Tong	1,417.42		
Uffington	1,469.63		
Upton Magna	1,421.04		
Welshampton & Lyneal	1,446.37		
Wem Rural	1,427.30		
Wem Town	1,547.55		
West Felton	1,423.76		
Westbury	1,414.95		
Weston Rhyn	1,431.11		
Weston-Under-Redcastle	1,438.02		
Wheathill	1,440.67		
Whitchurch Rural	1,424.81		
Whitchurch Town	1,532.89		
Whittington	1,440.11		
Whitton	1,388.23		
Whixall	1,412.66		
Wistanstow	1,425.52		
Withington	1,445.26		
Woore	1,439.68		
Worfield & Rudge	1,413.20		
Worthen with Shelve	1,434.72		
Wroxeter & Uppington	1,416.04		

Council Tax for Combined Shropshire Council and Parish/Town Councils 2019/20									Schedule B
Parish / Town Council	Band A £:p	Band B £:p	Band C £:p	Band D £:p	Band E £:p	Band F £:p	Band G £:p	Band H £:p	
Abdon & Heath	925.49	1,079.74	1,233.98	1,388.23	1,696.72	2,005.22	2,313.72	2,776.46	
Acton Burnell, Frodesley, Pitchford, Ruckley & Langley	940.36	1,097.08	1,253.80	1,410.53	1,723.98	2,037.43	2,350.89	2,821.06	
Acton Scott	928.80	1,083.60	1,238.39	1,393.19	1,702.78	2,012.38	2,321.99	2,786.38	
Adderley	974.63	1,137.07	1,299.50	1,461.94	1,786.81	2,111.69	2,436.57	2,923.88	
Alberbury with Cardeston	941.34	1,098.24	1,255.12	1,412.01	1,725.78	2,039.57	2,353.35	2,824.02	
Albrighton	982.83	1,146.64	1,310.43	1,474.24	1,801.84	2,129.46	2,457.07	2,948.48	
All Stretton, Smethcott & Woolstaston	942.97	1,100.13	1,257.29	1,414.45	1,728.77	2,043.09	2,357.42	2,828.90	
Alveley & Romsley	966.35	1,127.41	1,288.46	1,449.52	1,771.63	2,093.75	2,415.87	2,899.04	
Ashford Bowdler	925.49	1,079.74	1,233.98	1,388.23	1,696.72	2,005.22	2,313.72	2,776.46	
Ashford Carbonel	954.16	1,113.18	1,272.20	1,431.23	1,749.28	2,067.33	2,385.39	2,862.46	
Astley	947.64	1,105.59	1,263.52	1,421.46	1,737.33	2,053.22	2,369.10	2,842.92	
Astley Abbotts	942.46	1,099.53	1,256.60	1,413.68	1,727.83	2,044.98	2,356.14	2,827.36	
Aston Botterell, Burwaton & Cleobury North	957.78	1,117.41	1,277.03	1,436.66	1,755.91	2,075.17	2,394.44	2,873.32	
Atcham	966.74	1,127.87	1,288.98	1,450.11	1,772.35	2,094.60	2,416.85	2,900.22	
Badger	968.30	1,129.69	1,291.06	1,452.45	1,775.21	2,097.98	2,420.75	2,904.90	
Barrow	945.98	1,103.65	1,261.30	1,418.97	1,734.29	2,049.62	2,364.95	2,837.94	
Baschurch	953.31	1,112.20	1,271.07	1,429.96	1,747.72	2,065.50	2,383.27	2,859.92	
Bayston Hill	982.19	1,145.89	1,309.58	1,473.28	1,800.67	2,128.07	2,455.47	2,946.56	
Beckbury	957.38	1,116.94	1,276.50	1,436.06	1,755.18	2,074.31	2,393.44	2,872.12	
Bedstone & Bucknell	971.24	1,133.12	1,294.98	1,456.86	1,780.60	2,104.35	2,428.10	2,913.72	
Berrington	943.80	1,101.10	1,258.39	1,415.69	1,730.28	2,044.88	2,359.49	2,831.38	
Bettws-Y-Crwyn	970.14	1,131.84	1,293.52	1,455.21	1,778.58	2,101.97	2,425.35	2,910.42	
Bicton	944.95	1,102.44	1,259.93	1,417.42	1,732.40	2,047.38	2,362.37	2,834.84	
Billingsley, Deuxhill, Glazeley & Middleton Scriven	949.90	1,108.21	1,266.52	1,424.84	1,741.47	2,058.10	2,374.74	2,849.68	
Bishops Castle Town	1,067.78	1,245.75	1,423.70	1,601.67	1,957.59	2,313.52	2,669.45	3,203.34	
Bitterley	939.11	1,095.63	1,252.14	1,408.66	1,721.69	2,034.73	2,347.77	2,817.32	
Bomere Heath & District	941.48	1,098.40	1,255.30	1,412.22	1,726.04	2,039.87	2,353.70	2,824.44	
Bonningale	936.34	1,092.40	1,248.45	1,404.51	1,716.62	2,028.74	2,340.85	2,809.02	
Boraston	928.22	1,082.92	1,237.62	1,392.32	1,701.72	2,011.13	2,320.54	2,784.64	
Bridgnorth Town	1,015.28	1,184.50	1,353.70	1,522.92	1,861.34	2,199.77	2,538.20	3,045.84	
Bromfield	946.60	1,104.37	1,262.13	1,419.90	1,735.43	2,050.97	2,366.50	2,839.80	
Broseley Town	1,030.42	1,202.16	1,373.89	1,545.63	1,889.10	2,232.58	2,576.05	3,091.26	
Buildwas	969.86	1,131.51	1,293.14	1,454.79	1,778.07	2,101.36	2,424.65	2,909.58	
Burford	953.52	1,112.44	1,271.35	1,430.27	1,748.10	2,065.94	2,383.79	2,860.54	
Cardington	943.66	1,100.94	1,258.21	1,415.49	1,730.04	2,044.60	2,359.15	2,830.98	
Caynham	950.30	1,108.69	1,267.06	1,425.45	1,742.21	2,058.98	2,375.75	2,850.90	
Chelmarsh	961.42	1,121.66	1,281.89	1,442.13	1,762.60	2,083.08	2,403.55	2,884.26	
Cheswardine	963.02	1,123.52	1,284.02	1,444.52	1,765.52	2,086.53	2,407.54	2,889.04	
Chetton	946.76	1,104.56	1,262.34	1,420.14	1,735.72	2,051.31	2,366.90	2,840.28	
Childs Ercall	953.87	1,112.85	1,271.82	1,430.80	1,748.75	2,066.71	2,384.67	2,861.60	
Chirbury with Brompton	948.99	1,107.16	1,265.31	1,423.48	1,739.80	2,056.14	2,372.47	2,846.96	
Church Preen, Hughley & Kenley	946.79	1,104.59	1,262.38	1,420.18	1,735.77	2,051.37	2,366.97	2,840.36	
Church Pulverbatch	939.06	1,095.57	1,252.07	1,408.58	1,721.59	2,034.61	2,347.64	2,817.16	
Church Stretton & Little Stretton Town	1,048.14	1,222.84	1,397.52	1,572.21	1,921.58	2,270.97	2,620.35	3,144.42	
Claverley	943.02	1,100.19	1,257.35	1,414.52	1,728.85	2,043.19	2,357.54	2,829.04	
Clee St. Margaret	925.49	1,079.74	1,233.98	1,388.23	1,696.72	2,005.22	2,313.72	2,776.46	
Cleobury Mortimer	991.92	1,157.25	1,322.56	1,487.88	1,818.51	2,149.16	2,479.80	2,975.76	
Clive	962.29	1,122.67	1,283.05	1,443.43	1,764.19	2,084.95	2,405.72	2,886.86	
Clun Town with Chapel Lawn	975.66	1,138.28	1,300.88	1,463.49	1,788.70	2,113.93	2,439.15	2,926.98	
Clunbury	936.32	1,092.38	1,248.42	1,404.48	1,716.58	2,028.69	2,340.80	2,808.96	
Clunjunford	942.21	1,099.25	1,256.27	1,413.31	1,727.37	2,041.45	2,355.52	2,826.62	
Cockshutt-cum-Petton	967.95	1,129.28	1,290.59	1,451.92	1,774.56	2,097.22	2,419.87	2,903.84	
Condover	954.59	1,113.69	1,272.78	1,431.88	1,750.07	2,068.27	2,386.47	2,863.76	
Coreley	946.60	1,104.37	1,262.13	1,419.90	1,735.43	2,050.97	2,366.50	2,839.80	
Cound	943.86	1,101.17	1,258.47	1,415.78	1,730.39	2,045.01	2,359.64	2,831.56	
Craven Arms Town	972.25	1,134.29	1,296.33	1,458.37	1,782.45	2,106.53	2,430.62	2,916.74	
Cressage, Harley & Sheinton	965.72	1,126.67	1,287.62	1,448.57	1,770.47	2,092.38	2,414.29	2,897.14	
Culmington	939.34	1,095.90	1,252.45	1,409.01	1,722.12	2,035.24	2,348.35	2,818.02	
Diddlebury	939.42	1,096.00	1,252.56	1,409.13	1,722.26	2,035.41	2,348.55	2,818.26	
Ditton Priors	949.27	1,107.48	1,265.69	1,423.90	1,740.32	2,056.74	2,373.17	2,847.80	
Donington & Boscobel	961.61	1,121.88	1,282.14	1,442.41	1,762.94	2,083.48	2,404.02	2,884.82	
Eardington	953.42	1,112.33	1,271.22	1,430.13	1,747.93	2,065.74	2,383.55	2,860.26	
Easthope, Shipton & Stanton Long	928.78	1,083.58	1,238.37	1,393.17	1,702.76	2,012.36	2,321.95	2,786.34	
Eaton-Under-Heywood & Hope Bowdler	942.39	1,099.46	1,256.51	1,413.58	1,727.70	2,041.84	2,355.97	2,827.16	
Edgton	931.68	1,086.97	1,242.24	1,397.52	1,708.07	2,018.64	2,329.20	2,795.04	
Ellesmere Rural	951.88	1,110.53	1,269.17	1,427.82	1,745.11	2,062.41	2,379.70	2,855.64	
Ellesmere Town	1,025.14	1,195.99	1,366.84	1,537.70	1,879.41	2,221.12	2,562.84	3,075.40	
Farlow	943.71	1,101.00	1,258.27	1,415.56	1,730.12	2,044.70	2,359.27	2,831.12	
Ford	972.92	1,135.07	1,297.22	1,459.37	1,783.67	2,107.98	2,432.29	2,918.74	
Great Hanwood	973.86	1,136.17	1,298.47	1,460.78	1,785.39	2,110.01	2,434.64	2,921.56	
Great Ness & Little Ness	954.71	1,113.83	1,272.94	1,432.06	1,750.29	2,068.53	2,386.77	2,864.12	
Greete	925.49	1,079.74	1,233.98	1,388.23	1,696.72	2,005.22	2,313.72	2,776.46	
Grinshill	958.13	1,117.82	1,277.50	1,437.19	1,756.56	2,075.94	2,395.32	2,874.38	
Hadnall	947.76	1,105.73	1,263.68	1,421.64	1,737.55	2,053.48	2,369.40	2,843.28	
Highley	993.50	1,159.08	1,324.66	1,490.24	1,821.40	2,152.57	2,483.74	2,980.48	
Hinstock	956.94	1,116.43	1,275.91	1,435.40	1,754.37	2,073.35	2,392.34	2,870.80	
Hodnet	950.40	1,108.80	1,267.19	1,425.59	1,742.38	2,059.18	2,375.99	2,851.18	
Hope Bagot	937.00	1,093.17	1,249.33	1,405.50	1,717.83	2,030.17	2,342.50	2,811.00	
Hopesay	960.44	1,120.52	1,280.58	1,440.66	1,760.80	2,080.95	2,401.10	2,881.32	
Hopton Cangeford & Stoke St. Milborough	934.16	1,089.86	1,245.54	1,401.24	1,712.62	2,024.01	2,335.40	2,802.48	
Hopton Castle	935.40	1,091.30	1,247.19	1,403.09	1,714.88	2,026.68	2,338.49	2,806.18	
Hopton Wafers	943.74	1,101.03	1,258.31	1,415.60	1,730.17	2,044.75	2,359.34	2,831.20	

Council Tax for Combined Shropshire Council and Parish/Town Councils 2019/20									Schedule B
Parish / Town Council	Band A £:p	Band B £:p	Band C £:p	Band D £:p	Band E £:p	Band F £:p	Band G £:p	Band H £:p	
Hordley	954.60	1,113.71	1,272.80	1,431.90	1,750.09	2,068.30	2,386.50	2,863.80	
Ightfield & Calverhall	966.04	1,127.04	1,288.04	1,449.05	1,771.06	2,093.07	2,415.09	2,898.10	
Kemberton	944.12	1,101.47	1,258.82	1,416.17	1,730.87	2,045.58	2,360.29	2,832.34	
Kinlet	940.51	1,097.26	1,254.01	1,410.76	1,724.26	2,037.76	2,351.27	2,821.52	
Kinnerley	956.87	1,116.35	1,275.82	1,435.30	1,754.25	2,073.21	2,392.17	2,870.60	
Knockin	988.72	1,153.51	1,318.29	1,483.08	1,812.65	2,142.23	2,471.80	2,966.16	
Leebotwood & Longnor	947.07	1,104.92	1,262.75	1,420.60	1,736.28	2,051.98	2,367.67	2,841.20	
Leighton & Eaton Constantine	943.28	1,100.49	1,257.70	1,414.91	1,729.33	2,043.76	2,358.19	2,829.82	
Llanfairwaterdine	944.13	1,101.49	1,258.83	1,416.19	1,730.89	2,045.61	2,360.32	2,832.38	
Llanymyrdel	951.20	1,109.73	1,268.26	1,426.79	1,743.85	2,060.92	2,377.99	2,853.58	
Llanymynech & Pant	951.08	1,109.60	1,268.10	1,426.62	1,743.64	2,060.67	2,377.70	2,853.24	
Longden	968.04	1,129.38	1,290.71	1,452.05	1,774.72	2,097.40	2,420.09	2,904.10	
Loppington	934.69	1,090.47	1,246.25	1,402.03	1,713.59	2,025.15	2,336.72	2,804.06	
Ludford	938.40	1,094.80	1,251.19	1,407.59	1,720.38	2,033.18	2,345.99	2,815.18	
Ludlow Town	1,031.56	1,203.49	1,375.41	1,547.34	1,891.19	2,235.05	2,578.90	3,094.68	
Lydbury North	959.70	1,119.66	1,279.60	1,439.55	1,759.44	2,079.35	2,399.25	2,879.10	
Lydham & More	925.49	1,079.74	1,233.98	1,388.23	1,696.72	2,005.22	2,313.72	2,776.46	
Mainstone & Colebatch	932.36	1,087.76	1,243.14	1,398.54	1,709.32	2,020.11	2,330.90	2,797.08	
Market Drayton Town	1,006.06	1,173.73	1,341.40	1,509.08	1,844.43	2,179.78	2,515.14	3,018.16	
Melverley	976.58	1,139.34	1,302.10	1,464.86	1,790.38	2,115.91	2,441.44	2,929.72	
Milson & Neen Sollars	968.05	1,129.39	1,290.73	1,452.07	1,774.75	2,097.43	2,420.12	2,904.14	
Minsterley	947.75	1,105.71	1,263.66	1,421.62	1,737.53	2,053.45	2,369.37	2,843.24	
Montford	941.38	1,098.27	1,255.16	1,412.06	1,725.85	2,039.64	2,353.44	2,824.12	
Moreton Corbett & Lee Brockhurst	934.54	1,090.30	1,246.05	1,401.81	1,713.32	2,024.84	2,336.35	2,803.62	
Moreton Say	965.78	1,126.75	1,287.70	1,448.67	1,770.59	2,092.52	2,414.45	2,897.34	
Monville, Acton Round, Aston Eyre, Monkhopton & Upton Cressett	936.65	1,092.76	1,248.86	1,404.97	1,717.18	2,029.40	2,341.62	2,809.94	
Much Wenlock Town	1,032.98	1,205.15	1,377.30	1,549.47	1,893.79	2,238.12	2,582.45	3,098.94	
Munslow	939.78	1,096.42	1,253.04	1,409.67	1,722.92	2,036.19	2,349.45	2,819.34	
Myddle & Broughton	955.89	1,115.21	1,274.51	1,433.83	1,752.45	2,071.09	2,389.72	2,867.66	
Myndtown, Norbury, Ratlinghope & Wentnor	937.38	1,093.61	1,249.83	1,406.06	1,718.51	2,030.97	2,343.44	2,812.12	
Nash	939.92	1,096.57	1,253.22	1,409.87	1,723.17	2,036.48	2,349.79	2,819.74	
Neen Savage	949.04	1,107.22	1,265.38	1,423.56	1,739.90	2,056.25	2,372.60	2,847.12	
Neenton	925.49	1,079.74	1,233.98	1,388.23	1,696.72	2,005.22	2,313.72	2,776.46	
Newcastle	960.33	1,120.39	1,280.43	1,440.49	1,760.59	2,080.71	2,400.82	2,880.98	
Norton-in-Hales	959.26	1,119.13	1,279.00	1,438.88	1,758.63	2,078.38	2,398.14	2,877.76	
Onibury	949.69	1,107.97	1,266.25	1,424.53	1,741.09	2,057.65	2,374.22	2,849.06	
Oswestry Rural	944.05	1,101.39	1,258.73	1,416.07	1,730.75	2,045.43	2,360.12	2,832.14	
Oswestry Town	976.52	1,139.27	1,302.02	1,464.77	1,790.27	2,115.78	2,441.29	2,929.54	
Pontesbury	969.74	1,131.36	1,292.98	1,454.60	1,777.84	2,101.09	2,424.34	2,909.20	
Prees	940.48	1,097.23	1,253.97	1,410.72	1,724.21	2,037.71	2,351.20	2,821.44	
Quatt Malvern	966.28	1,127.32	1,288.36	1,449.41	1,771.50	2,093.59	2,415.69	2,898.82	
Richards Castle	946.74	1,104.53	1,262.31	1,420.10	1,735.67	2,051.25	2,366.84	2,840.20	
Rushbury	942.60	1,099.71	1,256.80	1,413.90	1,728.09	2,042.30	2,356.50	2,827.80	
Ruyton-XI-Towns	970.62	1,132.39	1,294.15	1,455.92	1,779.45	2,102.99	2,426.54	2,911.84	
Ryton & Grindle	956.56	1,115.99	1,275.41	1,434.84	1,753.69	2,072.55	2,391.40	2,869.68	
Selattyn & Gobowen	969.69	1,131.31	1,292.91	1,454.53	1,777.75	2,100.99	2,424.22	2,909.06	
Shawbury	966.22	1,127.25	1,288.28	1,449.32	1,771.39	2,093.46	2,415.54	2,898.64	
Sheriffhales	956.85	1,116.33	1,275.79	1,435.27	1,754.21	2,073.17	2,392.12	2,870.54	
Shifnal Town	1,022.29	1,192.67	1,363.05	1,533.43	1,874.19	2,214.95	2,555.72	3,066.86	
Shrewsbury Town	958.96	1,118.79	1,278.61	1,438.44	1,758.09	2,077.75	2,397.40	2,876.88	
Sibdon Carwood	925.49	1,079.74	1,233.98	1,388.23	1,696.72	2,005.22	2,313.72	2,776.46	
St. Martins	964.38	1,125.12	1,285.84	1,446.57	1,768.02	2,089.49	2,410.95	2,893.14	
Stanton Lacy	940.18	1,096.88	1,253.57	1,410.27	1,723.66	2,037.06	2,350.45	2,820.54	
Stanton-Upon-Hine Heath	956.60	1,116.03	1,275.46	1,434.89	1,753.75	2,072.62	2,391.49	2,869.78	
Stockton	953.21	1,112.08	1,270.94	1,429.81	1,747.54	2,065.28	2,383.02	2,859.62	
Stoke-Upon-Tern	950.80	1,109.26	1,267.72	1,426.19	1,743.12	2,060.05	2,376.99	2,852.38	
Stottesdon & Sidbury	983.93	1,147.92	1,311.90	1,475.89	1,803.86	2,131.84	2,459.82	2,951.78	
Stowe	935.20	1,091.07	1,246.93	1,402.80	1,714.53	2,026.27	2,338.00	2,805.60	
Sutton Maddock	939.28	1,095.82	1,252.36	1,408.91	1,722.00	2,035.09	2,348.19	2,817.82	
Sutton-Upon-Tern	935.33	1,091.22	1,247.10	1,402.99	1,714.76	2,026.54	2,338.32	2,805.98	
Tasley	937.56	1,093.83	1,250.08	1,406.34	1,718.85	2,031.38	2,343.90	2,812.68	
Tong	944.95	1,102.44	1,259.93	1,417.42	1,732.40	2,047.38	2,362.37	2,834.84	
Uffington	979.76	1,143.05	1,306.34	1,469.63	1,796.21	2,122.80	2,449.39	2,939.26	
Upton Magna	947.36	1,105.26	1,263.14	1,421.04	1,736.82	2,052.61	2,368.40	2,842.08	
Weishampton & Lyneal	964.25	1,124.96	1,285.66	1,446.37	1,767.78	2,089.20	2,410.62	2,892.74	
Wem Rural	951.54	1,110.13	1,268.71	1,427.30	1,744.47	2,061.65	2,378.84	2,854.60	
Wem Town	1,031.70	1,203.66	1,375.60	1,547.55	1,891.44	2,235.35	2,579.25	3,095.10	
West Felton	949.18	1,107.37	1,265.56	1,423.76	1,740.15	2,056.54	2,372.94	2,847.52	
Westbury	943.30	1,100.52	1,257.73	1,414.95	1,729.38	2,043.82	2,358.25	2,829.90	
Weston Rhyn	954.08	1,113.09	1,272.10	1,431.11	1,749.13	2,067.16	2,385.19	2,862.22	
Weston-Under-Redcastle	958.68	1,118.47	1,278.24	1,438.02	1,757.57	2,077.14	2,396.70	2,876.04	
Wheathill	960.45	1,120.53	1,280.59	1,440.67	1,760.81	2,080.97	2,401.12	2,881.34	
Whitchurch Rural	949.88	1,108.19	1,266.50	1,424.81	1,741.43	2,058.06	2,374.69	2,849.62	
Whitchurch Town	1,021.93	1,192.25	1,362.57	1,532.89	1,873.53	2,214.17	2,554.82	3,065.78	
Whittington	960.08	1,120.09	1,280.10	1,440.11	1,760.13	2,080.16	2,400.19	2,880.22	
Whitton	925.49	1,079.74	1,233.98	1,388.23	1,696.72	2,005.22	2,313.72	2,776.46	
Whixall	941.78	1,098.74	1,255.70	1,412.66	1,726.58	2,040.51	2,354.44	2,825.32	
Wistanstow	950.35	1,108.74	1,267.13	1,425.52	1,742.30	2,059.08	2,375.87	2,851.04	
Withington	963.51	1,124.10	1,284.67	1,445.26	1,766.42	2,087.60	2,408.77	2,890.52	
Woore	959.79	1,119.76	1,279.71	1,439.68	1,759.60	2,079.54	2,399.47	2,879.36	
Worfield & Rudge	942.14	1,099.16	1,256.18	1,413.20	1,727.24	2,041.29	2,355.34	2,826.40	
Worthen with Shelve	956.48	1,115.90	1,275.30	1,434.72	1,753.54	2,072.37	2,391.20	2,869.44	
Wroxeter & Uppington	944.03	1,101.37	1,258.70	1,416.04	1,730.71	2,045.39	2,360.07	2,832.08	

Council Tax Bands A to H for Shropshire Council, Fire Authority, Police & Crime Commissioner and Parish/Town Councils 2019/20								
Parish / Town Council	Band A £:p	Band B £:p	Band C £:p	Band D £:p	Band E £:p	Band F £:p	Band G £:p	Band H £:p
Abdon & Heath	1,136.76	1,326.22	1,515.68	1,705.14	2,084.06	2,462.98	2,841.90	3,410.28
Acton Burnell, Frodesley, Pitchford, Ruckley & Langley	1,151.63	1,343.56	1,535.50	1,727.44	2,111.32	2,495.19	2,879.07	3,454.88
Acton Scott	1,140.07	1,330.08	1,520.09	1,710.10	2,090.12	2,470.14	2,850.17	3,420.20
Adderley	1,185.90	1,383.55	1,581.20	1,778.85	2,174.15	2,569.45	2,964.75	3,557.70
Alberbury with Cardeston	1,152.61	1,344.72	1,536.82	1,728.92	2,113.12	2,497.33	2,881.53	3,457.84
Albrighton	1,194.10	1,393.12	1,592.13	1,791.15	2,189.18	2,587.22	2,985.25	3,582.30
All Stretton, Smethcott & Woolstaston	1,154.24	1,346.61	1,538.99	1,731.36	2,116.11	2,500.85	2,885.60	3,462.72
Alveley & Romsley	1,177.62	1,373.89	1,570.16	1,766.43	2,158.97	2,551.51	2,944.05	3,532.86
Ashford Bowdler	1,136.76	1,326.22	1,515.68	1,705.14	2,084.06	2,462.98	2,841.90	3,410.28
Ashford Carbonel	1,165.43	1,359.66	1,553.90	1,748.14	2,136.62	2,525.09	2,913.57	3,496.28
Astley	1,158.91	1,352.07	1,545.22	1,738.37	2,124.67	2,510.98	2,897.28	3,476.74
Astley Abbotts	1,153.73	1,346.01	1,538.30	1,730.59	2,115.17	2,499.74	2,884.32	3,461.18
Aston Botterell, Burwaton & Cleobury North	1,169.05	1,363.89	1,558.73	1,753.57	2,143.25	2,532.93	2,922.62	3,507.14
Atcham	1,178.01	1,374.35	1,570.68	1,767.02	2,159.69	2,552.36	2,945.03	3,534.04
Badger	1,179.57	1,376.17	1,572.76	1,769.36	2,162.55	2,555.74	2,948.93	3,538.72
Barrow	1,157.25	1,350.13	1,543.00	1,735.88	2,121.63	2,507.38	2,893.13	3,471.76
Baschurch	1,164.58	1,358.68	1,552.77	1,746.87	2,135.06	2,523.26	2,911.45	3,493.74
Bayston Hill	1,193.46	1,392.37	1,591.28	1,790.19	2,188.01	2,585.83	2,983.65	3,580.38
Beckbury	1,168.65	1,363.42	1,558.20	1,752.97	2,142.52	2,532.07	2,921.62	3,505.94
Bedstone & Bucknell	1,182.51	1,379.60	1,576.68	1,773.77	2,167.94	2,562.11	2,956.28	3,547.54
Berrington	1,155.07	1,347.58	1,540.09	1,732.60	2,117.62	2,502.64	2,887.67	3,465.20
Bettws-Y-Crwyn	1,181.41	1,378.32	1,575.22	1,772.12	2,165.92	2,559.73	2,953.53	3,544.24
Bicton	1,156.22	1,348.92	1,541.63	1,734.33	2,119.74	2,505.14	2,890.55	3,468.66
Billingsley, Deuxhill, Glazeley & Middleton Scriven	1,161.17	1,354.69	1,548.22	1,741.75	2,128.81	2,515.86	2,902.92	3,483.50
Bishops Castle Town	1,279.05	1,492.23	1,705.40	1,918.58	2,344.93	2,771.28	3,197.63	3,837.16
Bitterley	1,150.38	1,342.11	1,533.84	1,725.57	2,109.03	2,492.49	2,875.95	3,451.14
Bomere Heath & District	1,152.75	1,344.88	1,537.00	1,729.13	2,113.38	2,497.63	2,881.88	3,458.26
Bonningale	1,147.61	1,338.88	1,530.15	1,721.42	2,103.96	2,486.50	2,869.03	3,442.84
Boraston	1,139.49	1,329.40	1,519.32	1,709.23	2,089.06	2,468.89	2,848.72	3,418.46
Bridgnorth Town	1,226.55	1,430.98	1,635.40	1,839.83	2,248.68	2,657.53	3,066.38	3,679.66
Bromfield	1,157.87	1,350.85	1,543.83	1,736.81	2,122.77	2,508.73	2,894.68	3,473.62
Broseley Town	1,241.69	1,448.64	1,655.59	1,862.54	2,276.44	2,690.34	3,104.23	3,725.08
Buildwas	1,181.13	1,377.99	1,574.84	1,771.70	2,165.41	2,559.12	2,952.83	3,543.40
Burford	1,164.79	1,358.92	1,553.05	1,747.18	2,135.44	2,523.70	2,911.97	3,494.36
Cardington	1,154.93	1,347.42	1,539.91	1,732.40	2,117.38	2,502.36	2,887.33	3,464.80
Caynham	1,161.57	1,355.17	1,548.76	1,742.36	2,129.55	2,516.74	2,903.93	3,484.72
Chelmarsh	1,172.69	1,368.14	1,563.59	1,759.04	2,149.94	2,540.84	2,931.73	3,518.08
Cheswardine	1,174.29	1,370.00	1,565.72	1,761.43	2,152.86	2,544.29	2,935.72	3,522.86
Chetton	1,158.03	1,351.04	1,544.04	1,737.05	2,123.06	2,509.07	2,895.08	3,474.10
Childs Ercall	1,165.14	1,359.33	1,553.52	1,747.71	2,136.09	2,524.47	2,912.85	3,495.42
Chirbury with Brompton	1,160.26	1,353.64	1,547.01	1,740.39	2,127.14	2,513.90	2,900.65	3,480.78
Church Preen, Hughley & Kenley	1,158.06	1,351.07	1,544.08	1,737.09	2,123.11	2,509.13	2,895.15	3,474.18
Church Pulverbatch	1,150.33	1,342.05	1,533.77	1,725.49	2,108.93	2,492.37	2,875.82	3,450.98
Church Stretton & Little Stretton Town	1,259.41	1,469.32	1,679.22	1,889.12	2,308.92	2,728.73	3,148.53	3,778.24
Claverley	1,154.29	1,346.67	1,539.05	1,731.43	2,116.19	2,500.95	2,885.72	3,462.86
Clee St. Margaret	1,136.76	1,326.22	1,515.68	1,705.14	2,084.06	2,462.98	2,841.90	3,410.28
Cleobury Mortimer	1,203.19	1,403.73	1,604.26	1,804.79	2,205.85	2,606.92	3,007.98	3,609.58
Clive	1,173.56	1,369.15	1,564.75	1,760.34	2,151.53	2,542.71	2,933.90	3,520.68
Clun Town with Chapel Lawn	1,186.93	1,384.76	1,582.58	1,780.40	2,176.04	2,571.69	2,967.33	3,560.80
Clunbury	1,147.59	1,338.86	1,530.12	1,721.39	2,103.92	2,486.45	2,868.98	3,442.78
Clungunford	1,153.48	1,345.73	1,537.97	1,730.22	2,114.71	2,499.21	2,883.70	3,460.44
Cockshutt-cum-Petton	1,179.22	1,375.76	1,572.29	1,768.83	2,161.90	2,554.98	2,948.05	3,537.66
Condover	1,165.86	1,360.17	1,554.48	1,748.79	2,137.41	2,526.03	2,914.65	3,497.58
Coreley	1,157.87	1,350.85	1,543.83	1,736.81	2,122.77	2,508.73	2,894.68	3,473.62
Cound	1,155.13	1,347.65	1,540.17	1,732.69	2,117.73	2,502.77	2,887.82	3,465.38
Craven Arms Town	1,183.52	1,380.77	1,578.03	1,775.28	2,169.79	2,564.29	2,958.80	3,550.56
Cressage, Harley & Sheinton	1,176.99	1,373.15	1,569.32	1,765.48	2,157.81	2,550.14	2,942.47	3,530.96
Culmington	1,150.61	1,342.38	1,534.15	1,725.92	2,109.46	2,493.00	2,876.53	3,451.84
Diddlebury	1,150.69	1,342.48	1,534.26	1,726.04	2,109.60	2,493.17	2,876.73	3,452.08
Ditton Priors	1,160.54	1,353.96	1,547.39	1,740.81	2,127.66	2,514.50	2,901.35	3,481.62
Donington & Boscobel	1,172.88	1,368.36	1,563.84	1,759.32	2,150.28	2,541.24	2,932.20	3,518.64
Eardington	1,164.69	1,358.81	1,552.92	1,747.04	2,135.27	2,523.50	2,911.73	3,494.08
Easthope, Shipton & Stanton Long	1,140.05	1,330.06	1,520.07	1,710.08	2,090.10	2,470.12	2,850.13	3,420.16
Eaton-Under-Heywood & Hope Bowdler	1,153.66	1,345.94	1,538.21	1,730.49	2,115.04	2,499.60	2,884.15	3,460.98
Edgton	1,142.95	1,333.45	1,523.94	1,714.43	2,095.41	2,476.40	2,857.38	3,428.86
Ellesmere Rural	1,163.15	1,357.01	1,550.87	1,744.73	2,132.45	2,520.17	2,907.88	3,489.46
Ellesmere Town	1,236.41	1,442.47	1,648.54	1,854.61	2,266.75	2,678.88	3,091.02	3,709.22
Farlow	1,154.98	1,347.48	1,539.97	1,732.47	2,117.46	2,502.46	2,887.45	3,464.94
Ford	1,184.19	1,381.55	1,578.92	1,776.28	2,171.01	2,565.74	2,960.47	3,552.56
Great Hanwood	1,185.13	1,382.65	1,580.17	1,777.69	2,172.73	2,567.77	2,962.82	3,555.38
Great Ness & Little Ness	1,165.98	1,360.31	1,554.64	1,748.97	2,137.63	2,526.29	2,914.95	3,497.94
Greete	1,136.76	1,326.22	1,515.68	1,705.14	2,084.06	2,462.98	2,841.90	3,410.28
Grinshill	1,169.40	1,364.30	1,559.20	1,754.10	2,143.90	2,533.70	2,923.50	3,508.20
Hadnall	1,159.03	1,352.21	1,545.38	1,738.55	2,124.89	2,511.24	2,897.58	3,477.10
Highley	1,204.77	1,405.56	1,606.36	1,807.15	2,208.74	2,610.33	3,011.92	3,614.30
Hinstock	1,168.21	1,362.91	1,557.61	1,752.31	2,141.71	2,531.11	2,920.52	3,504.62
Hodnet	1,161.67	1,355.28	1,548.89	1,742.50	2,129.72	2,516.94	2,904.17	3,485.00
Hope Bagot	1,148.27	1,339.65	1,531.03	1,722.41	2,105.17	2,487.93	2,870.68	3,444.82
Hopesay	1,171.71	1,367.00	1,562.28	1,757.57	2,148.14	2,538.71	2,929.28	3,515.14
Hopton Cangeford & Stoke St. Milborough	1,145.43	1,336.34	1,527.24	1,718.15	2,099.96	2,481.77	2,863.58	3,436.30
Hopton Castle	1,146.67	1,337.78	1,528.89	1,720.00	2,102.22	2,484.44	2,866.67	3,440.00
Hopton Wafers	1,155.01	1,347.51	1,540.01	1,732.51	2,117.51	2,502.51	2,887.52	3,465.02

Council Tax Bands A to H for Shropshire Council, Fire Authority, Police & Crime Commissioner and Parish/Town Councils 2019/20							Schedule C	
Parish / Town Council	Band A £:p	Band B £:p	Band C £:p	Band D £:p	Band E £:p	Band F £:p	Band G £:p	Band H £:p
Hordley	1,165.87	1,360.19	1,554.50	1,748.81	2,137.43	2,526.06	2,914.68	3,497.62
Ightfield & Calverhall	1,177.31	1,373.52	1,569.74	1,765.96	2,158.40	2,550.83	2,943.27	3,531.92
Kemberton	1,155.39	1,347.95	1,540.52	1,733.08	2,118.21	2,503.34	2,888.47	3,466.16
Kinlet	1,151.78	1,343.74	1,535.71	1,727.67	2,111.60	2,495.52	2,879.45	3,455.34
Kinnerley	1,168.14	1,362.83	1,557.52	1,752.21	2,141.59	2,530.97	2,920.35	3,504.42
Knockin	1,199.99	1,399.99	1,599.99	1,799.99	2,199.99	2,599.99	2,999.98	3,599.98
Leebotwood & Longnor	1,158.34	1,351.40	1,544.45	1,737.51	2,123.62	2,509.74	2,895.85	3,475.02
Leighton & Eaton Constantine	1,154.55	1,346.97	1,539.40	1,731.82	2,116.67	2,501.52	2,886.37	3,463.64
Llanfairwaterdine	1,155.40	1,347.97	1,540.53	1,733.10	2,118.23	2,503.37	2,888.50	3,466.20
Llanymyrdel	1,162.47	1,356.21	1,549.96	1,743.70	2,131.19	2,518.68	2,906.17	3,487.40
Llanymynech & Pant	1,162.35	1,356.08	1,549.80	1,743.53	2,130.98	2,518.43	2,905.88	3,487.06
Longden	1,179.31	1,375.86	1,572.41	1,768.96	2,162.06	2,555.16	2,948.27	3,537.92
Loppington	1,145.96	1,336.95	1,527.95	1,718.94	2,100.93	2,482.91	2,864.90	3,437.88
Ludford	1,149.67	1,341.28	1,532.89	1,724.50	2,107.72	2,490.94	2,874.17	3,449.00
Ludlow Town	1,242.83	1,449.97	1,657.11	1,864.25	2,278.53	2,692.81	3,107.08	3,728.50
Lydbury North	1,170.97	1,366.14	1,561.30	1,756.46	2,146.78	2,537.11	2,927.43	3,512.92
Lyddham & More	1,136.76	1,326.22	1,515.68	1,705.14	2,084.06	2,462.98	2,841.90	3,410.28
Mainstone & Colebatch	1,143.63	1,334.24	1,524.84	1,715.45	2,096.66	2,477.87	2,859.08	3,430.90
Market Drayton Town	1,217.33	1,420.21	1,623.10	1,825.99	2,231.77	2,637.54	3,043.32	3,651.98
Melverley	1,187.85	1,385.82	1,583.80	1,781.77	2,177.72	2,573.67	2,969.62	3,563.54
Milson & Neen Sollars	1,179.32	1,375.87	1,572.43	1,768.98	2,162.09	2,555.19	2,948.30	3,537.96
Minsterley	1,159.02	1,352.19	1,545.36	1,738.53	2,124.87	2,511.21	2,897.55	3,477.06
Montford	1,152.65	1,344.75	1,536.86	1,728.97	2,113.19	2,497.40	2,881.62	3,457.94
Moreton Corbett & Lee Brockhurst	1,145.81	1,336.78	1,527.75	1,718.72	2,100.66	2,482.60	2,864.53	3,437.44
Moreton Say	1,177.05	1,373.23	1,569.40	1,765.58	2,157.93	2,550.28	2,942.63	3,531.16
Morville, Acton Round, Aston Eyre, Monkhoppton & Upton Cressett	1,147.92	1,339.24	1,530.56	1,721.88	2,104.52	2,487.16	2,869.80	3,443.76
Much Wenlock Town	1,244.25	1,451.63	1,659.00	1,866.38	2,281.13	2,695.88	3,110.63	3,732.76
Munslow	1,151.05	1,342.90	1,534.74	1,726.58	2,110.26	2,493.95	2,877.63	3,453.16
Myddle & Broughton	1,167.16	1,361.69	1,556.21	1,750.74	2,139.79	2,528.85	2,917.90	3,501.48
Myndtown, Norbury, Ratlinghope & Wentnor	1,148.65	1,340.09	1,531.53	1,722.97	2,105.85	2,488.73	2,871.62	3,445.94
Nash	1,151.19	1,343.05	1,534.92	1,726.78	2,110.51	2,494.24	2,877.97	3,453.56
Neen Savage	1,160.31	1,353.70	1,547.08	1,740.47	2,127.24	2,514.01	2,900.78	3,480.94
Neenton	1,136.76	1,326.22	1,515.68	1,705.14	2,084.06	2,462.98	2,841.90	3,410.28
Newcastle	1,171.60	1,366.87	1,562.13	1,757.40	2,147.93	2,538.47	2,929.00	3,514.80
Norton-In-Hales	1,170.53	1,365.61	1,560.70	1,755.79	2,145.97	2,536.14	2,926.32	3,511.58
Onibury	1,160.96	1,354.45	1,547.95	1,741.44	2,128.43	2,515.41	2,902.40	3,482.88
Oswestry Rural	1,155.32	1,347.87	1,540.43	1,732.98	2,118.09	2,503.19	2,888.30	3,465.96
Oswestry Town	1,187.79	1,385.75	1,583.72	1,781.68	2,177.61	2,573.54	2,969.47	3,563.36
Pontesbury	1,181.01	1,377.84	1,574.68	1,771.51	2,165.18	2,558.85	2,952.52	3,543.02
Prees	1,151.75	1,343.71	1,535.67	1,727.63	2,111.55	2,495.47	2,879.38	3,455.26
Quatt Malvern	1,177.55	1,373.80	1,570.06	1,766.32	2,158.84	2,551.35	2,943.87	3,532.64
Richards Castle	1,158.01	1,351.01	1,544.01	1,737.01	2,123.01	2,509.01	2,895.02	3,474.02
Rushbury	1,153.87	1,346.19	1,538.50	1,730.81	2,115.43	2,500.06	2,884.68	3,461.62
Ruyton-X-Towns	1,181.89	1,378.87	1,575.85	1,772.83	2,166.79	2,560.75	2,954.72	3,545.66
Ryton & Grindle	1,167.83	1,362.47	1,557.11	1,751.75	2,141.03	2,530.31	2,919.58	3,503.50
Selattyn & Gobowen	1,180.96	1,377.79	1,574.61	1,771.44	2,165.09	2,558.75	2,952.40	3,542.88
Shawbury	1,177.49	1,373.73	1,569.98	1,766.23	2,158.73	2,551.22	2,943.72	3,532.46
Sheriffhales	1,168.12	1,362.81	1,557.49	1,752.18	2,141.55	2,530.93	2,920.30	3,504.36
Shifnal Town	1,233.56	1,439.15	1,644.75	1,850.34	2,261.53	2,672.71	3,083.90	3,700.68
Shrewsbury Town	1,170.23	1,365.27	1,560.31	1,755.35	2,145.43	2,535.51	2,925.58	3,510.70
Sibdon Carwood	1,136.76	1,326.22	1,515.68	1,705.14	2,084.06	2,462.98	2,841.90	3,410.28
St. Martins	1,175.65	1,371.60	1,567.54	1,763.48	2,155.36	2,547.25	2,939.13	3,526.96
Stanton Lacy	1,151.45	1,343.36	1,535.27	1,727.18	2,111.00	2,494.82	2,878.63	3,454.36
Stanton-Upon-Hine Heath	1,167.87	1,362.51	1,557.16	1,751.80	2,141.09	2,530.38	2,919.67	3,503.60
Stockton	1,164.48	1,358.56	1,552.64	1,746.72	2,134.88	2,523.04	2,911.20	3,493.44
Stoke-Upon-Tern	1,162.07	1,355.74	1,549.42	1,743.10	2,130.46	2,517.81	2,905.17	3,486.20
Stottesdon & Sidbury	1,195.20	1,394.40	1,593.60	1,792.80	2,191.20	2,589.60	2,988.00	3,585.60
Stowe	1,146.47	1,337.55	1,528.63	1,719.71	2,101.87	2,484.03	2,866.18	3,439.42
Sutton Maddock	1,150.55	1,342.30	1,534.06	1,725.82	2,109.34	2,492.85	2,876.37	3,451.64
Sutton-Upon-Tern	1,146.60	1,337.70	1,528.80	1,719.90	2,102.10	2,484.30	2,866.50	3,439.80
Tasley	1,148.83	1,340.31	1,531.78	1,723.25	2,106.19	2,489.14	2,872.08	3,446.50
Tong	1,156.22	1,348.92	1,541.63	1,734.33	2,119.74	2,505.14	2,890.55	3,468.66
Uffington	1,191.03	1,389.53	1,588.04	1,786.54	2,183.55	2,580.56	2,977.57	3,573.08
Upton Magna	1,158.63	1,351.74	1,544.84	1,737.95	2,124.16	2,510.37	2,896.58	3,475.90
Welshampton & Lyneal	1,175.52	1,371.44	1,567.36	1,763.28	2,155.12	2,546.96	2,938.80	3,526.56
Wem Rural	1,162.81	1,356.61	1,550.41	1,744.21	2,131.81	2,519.41	2,907.02	3,488.42
Wem Town	1,242.97	1,450.14	1,657.30	1,864.46	2,278.78	2,693.11	3,107.43	3,728.92
West Felton	1,160.45	1,353.85	1,547.26	1,740.67	2,127.49	2,514.30	2,901.12	3,481.34
Westbury	1,154.57	1,347.00	1,539.43	1,731.86	2,116.72	2,501.58	2,886.43	3,463.72
Weston Rhyn	1,165.35	1,359.57	1,553.80	1,748.02	2,136.47	2,524.92	2,913.37	3,496.04
Weston-Under-Redcastle	1,169.95	1,364.95	1,559.94	1,754.93	2,144.91	2,534.90	2,924.88	3,509.86
Wheatthill	1,171.72	1,367.01	1,562.29	1,757.58	2,148.15	2,538.73	2,929.30	3,515.16
Whitchurch Rural	1,161.15	1,354.67	1,548.20	1,741.72	2,128.77	2,515.82	2,902.87	3,483.44
Whitchurch Town	1,233.20	1,438.73	1,644.27	1,849.80	2,260.87	2,671.93	3,083.00	3,699.60
Whittington	1,171.35	1,366.57	1,561.80	1,757.02	2,147.47	2,537.92	2,928.37	3,514.04
Whitton	1,136.76	1,326.22	1,515.68	1,705.14	2,084.06	2,462.98	2,841.90	3,410.28
Whixall	1,153.05	1,345.22	1,537.40	1,729.57	2,113.92	2,498.27	2,882.62	3,459.14
Wistanstow	1,161.62	1,355.22	1,548.83	1,742.43	2,129.64	2,516.84	2,904.05	3,484.86
Withington	1,174.78	1,370.58	1,566.37	1,762.17	2,153.76	2,545.36	2,936.95	3,524.34
Woore	1,171.06	1,366.24	1,561.41	1,756.59	2,146.94	2,537.30	2,927.65	3,513.18
Worfield & Rudge	1,153.41	1,345.64	1,537.88	1,730.11	2,114.58	2,499.05	2,883.52	3,460.22
Worthen with Shelve	1,167.75	1,362.38	1,557.00	1,751.63	2,140.88	2,530.13	2,919.38	3,503.26
Wroxeter & Uppington	1,155.30	1,347.85	1,540.40	1,732.95	2,118.05	2,503.15	2,888.25	3,465.90

Basic Amounts of Council Tax at Band D for Parish / Town Councils 2019/20			
2018/19 Band D Council Tax	Parish / Town Council	2019/20 Band D Council Tax	Band D Change Increase/(Decrease)
£		£	%
-	Abdon & Heath	-	-
22.30	Acton Burnell, Frodesley, Pitchford, Ruckley & Langley	22.30	0.00
4.26	Acton Scott	4.96	16.43
69.14	Adderley	73.71	6.61
25.78	Alberbury with Cardeston	23.78	(7.76)
72.91	Albrighton	86.01	17.97
25.89	All Stretton, Smethcott & Woolstaston	26.22	1.27
61.29	Alveley & Romsley	61.29	0.00
-	Ashford Bowdler	-	-
43.00	Ashford Carbonel	43.00	0.00
33.23	Astley	33.23	0.00
20.94	Astley Abbots	25.45	21.54
52.90	Aston Bottrell, Burwarton & Cleobury North	48.43	(8.45)
61.88	Atcham	61.88	0.00
60.09	Badger	64.22	6.87
26.93	Barrow	30.74	14.15
41.73	Baschurch	41.73	0.00
85.70	Bayston Hill	85.05	(0.76)
48.15	Beckbury	47.83	(0.66)
62.64	Bedstone & Bucknell	68.63	9.56
27.46	Berrington	27.46	0.00
67.02	Bettws-Y-Crwyn	66.98	(0.06)
27.74	Bicton	29.19	5.23
37.20	Billingsley, Deuxhill, Glazeley & Middleton Scriven	36.61	(1.59)
209.68	Bishops Castle Town	213.44	1.79
20.43	Bitterley	20.43	0.00
23.99	Bomere Heath & District	23.99	0.00
10.36	Bonningale	16.28	57.14
2.72	Boraston	4.09	50.37
130.78	Bridgnorth Town	134.69	2.99
17.09	Bromfield	31.67	85.31
143.42	Broseley Town	157.40	9.75
68.76	Buildwas	66.56	(3.20)
39.62	Burford	42.04	6.11
22.12	Cardington	27.26	23.24
37.22	Caynham	37.22	0.00
53.90	Chelmarsh	53.90	0.00
53.61	Cheswardine	56.29	5.00
48.50	Chetton	31.91	(34.21)
42.57	Childs Ercall	42.57	0.00
35.25	Chirbury with Brompton	35.25	0.00
34.59	Church Preen, Hughley & Kenley	31.95	(7.63)
18.76	Church Pulverbatch	20.35	8.48
176.87	Church Stretton & Little Stretton Town	183.98	4.02
25.32	Claverley	26.29	3.83
-	Clee St. Margaret	-	-
97.20	Cleobury Mortimer	99.65	2.52
54.25	Clive	55.20	1.75
76.61	Clun Town with Chapel Lawn	75.26	(1.76)
14.89	Clunbury	16.25	9.13
26.03	Clunjunford	25.08	(3.65)
63.69	Cockshut-cum-Petton	63.69	0.00
43.65	Condover	43.65	0.00
31.67	Coreley	31.67	0.00
27.23	Cound	27.55	1.18
70.14	Craven Arms Town	70.14	0.00
39.54	Cressage, Harley & Sheinton	60.34	52.60
20.78	Culmington	20.78	0.00
19.19	Diddlebury	20.90	8.91
35.67	Ditton Priors	35.67	0.00
54.65	Donington & Boscobel	54.18	(0.86)
52.85	Eardington	41.90	(20.72)
35.38	Easthope, Shipton & Stanton Long	4.94	(86.04)
24.83	Eaton-Under-Heywood & Hope Bowdler	25.35	2.09
9.35	Edgton	9.29	(0.64)
39.59	Ellesmere Rural	39.59	0.00
147.99	Ellesmere Town	149.47	1.00
16.91	Farlow	27.33	61.62
67.39	Ford	71.14	5.56
72.55	Great Hanwood	72.55	0.00
46.52	Great Ness & Little Ness	43.83	(5.78)
-	Greete	-	-
44.79	Grinshill	48.96	9.31
33.41	Hadnall	33.41	0.00
97.20	Highley	102.01	4.95
44.92	Hinstock	47.17	5.01
37.36	Hodnet	37.36	0.00
13.81	Hope Bagot	17.27	25.05
48.80	Hopesay	52.43	7.44
13.57	Hopton Cangeford & Stoke St. Milborough	13.01	(4.13)
-	Hopton Castle	14.86	-
26.70	Hopton Wafers	27.37	2.51

			Appendix 2	
2018/19 Band D Council Tax	Parish / Town Council	2019/20 Band D Council Tax	Band D Change	
£		£	Increase/(Decrease)	
			%	
40.18	Hordley	43.67		8.69
53.05	Ightfield & Calverhall	60.82		14.65
26.86	Kemberton	27.94		4.02
21.96	Kinlet	22.53		2.60
47.05	Kinnerley	47.07		0.04
91.91	Knockin	94.85		3.20
32.57	Leebotwood & Longnor	32.37		(0.61)
25.71	Leighton & Eaton Constantine	26.68		3.77
28.37	Llanfairwaterdine	27.96		(1.45)
37.72	Llanyblodwel	38.56		2.23
38.39	Llanymynech & Pant	38.39		0.00
53.03	Longden	63.82		20.35
14.12	Loppington	13.80		(2.27)
15.79	Ludford	19.36		22.61
159.11	Ludlow Town	159.11		0.00
50.11	Lydbury North	51.32		2.41
-	Lydham & More	-		-
11.97	Mainstone & Colebatch	10.31		(13.87)
117.33	Market Drayton Town	120.85		3.00
23.10	Melverley	76.63		231.73
61.82	Milson & Neen Sollars	63.84		3.27
32.17	Minsterley	33.39		3.79
25.28	Montford	23.83		(5.74)
12.01	Moreton Corbett & Lee Brockhurst	13.58		13.07
57.18	Moreton Say	60.44		5.70
34.68	Morville, Acton Round, Aston Eyre, Monkhoppton & Upton Cressett	16.74		(51.73)
158.05	Much Wenlock Town	161.24		2.02
20.20	Munslow	21.44		6.14
45.70	Myddle & Broughton	45.60		(0.22)
17.83	Myndtown, Norbury, Ratlinghope & Wentnor	17.83		0.00
10.28	Nash	21.64		110.51
35.70	Neen Savage	35.33		(1.04)
-	Neenton	-		-
48.74	Newcastle	52.26		7.22
50.65	Norton-In-Hales	50.65		0.00
36.30	Onibury	36.30		0.00
27.26	Oswestry Rural	27.84		2.13
74.25	Oswestry Town	76.54		3.08
59.25	Pontesbury	66.37		12.02
22.49	Prees	22.49		0.00
64.26	Quatt Malvern	61.18		(4.79)
36.62	Richards Castle	31.87		(12.97)
21.00	Rushbury	25.67		22.24
56.38	Ruyton-XI-Towns	67.69		20.06
45.62	Ryton & Grindle	46.61		2.17
68.02	Selattyn & Gobowen	66.30		(2.53)
62.36	Shawbury	61.09		(2.04)
51.18	Sheriffhales	47.04		(8.09)
145.20	Shifnal Town	145.20		0.00
45.63	Shrewsbury Town	50.21		10.04
-	Sibdon Carwood	-		-
58.34	St. Martins	58.34		0.00
20.82	Stanton Lacy	22.04		5.86
46.66	Stanton-Upon-Hine Heath	46.66		0.00
33.75	Stockton	41.58		23.20
34.27	Stoke-Upon-Tern	37.96		10.77
88.68	Stottesdon & Sidbury	87.66		(1.15)
25.83	Stowe	14.57		(43.59)
19.20	Sutton Maddock	20.68		7.71
12.27	Sutton-Upon-Tern	14.76		20.29
17.76	Tasley	18.11		1.97
24.05	Tong	29.19		21.37
81.40	Uffington	81.40		0.00
32.81	Upton Magna	32.81		0.00
54.57	Welshampton & Lyneal	58.14		6.54
39.07	Wem Rural	39.07		0.00
154.68	Wem Town	159.32		3.00
35.53	West Felton	35.53		0.00
25.40	Westbury	26.72		5.20
36.73	Weston Rhyn	42.88		16.74
30.09	Weston-Under-Redcastle	49.79		65.47
27.03	Wheathill	52.44		94.01
35.51	Whitchurch Rural	36.58		3.01
144.55	Whitchurch Town	144.66		0.08
50.09	Whittington	51.88		3.57
-	Whitton	-		-
23.25	Whixall	24.43		5.08
37.29	Wistanstow	37.29		0.00
57.99	Withington	57.03		(1.66)
44.55	Woore	51.45		15.49
24.25	Worfield & Rudge	24.97		2.97
46.07	Worthen with Shelve	46.49		0.91
26.13	Wroxeter & Uppington	27.81		6.43
71.09	Parish / Town Council Average	73.82		3.84

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<u>Committee and Date</u>	<u>Item</u>
Council 28 02 2019	<u>Public</u>

FEES AND CHARGES 2019/20

Responsible Officer James Walton

e-mail: James.walton@shropshire.gov.uk

Tel: (01743) 258915

1. Summary

- 1.1 The need to generate funds locally, at the point of service delivery rather than from local or national taxation, has been a trend encouraged by Central Government for a number of years. This has been demonstrated by a continued reduction in Revenue Support Grant which in 2013/14 stood at over £67m and by 2019/20 will have fallen to £6m. The Financial Strategy identifies four key pillars to help deliver a sustainable budget in the medium term, including the need to innovate and to raise income. The Council is able to raise income from a number of sources and this report identifies the areas for charging and includes details of the individual fees and charges proposed.

The Council has a revised gross budget of £569.847m for 2018/19 and a proposed gross budget of £568.489m for 2019/20 which is funded by Council Tax, Localised Business Rates, Revenue Support and Top up Grant, Other Specific Grants and Contributions and Fees and Charges. Fees and Charges contribute significantly to the Council's ability to provide a diverse range of services.

As the government continues to reduce central funding so the reliance on local resources increases. The Council provides a diverse range of services and it is important that it is clear on how the services it provides are funded. This will allow it to not only set fair charges for users when it is appropriate to do so but also to make a clear case for additional funding where the cost of key statutory services cannot be met by locally raised taxes. For non-priority services, there will be a need to cover the full cost of the service by charges if the service is to continue in the longer term. This in turn will allow the Council to allocate a reducing net budget to priority services which the Council has a duty to provide.

This report recommends the level of fees and charges to be applied in 2019/20 and a full schedule of 2019/20 charges is contained in Appendix 3.

This report recommends the approach to be followed to calculate rent levels and service charges for the Council's retained housing stock and shared ownership homes for the 2019/20 financial year. Over recent years the Government's policy regarding the level of rent for social housing has been subject to significant changes, the most recent being those introduced by the Welfare Reform and Work Act 2016. This Act imposed the requirement for social housing rent to be cut by 1% each April for 4 years commencing in April 2016. The rent level for the 2019/20 financial year will be the fourth and final year of this policy

and as such rent will be subject to a 1% reduction from April 2019. Service charges and rent for Shared Ownership homes are not bound by this requirement

2. Recommendations

It is recommended that Members:-

- 2.1 Note the breakdown of the total income for 2018/19 and 2019/20 and in particular that the proposed 2019/20 charges for discretionary services represent only £39.703m of the £79.244m of income derived from Fees and Charges.
- 2.2 Approve the charges for 2019/20 as detailed in Appendix 3 to be implemented 1 April 2019, recognising that managers have proposed varying policies for 2019/20.
- 2.3 Note that as previously agreed, any changes to fees and charges proposed by Shropshire Community Leisure Trust Ltd. in relation to the outsourced leisure facilities will only be referred to cabinet and council for approval if the proposed increases exceed Consumer Price Index (CPI) for the preceding November.
- 2.4 Subject to restrictions or exemptions identified in the Welfare Reform and Work Bill it is recommended to Council that
 - I. Social Housing rents for 2019/20 are reduced by 1% from 1st April 2019.
 - II. Affordable rents for 2019/20 are reduced by 1% from 1st April 2019.
 - III. Shared Ownership rents continue to be set at 2.75% of the outstanding capital value of the home at the time of sale and thereafter increased each April in accordance with the terms specified in the lease agreements.
 - IV. Service charges continue to be set on the basis of actual cost.

REPORT

3. Risk Assessment and Opportunities Appraisal

- 3.1 Income is a key part of the Council's financial strategy. The identification of additional income across the Council provides opportunities to remove the Council's reliance on other forms of funding, some of which we are unable to control. The key risks associated with income generation relate to the potential for under-recovery through a number of factors such as elasticity of demand, changing economic circumstances and emergence of competition. Growth in the reliance of income from fees and charges heightens this risk. Consideration of new charges will take into account the requirements of the Human Rights Act, any necessary environmental appraisals, the need for Equalities Impact Needs Assessments and in some cases any necessary service user feedback.

4. Financial Implications

4.1 The Council's proposed 2019/20 gross revenue budget includes £354.650m of income. The majority of this income is specific grants and the amount to be received in the year is generally known and fixed within a year. The balance, which for the Council is £109.479m, can vary significantly and requires careful management and monitoring throughout the year. Variations in income can significantly affect the Council's financial position. By detailed consideration of income streams and factors which affect the levels of income the Council receives, the risk of significant budget variations caused by a shortfall in income levels will be reduced.

5. Background

5.1 The financial landscape for local authorities continues to be very challenging as we look towards 2019/20. As at Quarter 3 the Council is projecting to deliver £10.952m of savings with a high degree of certainty and plans are in place to deliver a further £1.256m in 2018/19. In 2019/20 the Council has identified savings of £18.490m and funding from one-off sources of £24.590m. To meet the challenges of reduced government funding and additional service pressures the Council needs to continue to explore all options to reduce net expenditure, by both reducing gross expenditure and/or increasing income.

5.2 The Council has the power to charge for some services under various legislation dating back many years e.g. 1949 Prevention of Damage by Pests Act. The Local Government Act 2003 provides clarity over charging powers and is clear that a local authority can charge for discretionary services on the basis of recovering the full costs of providing the service but that it should not make a profit year on year. The same Act also covers local authority's power to trade whereby a profit/surplus can be made as long as trading is carried out through a company. This report concentrates on charging for discretionary services. A key point is that charges should be set at the right level to balance the subsidy between service user and taxpayer.

5.3 The current Financial Strategy does not specifically identify additional income from fees and charges in future years in all cases. The key focus for the Financial Strategy is reflecting the Council's move towards becoming a more commercial organisation, with savings proposals built around innovation and raising income. Some proposals identified within the Financial Strategy may include a combination of increased efficiency and increased income generation. The Financial Strategy details projected funding for the Council over the next 5 years, which will not be sufficient to enable it to deliver a balanced budget. To enable services to continue to be delivered in the medium to long term both alternative delivery mechanisms and revised charging strategies will need to be explored. Increases in charges may deliver savings, but instead may only be an approach to offset existing service pressures. An increase in individual fees and charges does not necessarily create additional funding beyond the current approved budget and it is important not to "double count" any potential savings from increased income. As savings are implemented budgets will need fine tuning and adjustments will be required to both expenditure and income headings.

5.4 As central government funding continues to reduce, the Council is striving to become more commercial and generate income from fees and charges.

Growing on the review of selling existing services to external clients and identifying opportunities for new services from last year there have been a number of new fees and charges in the following areas within the Place directorate for 2019/20:

- Planning – a new charge has been introduced for a compliance checking service which is a new scheme offered for compliance checking after the decision for planning approval.
- Historic Environment – new charges have been introduced for the provision of pre-purchase advice on listed buildings. This includes charges for copies of decision notices or associated documents in either electronic or paper form plus a charge for officer time for pre-purchase advice and time and expenses for a pre-purchase site visit. Another new charge has been added for 2019/20 specifically for officer time for Historic Environment Record single site searches which has previously been charged for by the hour.
- Outdoor Partnerships – Following the success of the Shropshire Great Outdoors Membership Scheme, new charges for a joint membership and family membership have been introduced for 2019/20.
- Museums & Archives – Acton Scott have introduced a wider number of courses in 2019/20 which are detailed in the appendices and can also be found on the website.

Workforce and Transformation have expanded their service offer to include the provision of their Learning Management System service to partner organisations, appropriate charges are in place to ensure all costs of the provision are recovered.

6. 2019/20 Income Budgets

6.1 The Council's proposed gross revenue budget for 2019/20 is £568.489m. This budget is part funded by government grants and other income such as fees and charges to give the Council's net budget of £213.839m which is funded by formula grant and council tax. A large proportion of the income funding the Council's gross budget comes from national government in the form of specific and/or ringfenced grants. A breakdown of these grants is included in Appendix 1. This report looks at the remaining "Other Income" figure with a view to understanding how this figure is made up and how much control the Council has over this figure in terms of seeking to increase it.

6.2 The total gross income for the Council is shown in Table 1 below.

Table 1: 2018/19 Gross Income and 2019/20 Proposed Gross Income

	2018-19 Revised Budget	2019-20 Proposed Budget
	£m	£m
RSG (including returned amounts)	13.301	6.119
Top up Grant	9.649	9.870
Business Rates	40.310	40.055
Council Tax and Collection Funds	145.508	157.795
Net Budget Requirement	208.768	213.839
Specific Grants (incl. DSG) (Appendix 1)	254.710	245.171
Other Income	106.369	109.479
Total Gross Income	569.847	568.489

Other Income is broken down further in Table 2.

Table 2: Categorisation of “Other Income”

	2018-19 Revised Budget	2019-20 Proposed Budget
	£m	£m
Other Grants and Contributions	21.343	22.522
Fees & Charges	77.281	79.244
Internal Recharges	7.745	7.713
Total Other Income	106.369	109.479

6.3 The income figure shown above for fees and charges can be further categorised into income arising from fees and charges for the provision of services which can be set at the discretion of the Council (discretionary) and income where the levels are set by statute or restricted by regulations or guidance. The latter includes planning fees, which are set at a statutory level and other fees, the level of which must follow statutory guidance (for example charges for residential accommodation which are governed by CRAG (Charges for Residential Accommodation Guide)).

6.4 The report, although detailing all fees and charges in Appendix 3, concentrates on discretionary income areas where there is a decision to be made by the Council on the level of charge.

7. 2019/20 Fees and Charges Analysis

7.1 The latest budget for fees and charges income for 2018/19 is £77.281m and the proposed budget for 2019/20 is £79.244m Table 3 below provides details of this income by Directorate and also details the breakdown of the proposed 2019/20 income figure as

discretionary and non-discretionary income. Further detail by service area is provided in Appendix 2.

Table 3: Analysis of 2018/19 and 2019/20 proposed Income by Service Area

Service Area	2018/19 Revised Budget			2019/20 Proposed Budget		
	Total Income £m	Discretionary Income £m	Non- Discretionary Income £m	Total Income £m	Discretionary Income £m	Non- Discretionary Income £m
Adults	20.240	1.557	18.683	23.005	1.832	21.173
Children's	2.873	2.128	0.745	2.259	1.530	0.729
Place	43.301	31.682	11.619	43.359	31.603	11.756
Public Health	2.678	1.569	1.109	3.266	2.157	1.109
Corporate	2.183	0.006	2.177	2.180	0.006	2.174
Finance, Governance and Assurance	4.520	0.813	3.707	3.366	0.766	2.600
Legal and Democratic Services	0.123	0.123	0.000	0.135	0.135	0.000
Strategic Management Board	0.000	0.000	0.000	0.000	0.000	0.000
Workforce and Transformation	1.363	1.363	0.000	1.674	1.674	0.000
Total Fees and Charges	77.281	39.241	38.040	79.244	39.703	39.541

7.2 The proposed 2019/20 level of non-discretionary income, £39.541m, shown in Table 3 above can be further analysed between statutory income and other, as shown in Table 4:

Table 4: Analysis of Non-Discretionary Income by Service Area

Service Area	2018/19 Revised Budget		2019/20 Proposed Budget	
	Statutory Income £m	Other Income £m	Statutory Income £m	Other Income £m
Adults	18.661	0.022	21.153	0.020
Children's	0.030	0.715	0.030	0.699
Place	9.669	1.950	9.789	1.967

Public Health	1.109	0.000	1.109	0.000
Corporate	0.000	2.177	0.000	2.174
	2018/19 Revised Budget		2019/20 Proposed Budget	
Service Area	Statutory Income £m	Other Income £m	Statutory Income £m	Other Income £m
Finance, Governance and Assurance	0.000	3.707	0.000	2.600
Legal and Democratic Services	0.000	0.000	0.000	0.000
Strategic Management Board	0.000	0.000	0.000	0.000
Workforce and Transformation	0.000	0.000	0.000	0.000
Total Non-Discretionary Income	29.469	8.571	32.081	7.460

- 7.3 The statutory income figure in Adult Services relates to charges to service users that are set by individual assessments and are governed by Department of Health guidelines. The Council's policy for charging, the Personal Budgets Contributions Policy, is updated annually and is contingent upon information from the Department of Health, which has not yet been circulated. The policy includes the Council's Minimum Income Guarantee, which is the amount that a recipient of Adult Social Care must be left with to pay for everyday living costs when a financial assessment for non-residential services is made. From April 2015 the minimum level of Minimum Income Guarantee has been determined by Government statute. The statutorily required Minimum Income Guarantee for 2019/20 is yet to be announced by the Department of Health. Following its announcement, the Council will be in a position to determine its Minimum Income Guarantee for 2019/20, and the Personal Budgets Contributions Policy will be updated accordingly.
- 7.4 The majority of the remaining statutory income is in Place. This relates to income in Development Management (planning and land charges search fees) Highways & Transport (highways development control and New Road & Street Works Act).
- 7.5 The Other Income for Corporate relates to interest arising from financing arrangements including interest earned on the Council's investments which is dictated by the financial markets. Within Finance, Governance and Assurance Other Income relates to recovery of Housing Benefit overpayments.
- 7.6 For discretionary income, totalling £39.703m, more detail on individual services is provided in Appendix 2. The Council generates discretionary income from contracts for the provision

of specific services e.g. payroll services. The main areas where the Council has discretion to agree fees and charges outside of any contract or service level agreement are:

- Car parking
- New road and street works
- Theatre
- Leisure and Visitor Economy
- Music and Arts Services
- Registrars

Appendix 2 also provides details where income levels have changed from 2018/19 detailing whether this is due to price increases or an increase in demand.

7.7 Appendix 3 provides details of the recommended charges for 2019/20.

8. Housing Revenue Account Rent Levels

8.1 The Housing Revenue Account (HRA) is a ring fenced account separate from the General Fund that records the financial transactions relating to the management and maintenance of the Council's retained housing stock, and the primary source of income (approximately 98%) comes from tenants' housing rent.

8.2 Over recent years the Government's policy regarding the level of rent for social housing has been subject to significant changes, the most recent being those introduced by the Welfare Reform and Work Act 2016. More detail on this is provided in Appendix 4 with recommendations at section 2.

List of Background Papers (This MUST be completed for all reports, but does not include items containing exempt or confidential information)

Charging Policy – Cabinet 4 June 2014, Council 17 July 2014

Fees and Charges 2019/20 – Cabinet 13 February 2019

Cabinet Member (Portfolio Holder)
Councillor David Minnery

Local Member
All

Appendices

Appendix 1 Specific Grants Schedule

Appendix 2 Discretionary Income - Service Specific Detail

Appendix 3 2019/20 Fees and Charges

Appendix 4 Housing Revenue Rent Level 2019/20

Appendix 1

Grant Schedule	2018/19 Revised Budget £	2019/20 Budget £
Dedicated Schools Grant	129,389,750	121,362,000
School Improvement Monitoring and Brokering Grant	235,550	349,410
Local Reform & Community Voices Grant	190,550	190,550
Quality in Community Services - Private Finance Initiative	1,522,650	1,522,650
Waste - Private Finance Initiative	3,185,610	3,185,610
New Homes Bonus	7,121,970	7,753,870
Housing Benefit Administration Subsidy	717,240	646,300
Localised Council Tax Support Administration Subsidy	276,790	261,780
Public Health Grant	8,576,830	8,350,260
Public Health Childrens 0-5 Allocation	3,423,170	3,332,740
Local Services Support Grant	365,990	333,730
Pupil Premium Grant	5,516,410	4,932,100
EFA (Education Funding Agency) - School Sixth Forms	1,660,710	1,047,610
Mandatory Rent Allowances: Subsidy	55,971,370	49,000,000
Rent Rebates: Subsidy	10,496,880	10,100,500
Magistrates Courts Loan Charges	1,420	950
Tackling Troubled Families	794,390	279,000
Youth Justice Board - Children on Remand	8,510	8,510
Local Enterprise Partnerships Core Funding Grant	250,000	0
Business Rates Retention Scheme - Section 31 Grants	5,788,200	7,780,165
SEN Reform Grant	223,920	0
Unaccompanied Asylum Seeking Children (UASC)	338,420	338,420
Independent Living Fund	1,559,310	1,511,940
Rural Services Delivery Grant	6,614,131	6,614,130
Single Fraud Investigation Service	0	2,200
Welfare Reform New Burdens	26,760	71,590
Southern Shropshire LEADER Programme - DEFRA	32,810	29,150
Improved Better Care Fund	4,328,800	8,153,520
Social Care In Prisons	40,730	47,940
War Pensions Disregard	0	117,210
Adoption Support Fund	360,000	360,000
Adult Social Care Support Grant	871,140	0
Additional Better Care Fund	3,959,450	1,967,260
Bikeability	32,990	50,000
Flexible Homelessness Grant	336,860	359,400

Appendix 1

Grant Schedule	2018/19 Revised Budget £	2019/20 Budget £
Assessed & Supported Year in Employment (ASYE)	10,000	10,000
Staying Put	94,680	94,680
Homelessness Reduction - New Burdens Allocation	61,880	88,040
Technical Assistance	71,340	51,250
Syrian Refugee Grant	46,900	49,050
Outdoor Partnership	6,000	6,000
Parks & Sites	45,000	45,000
New Burdens Leaving Care Team	11,550	0
LA Data Sharing	13,750	0
Verify Earning and Pensions	65,100	65,100
New State Pension & RTI Re-submissions	2,770	0
Universal Credit	61,620	39,300
Additional Social Care Funding	0	3,774,940
Levy Account Surplus Distribution	0	771,090
Extending Personal Adviser support to age 25: new burdens assessment	0	11,550
Brexit Funding	0	105,000
Total	254,709,901	245,171,495

Discretionary Income - Service Specific Detail

Summary

- 1.1 The table below provides a summary of the Fees and Charges income for the Council by Directorate. More detail per directorate is then provided in the relevant sections below.

Service Area	2019/20 Budget £m	Discretionary Income £m	Non-Discretionary Income £m
Adults	23.005	1.832	21.173
Children's	2.259	1.530	0.729
Place	43.359	31.603	11.756
Public Health	3.266	2.157	1.109
Corporate	2.180	0.006	2.174
Finance, Governance and Assurance	3.366	0.766	2.600
Legal and Democratic Services	0.135	0.135	0.000
Strategic Management Board	0.000	0.000	0.000
Workforce and Transformation	1.674	1.674	0.000
Total Fees and Charges	79.244	39.703	39.541

- 1.2 The following paragraphs summarise the key areas and nature of income within each service area, concentrating on discretionary income (£39.703m)

Adult Services

- 1.3 The total Fees and Charges for Adult Services proposed for 2019/20 are £23.005m of which £1.832m is discretionary.
- 1.3.1 Discretionary income is primarily made up of charges for Day Care (£0.102m), Choice Based Letting Advertising (£0.125m), Work Placement Income (£1.323m), Handy Man services (£0.076m) and Joint Training to Care Providers (£0.138m)
- 1.3.2 Work Placement Income has increased by £0.171m, which equates to a 14.85% increase in income. Additional income has been generated in this area due to new contracts mainly in Mental Health. This is a traded service and expenditure will increase

in proportion to increased income. General price inflation for Day Care charges is an increase of 3.00%.

Children's Services

1.4 The total Fees and Charges for Children's Services proposed for 2019/20 are £2.259m of which £1.530m is discretionary.

1.4.1 The discretionary element is primarily made up of income from Shropshire Music and Arts Service (£0.872m). The service has discretion to determine the fees and charges schedule for services provided and sets these fees in relation to music tuition and instrument hire charges in order to recover the costs of the service. Fees and charges are set on an academic year basis.

1.4.2 The remaining discretionary within Children's Services is mainly derived from education support services which are traded with academy schools and are subject to annual service level agreements (SLAs). Education support service income streams includes Education Access and Libraries Service.

Place

1.5 The total Fees and Charges for Place proposed for 2019/20 are £43.359m of which £31.603m is discretionary.

1.5.1 The majority of the Council's total discretionary income received is by services within the Place directorate, which also includes Shire Services. In summary, the main areas of discretionary income are Shire Services (£11.176m), Car Parking (£5.172m), Theatre Services (£4.888m), Leisure Services (£0.493m), Commercial Services (£6.823m) and Streetworks (£1.013m).

1.5.2 Total discretionary income has decreased by £0.079m from 2018/19 (0.25%).

1.5.3 There are various levels of increases and decreases over all of the services within Place and some of the main changes are;

- The implementation of the new parking strategy has led to an increase in forecasted income for car parking of £0.533m.
- There has been an overall increase in income of £0.193m due to increase in demand for Theatre production sales and 3rd party production.
- Projected commercial income has reduced by £0.861m.
- The Shires Services discretionary income of £11.176m can be further split between fees collected via Shropshire Council Schools (£6.604m) and fees charged to Schools, Colleges and Academies outside of Shropshire Council's control (£4.572m). The fees shown for Shire Services are 2018/19 latest estimates. As in previous years, the level of charges for Shires Services will be set to ensure a break-even position for 2019/20.

Public Health

1.6 The total Fees and Charges for Public Health proposed for 2019/20 are £3.266m of which £2.157m is discretionary.

1.6.1 Total discretionary income has increased by £0.588m from 2018/19 (37.48%), the increase is due to reorganisation within the Help to Change service, including the development of a number of commercial income generation activities.

1.6.2 The main components of the discretionary income are Registrars (0.765m), Pest Control (£0.120m), various Licensing charges (£0.322), Help to Change (£0.793m) and Cemetery Burial Rights (£0.075m).

1.6.3 Licence fees relating to Taxi and Private Hire are under consultation until 03 February 2019. The proposed fees, as set out in Appendix 3, will take effect on 04 February 2019 unless objection is made and not withdrawn. Where any objections are made and not withdrawn these will be considered by the Strategic Licensing Committee on the 06 March 2019 and the subsequently agreed fees will take effect from 1 April 2019.

Corporate

1.7 The total Fees and Charges for Corporate proposed for 2019/20 are £2.180m of which £0.006m is discretionary.

Finance, Governance and Assurance

1.8 The total Fees and Charges for Finance, Governance and Assurance proposed for 2019/20 are £3.366m of which £0.766m is discretionary.

1.8.2 The discretionary income includes income from external organisations for services such as audit and the provision of finance services which are covered by annual contracts and the recovery of costs within the Revenues Team.

Legal and Democratic Services

1.9 The total Fees and Charges for Legal and Democratic Services proposed for 2019/20 are £0.135m which is all discretionary.

1.9.2 Details of fees charged by Legal Services are provided in Appendix 3.

Workforce and Transformation

1.10 The total Fees and Charges for Workforce and Transformation proposed for 2019/20 are £1.674m which is all discretionary.

1.10.1 Total discretionary income has increased by £0.311m from 2018/19 (22.81%), which is mainly due to ICT increasing their commercial offer to customers.

1.10.2 The discretionary income also includes income from Town Councils, charities, academies and other external organisations for services such as payroll provision and human resources services which are covered by annual contracts and charges for First Aid and Occupational Health Services.

FEES & CHARGES

APPENDIX 3

HOUSING	Statutory or Discretionary	Fee for 2018/19 £	Fee for 2019/20 £	% Increase	Notes
TRADING ACCOUNT					Trading
HOUSING REVENUE ACCOUNT					
HOUSING RENTS (48 week basis)					
Housing Rents-increased by Formula rent calculation		Subject to separate recommendation	Subject to separate recommendation	Subject to separate	
HEATING CHARGES (per week - 48 week basis)					
Greenfields		3.97	4.07	2.4%	Per week (48 weeks)
Sheldon Court		12.43	12.73	2.4%	Per week (48 weeks)
SERVICE CHARGES (per week - 48 week basis)					
Admirals Flats		5.91	6.05	2.4%	Per week (48 weeks)
Red House		1.72	1.76	2.3%	Per week (48 weeks)
Greenfields		9.50	9.73	2.4%	Per week (48 weeks)
Sheldon Court		12.65	12.96	2.5%	Per week (48 weeks)
New Century Court		164.70	168.65	2.4%	
Intensive Housing Management - South (proposed by STAR Housing subject to agreement with Sustain Consortium)		10.80	11.05	2.3%	Per week (48 weeks)
Intensive Housing Management - North (proposed by STAR Housing subject to agreement with Sustain Consortium)		10.80	11.05	2.3%	Per week (48 weeks)
Intensive Housing Management - (General Needs)		8.00	8.20	2.5%	Per week (48 weeks)
Intensive Housing Management - New Century Court		19.26	19.72	2.4%	
Communal Cleaning - Oswestry		1.87	1.92	2.7%	Per week (48 weeks)
Communal TV Aerial		0.77	0.79	2.4%	Per week (48 weeks)
Caretaking Service		2.30	2.36	2.6%	Per week (48 weeks)
GARAGE RENTS					
Bridgnorth & Oswestry (VAT charged to Council tenants on third or more garages and all non-tenants)		£7.50 per week (+VAT where due)	£7.50 per week (+VAT where due)	0.0%	Per week (48 weeks)
Oswestry - non-tenant		£7.50 per week (+VAT where due) £9 per wk +VAT	£7.50 per week (+VAT where due) £9 per wk +VAT	0.0%	Per week (48 weeks)
Garage base (48-week basis)		£1.32per wk (+VAT where due)	£1.32per wk (+VAT where due)	0.0%	Per week (48 weeks)
Secured Parking Bays (Tenant)		£4.50per wk (+VAT where due)	£2.50per wk (+VAT where due)	0.0%	Per week (48 weeks)
Secured Parking Bays (Non-Tenant)		£5.50per wk (+VAT where due)	£3 per wk (+VAT where due)	0.0%	Per week (48 weeks)
Replacement padlock (drop down bollards)		£10 plus cost of new lock + VAT	£10 plus cost of new lock + VAT	0.0%	Per item
COMMUNITY ALARMS					
Leased Service (Council tenants) - service charge set by STAR Housing		45.24 + VAT	45.24 + VAT	0.0%	Charge per quarter
Private Customers:					
Leased Service (Non-Council tenants) - charge set by STAR Housing		45.24 + VAT	45.24 + VAT	0.0%	Charge per quarter
Monitoring charge on non-leased unit charge set by STAR Housing		13.00 + VAT	13.00 + VAT	0.0%	Charge per quarter
Former Grant Supported - Council Tenant Sheltered Schemes		2.17 + VAT	2.17 + VAT	0.0%	Per week (48 weeks)
Former Grant Supported - Other		2.17 + VAT	2.17 + VAT	0.0%	Per week (48 weeks)
Installation Charge:					
Alarm Installation Charge - set by STAR Housing		25.00	25.00	0.0%	
Replacement Pendants:					
Per pendant. Charge set by STAR Housing		50.00	50.00	0.0%	Per item
Other peripheral equipment e.g. key safe (cost plus installation & admin charge)		Cost plus installation & admin charge (+VAT where due)	Cost plus installation & admin charge (+VAT where due)		
FURNITURE SCHEME					
Mini option (incl. admin fee of 10%)		£12.02 + VAT	£12.02 + VAT	0.0%	Per week (48 weeks)
Option 1 (incl. admin fee of 10%)		£21.56 + VAT	£21.56 + VAT	0.0%	Per week (48 weeks)
Option 2 (incl. admin fee of 10%)		£29.35 + VAT	£29.35 + VAT	0.0%	Per week (48 weeks)
GARDEN MAINTENANCE - HRA Properties (48 week basis)					
Lawn Cut - Annual Maintenance (20mm to 60mm)		1.88(+VAT where due)	1.93(+VAT where due)	2.7%	Front or rear garden
Hedge Cutting - Annual Maintenance		0.93(+VAT where due)	0.95(+VAT where due)	2.2%	Front or rear garden

FEES & CHARGES

APPENDIX 3

LIBRARIES	Statutory or Discretionary	Fee for 2018/19 £	Fee for 2019/20 £	% Increase	NOTES
LIBRARY CHARGES					
DVD - Standard titles	Discretionary	2.00	2.00	0.0%	
DVD - Premium titles	Discretionary	2.75	2.00	-27.3%	
Compact Discs - Music	Discretionary	1.00	1.00	0.0%	
Talking Books & Language courses					
Up to 2 tapes	Discretionary	1.00	1.00	0.0%	
CD & larger tape packs	Discretionary	2.50	2.50	0.0%	
The above for the Visually Impaired	Discretionary	Free	Free		
Computer Use	Discretionary	£1.10 for guests, free for library members.	£1.20 for guests, free for library members	9.1%	
Printing/Photocopying					
Printing & Photocopying - A4 sheet	Discretionary	0.18	0.18	0.0%	
Printing & Photocopying - A4 sheet colour	Discretionary	0.40	0.40	0.0%	
Laminating copies - A4 sheet	Discretionary	1.50	1.50	0.0%	
Laminating copies - A3 sheet	Discretionary	2.50	2.50	0.0%	
Fax Services					
Message sent UK - per sheet	Discretionary	1.50	1.50	0.0%	
Message sent Overseas - per sheet	Discretionary	2.50	2.50	0.0%	
Message received (per 10 sheets)	Discretionary	1.50	1.50	0.0%	
Fines					
Adult items per item per day	Discretionary	0.25	0.25	0.0%	
Children's items per item per day	Discretionary	No charge	No Charge		
Music/drama sets returned late or incomplete	Discretionary	21.00	22.00	4.8%	
Final reminder letters	Discretionary	No charge	No Charge		
Library Cards					
New library membership card	Discretionary	Free	Free		
Replacement library membership card	Discretionary	1.30	1.40	7.7%	
Requests					
per item	Discretionary	0.70	0.75	7.1%	
per item through inter-lending scheme	Discretionary	6.00	6.00	0.0%	
Sets of vocal scores through inter-lending scheme - per copy	Discretionary	0.95	1.00	5.3%	
Orchestral sets through inter-lending scheme	Discretionary	21.00	21.00	0.0%	
Drama sets through inter-lending scheme - per copy	Discretionary	0.95	1.00	5.3%	
Room Hire					
Shrewsbury Library room hire per session (Morning or Afternoon)					
Personal/Voluntary group/ Charity Group	Discretionary	33.00	34.00	3.0%	
Business Use	Discretionary	66.00	68.00	3.0%	
Oswestry Library Room Hire per session (Morning or Afternoon) - without projector					
Personal/Voluntary group/ Charity Group	Discretionary	27.50	28.00	1.8%	
Business Use	Discretionary	55.00	56.00	1.8%	
Room Hire - Bridgnorth Library per session (Morning or Afternoon)					
Personal/Voluntary group/ Charity Group	Discretionary	30.00	30.00	0.0%	
Business Use	Discretionary	60.00	60.00	0.0%	
Interview Room Hire - Bridgnorth Library per Hour					
Personal/Voluntary group/ Charity Group	Discretionary	6.00	7.00	16.7%	
Business Use	Discretionary	12.00	14.00	16.7%	
Room Hire - Church Stretton Library per session (Morning or Afternoon)					
Personal/Voluntary group/ Charity Group	Discretionary	20.00	20.00	0.0%	
Business Use	Discretionary	40.00	40.00	0.0%	
Room Hire - Wem Library per session (Morning or Afternoon)					
Personal/Voluntary group/ Charity Group	Discretionary	12.50	13.00	4.0%	
Business Use	Discretionary	25.00	26.00	4.0%	
Room Hire - Ludlow Education Room per session (Morning or Afternoon)					
Personal/Voluntary group/ Charity Group	Discretionary	33.00	33.00	0.0%	
Business Use	Discretionary	66.00	66.00	0.0%	
Room Hire - Ludlow Library gallery space per session (Morning or Afternoon)					
		25.00	25.00	0.0%	

FEES & CHARGES

APPENDIX 3

LIBRARIES	Statutory or Discretionary	Fee for 2018/19 £	Fee for 2019/20 £	% Increase	NOTES
Hire of gallery hanging space at Oswestry Library per month					
Personal/Voluntary group/ Charity Group	Discretionary	25.00	25.00	0.0%	
Business Use	Discretionary	50.00	50.00	0.0%	
Hire of gallery hanging space at Market Drayton Library per month					
Personal/Voluntary group/ Charity Group	Discretionary	25.00	25.00	0.0%	
Business Use	Discretionary	50.00	50.00	0.0%	
Hire of window display space at Bridgnorth Library per month					
Personal/Voluntary group/ Charity Group	Discretionary	25.00	25.00	0.0%	
Business Use	Discretionary	50.00	50.00	0.0%	
Reading Group admin fee:	Discretionary	£42 (£35 + £7 VAT)	£42 (£35 + £7 VAT)	0.0%	
Fab Reads: Box of 15 hand selected books (to borrow)	Discretionary	35.00	35.00	0.0%	
Fab Reads: Introductory librarian visit:	Discretionary	15.00	15.00	0.0%	
Fab Reads: Six themed resource packs:	Discretionary	30.00	30.00	0.0%	
Fab Reads: Round up/discussion librarian visit:	Discretionary	15.00	15.00	0.0%	
Ludlow Library and Museum Resource Centre Gallery Commission	Discretionary	20%	20%	0.0%	
Book Sales					
At local discretion	Discretionary	Variable	Variable		Dependent on condition of book
Filming					
Fiat rate filming fee per day	Discretionary	300.00	300.00	0.0%	
Provision of staff member per hour	Discretionary	Dependent on member of staff.	Dependent on member of staff.		
Hot Drinks					
Oswestry & Bridgnorth	Discretionary	0.60	0.60	0.0%	
Deliveries via library vans					
per box	Discretionary	1.00	1.00	0.0%	
per small package	Discretionary	0.50	0.50	0.0%	

FEES & CHARGES

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WASTE SERVICES	Statutory or Discretionary	Fee for 2018/19 £	Fee for 2019/20 £	% Increase	Notes
WASTE					
Bulky waste charges					
Up to 3 items of bulky household waste	Discretionary	33.00	34.00	3.03%	
4-6 items of bulky household waste	Discretionary	49.00	51.00	4.08%	
7-9 items of bulky household waste	Discretionary	65.00	67.00	3.08%	
10-12 items of bulky household waste	Discretionary	80.00	83.00	3.75%	
13-15 items of bulky household waste	Discretionary	97.00	100.00	3.09%	
up to 10 sacks of residual waste	Discretionary	50.00	52.00	4.00%	
Other Charges					
Excess Black Bags (max 10)	Discretionary	50.00	52.00	4.00%	
Second Garden Bin	Discretionary	65.00	65.00	0.00%	
Liners & Caddies					
Liners	Discretionary	4.00	4.00	0.00%	
Caddies	Discretionary	3.50	3.50	0.00%	
Schedule 2 contract rates per fortnightly collection (based on waste type and container size)					
Admin Fee	Discretionary	40.00	42.00	5.00%	
No Disposal					
Residual Sack (cost per sack)	Discretionary	38.00	39.00	2.63%	excludes above admin fee
Residual 240	Discretionary	86.00	89.00	3.49%	excludes above admin fee
Residual 360	Discretionary	120.00	124.00	3.33%	excludes above admin fee
Residual 660	Discretionary	206.00	213.00	3.40%	excludes above admin fee
Residual 750	Discretionary	217.00	224.00	3.23%	excludes above admin fee
Residual 1100	Discretionary	298.00	308.00	3.36%	excludes above admin fee
With Disposal					
Residual Sack (cost per sack)	Discretionary	50.00	52.00	4.00%	excludes above admin fee
Residual 240	Discretionary	144.00	149.00	3.47%	excludes above admin fee
Residual 360	Discretionary	203.00	210.00	3.45%	excludes above admin fee
Residual 660	Discretionary	358.00	370.00	3.35%	excludes above admin fee
Residual 750	Discretionary	395.00	408.00	3.29%	excludes above admin fee
Residual 1100	Discretionary	552.00	570.00	3.26%	excludes above admin fee
With or without Disposal					
Recycling 240	Discretionary	66.00	68.00	3.03%	excludes above admin fee
Recycling 360	Discretionary	92.00	95.00	3.26%	excludes above admin fee
Recycling 660	Discretionary	152.00	157.00	3.29%	excludes above admin fee
Recycling 750	Discretionary	163.00	168.00	3.07%	excludes above admin fee
Recycling 1100	Discretionary	206.00	213.00	3.40%	excludes above admin fee
Annual Schedule 4 collection contract rates (based on waste type and container size)					
With Disposal					
Residual Sack (cost per sack)	Discretionary	115.00	119.00	3.48%	excludes above admin fee
Residual 240	Discretionary	345.00	356.00	3.19%	excludes above admin fee
Residual 360	Discretionary	381.00	394.00	3.41%	excludes above admin fee
Residual 660	Discretionary	530.00	547.00	3.21%	excludes above admin fee
Residual 1100	Discretionary	708.00	731.00	3.25%	excludes above admin fee

FEES & CHARGES

APPENDIX 3

LEISURE (Non SCLT facilities)	Statutory or Discretionary	Fee for 2018/19	Fee for 2018/19	Fee for 2019/20	Fee for 2019/20	% Increase	% Increase	Notes	
		MEMBERS	NON MEMBERS	MEMBERS	NON MEMBERS	MEMBERS	NON MEMBERS		
Types Of Membership - BeActive Card									
Adult Membership	Discretionary	5.00	N/A	5.00	N/A	0.0%	N/A	Concessionary Rate is not applicable to non member rates.	
Adult Concessionary Rate	Discretionary	2.50	N/A	2.50	N/A	0.0%	N/A		
60+	Discretionary	2.50	N/A	2.50	N/A	0.0%	N/A		
Junior Membership	Discretionary	2.50	N/A	2.50	N/A	0.0%	N/A		
Junior Concessionary Rate	Discretionary	1.25	N/A	1.30	N/A	4.0%	N/A		
Team/Group Membership	Discretionary	20.00	N/A	20.00	N/A	0.0%	N/A		
Learn to Swim Programme									
Parents & Toddlers	Discretionary	45.25	58.25	46.40	59.70	2.5%	2.5%		
Parents & Toddlers - Concessionary	Discretionary	22.60	29.10	23.20	29.80	2.7%	2.4%		
Parent & Toddlers - Pay as you go	Discretionary	5.20	6.70	5.30	6.85	1.9%	2.2%		
Pre-School (3yrs to 5yrs)	Discretionary	51.40	65.80	52.70	67.40	2.5%	2.4%		
Pre-School (3yrs to 5yrs) - Concessionary	Discretionary	25.70	32.90	26.30	33.70	2.3%	2.4%		
Junior Lessons	Discretionary	51.40	65.80	52.70	67.40	2.5%	2.4%		
Junior Lessons - Concessionary	Discretionary	25.70	32.90	26.30	33.70	2.3%	2.4%		
Adult Lessons	Discretionary	68.75	88.40	70.40	90.50	2.4%	2.4%		
Adult Lessons - Concessionary	Discretionary	34.45	44.20	35.30	45.25	2.5%	2.4%		
60+	Discretionary	51.40	65.80	52.70	67.40	2.5%	2.4%		
Private Lessons - 1 to 1	Discretionary	13.55	17.50	13.90	17.90	2.6%	2.3%		
Private Lessons - 1 to 2	Discretionary	20.25	26.30	20.80	26.95	2.7%	2.5%		
Private Lessons - 1 to 1 - Concessionary	Discretionary	6.90	8.85	7.10	9.05	2.9%	2.3%		
Private Lessons - 1 to 2 - Concessionary	Discretionary	10.20	13.10	10.50	13.40	2.9%	2.3%		
Private Lessons - 1 to 3 - Concessionary	Discretionary	12.05	15.40	12.40	15.75	2.9%	2.3%		
Individual Support Classes	Discretionary	102.80	133.65	105.30	136.85	2.4%	2.4%		
Individual Support Classes - Concessionary	Discretionary	51.40	65.80	52.70	67.40	2.5%	2.4%		
Lessons - Direct Debit (per month)	Discretionary	19.50	19.50	20.00	20.00	2.6%	2.6%		
Lessons - Direct Debit (per month) - concessionary	Discretionary	12.50	12.50	12.80	12.80	2.4%	2.4%		
Water Sports									
Synchro - 45 mins	Discretionary	51.70	66.55	53.00	68.20	2.5%	2.5%		
Synchro - 45 mins Concessionary	Discretionary	25.70	33.20	26.30	34.00	2.3%	2.4%		
Canoeing - 30 mins	Discretionary	51.70	66.55	53.00	68.20	2.5%	2.5%		
Canoeing - 30 mins Concessionary	Discretionary	25.70	33.20	26.30	34.00	2.3%	2.4%		
Water Polo - 45 mins	Discretionary	51.70	66.55	53.00	68.20	2.5%	2.5%		
Water Polo - 45 mins Concessionary	Discretionary	25.70	33.20	26.30	34.00	2.3%	2.4%		
Distance Awards - up to 60 mins	Discretionary	51.70	66.55	53.00	68.20	2.5%	2.5%		
Distance Awards - up to 60 mins Concessionary	Discretionary	25.70	33.20	26.30	34.00	2.3%	2.4%		
Diving - 30 mins	Discretionary	51.70	66.55	53.00	68.20	2.5%	2.5%		
Diving - 30 mins Concessionary	Discretionary	25.70	33.20	26.30	34.00	2.3%	2.4%		
Snorkelling - 30 mins	Discretionary	51.70	66.55	53.00	68.20	2.5%	2.5%		
Snorkelling - 30 mins Concessionary	Discretionary	25.70	33.20	26.30	34.00	2.3%	2.4%		
Countywide Promotions									
There will be various promotions held throughout the year at various sites. Details can be found at individual facilities or via the Council's website:									
https://www.shropshire.gov.uk/leisure-services/find-a-leisure-centre/									

FEES & CHARGES

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LEISURE (Non SCLT facilities)	Statutory or Discretionary	Fee for 2018/19	Fee for 2018/19	Fee for 2019/20	Fee for 2019/20	% Increase	% Increase	Notes
		MEMBERS	NON MEMBERS	MEMBERS	NON MEMBERS	MEMBERS	NON MEMBERS	
All fees individual sites								
Meole Brace Golf Course								
Annual membership								
Adult Members	Discretionary	500.00	N/A	500.00	N/A	0.0%	N/A	
Junior Members	Discretionary	250.00	N/A	250.00	N/A	0.0%	N/A	
Green Fees 18 Holes								
Adult	Discretionary	14.00	15.00	14.00	15.00	0.0%	0.0%	
Adult 60+	Discretionary	12.00	14.00	12.00	14.00	0.0%	0.0%	
Adult Concessionary Rate	Discretionary	9.00	N/A	9.00	N/A	0.0%	N/A	
Junior	Discretionary	7.00	9.00	7.00	9.00	0.0%	0.0%	
Junior Concessionary Rate	Discretionary	4.60	N/A	4.60	N/A	0.0%	N/A	
Green Fees 12 Holes								
Adult	Discretionary	9.00	10.00	9.00	10.00	0.0%	0.0%	
Adult 60+	Discretionary	8.50	10.00	8.50	10.00	0.0%	0.0%	
Adult Concessionary Rate	Discretionary	6.00	N/A	6.00	N/A	0.0%	N/A	
Junior	Discretionary	5.00	6.00	5.00	6.00	0.0%	0.0%	
Junior Concessionary Rate	Discretionary	3.00	N/A	3.00	N/A	0.0%	N/A	
Temporary Green Fees 18 Holes								
Adult	Discretionary	11.00	12.00	11.00	12.00	0.0%	0.0%	
Adult 60+	Discretionary	9.00	10.00	9.00	10.00	0.0%	0.0%	
Junior	Discretionary	5.75	7.00	5.75	7.00	0.0%	0.0%	
Temporary Green Fees 12 Holes								
Adult	Discretionary	8.00	9.70	8.00	9.70	0.0%	0.0%	
Adult 60+	Discretionary	6.50	7.90	6.50	7.90	0.0%	0.0%	
Junior	Discretionary	4.00	5.20	4.00	5.20	0.0%	0.0%	
Winter Tickets								
Adult Winter Ticket	Discretionary	165.00	N/A	165.00	N/A	0.0%	N/A	
Junior Winter Ticket	Discretionary	80.00	N/A	80.00	N/A	0.0%	N/A	
Afternoon Special rates								
Afternoon Ticket (After 1pm)	Discretionary	8.00	9.50	8.00	9.50	0.0%	0.0%	
Pitch and Putt (All Times)								
Adult	Discretionary	3.10	3.90	N/A	N/A	N/A	N/A	Provision has now closed
Adult 60+	Discretionary	2.50	3.05	N/A	N/A	N/A	N/A	Provision has now closed
Junior	Discretionary	1.65	2.05	N/A	N/A	N/A	N/A	Provision has now closed
Family Ticket (2 Adults + 2 Juniors)	Discretionary	7.10	8.85	N/A	N/A	N/A	N/A	Provision has now closed

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LEISURE (Non SCLT facilities)	Statutory or Discretionary	Fee for 2018/19	Fee for 2018/19	Fee for 2019/20	Fee for 2019/20	% Increase	% Increase	Notes
		MEMBERS	NON MEMBERS	MEMBERS	NON MEMBERS	MEMBERS	NON MEMBERS	
Roman Road Sports Centre								
Peak Period								
Whole Hall (Hockey/Basketball/Volleyball)	Discretionary	30.75	39.60	31.50	40.60	2.4%	2.5%	
Badminton Court	Discretionary	9.80	12.60	10.10	12.90	3.1%	2.4%	
Bowls Lane (max. 3 lanes per court)	Discretionary	13.35	17.30	13.70	17.70	2.6%	2.3%	
Table Tennis Table (max. 3 tables per court)	Discretionary	13.35	17.30	10.00	15.00	-25.1%	-13.3%	
Sports Hall - Party Bookings								
Whole Hall	Discretionary	110.50	142.35	113.20	145.60	2.4%	2.3%	
Half Hall	Discretionary	56.05	71.95	57.40	73.70	2.4%	2.4%	
Courses and Coaching (per person)								
General:								
Adult 60 mins	Discretionary	5.50	7.10	5.70	7.30	3.6%	2.8%	
Adult Concessionary 60 mins	Discretionary	2.65	N/A	2.70	N/A	1.9%	N/A	
60+ 60 mins	Discretionary	4.45	5.75	4.60	5.90	3.4%	2.6%	
Adult 90 mins	Discretionary	8.00	10.30	8.20	10.60	2.5%	2.9%	
Adult Concessionary 90 mins	Discretionary	3.95	N/A	4.10	N/A	3.8%	N/A	
60+ 90 mins	Discretionary	6.25	8.10	6.40	8.30	2.4%	2.5%	
Junior 60 mins	Discretionary	2.65	3.45	2.70	3.60	1.9%	4.3%	
Junior Concessionary 60 mins	Discretionary	1.55	N/A	1.60	N/A	3.2%	N/A	
Junior 90 mins	Discretionary	3.95	5.10	4.10	5.20	3.8%	2.0%	
Junior Concessionary 90 mins	Discretionary	2.05	N/A	2.10	N/A	2.4%	N/A	
Group Activities (per person)								
Aerobics, Keep Fit etc.:								
Adult 60 mins	Discretionary	5.45	6.80	5.60	7.00	2.8%	2.9%	
Concessionary Rate 60 mins	Discretionary	2.55	N/A	2.60	N/A	2.0%	N/A	
60+ 60 mins	Discretionary	4.35	5.40	4.50	5.60	3.4%	3.7%	
Junior 60 mins	Discretionary	2.80	3.60	2.90	3.70	3.6%	2.8%	
Concessionary Rate 60 mins	Discretionary	1.50	N/A	1.60	N/A	6.7%	N/A	
Miscellaneous Charges								
Changing Rooms Only (Sports Hall)	Discretionary	13.65	17.50	14.00	17.90	2.6%	2.3%	
Spectators - Adult	Discretionary	1.35	1.75	1.40	1.80	3.7%	2.9%	
Spectators - Junior	Discretionary	0.65	0.80	0.70	0.80	7.7%	0.0%	
Shower Only - Adult	Discretionary	1.65	2.05	1.70	2.10	3.0%	2.4%	
Shower Only - Adult Concessionary Rate	Discretionary	0.70	N/A	0.70	N/A	0.0%	N/A	
Shower Only - Adult 60+	Discretionary	1.15	1.50	1.20	1.60	4.3%	6.7%	
Shower Only Junior	Discretionary	0.70	0.95	0.70	1.00	0.0%	5.8%	
Shower Only Junior Concessionary Rate	Discretionary	0.35	N/A	0.40	N/A	14.3%	N/A	
Synthetic Pitch AREA								
Area								
Whole Pitch 55 mins	Discretionary	58.60	75.55	60.00	77.40	2.4%	2.4%	
Half Pitch 55 mins	Discretionary	37.80	48.05	38.70	49.20	2.4%	2.4%	
Quarter Pitch 55 mins	Discretionary	25.20	32.40	25.80	33.20	2.4%	2.5%	
Whole Pitch 1hr 25 mins	Discretionary	85.75	110.30	87.80	113.00	2.4%	2.4%	
Half Pitch 1hr 25 mins	Discretionary	54.60	70.30	55.90	72.00	2.4%	2.4%	
Quarter Pitch 1hr 25 mins	Discretionary	34.95	45.08	35.80	46.20	2.4%	2.5%	
Whole Pitch 1hr 55 mins	Discretionary	115.35	148.45	118.10	152.00	2.4%	2.4%	
Half Pitch 1hr 55 mins	Discretionary	71.00	91.40	72.70	93.60	2.4%	2.4%	
Quarter Pitch 1hr 55 mins	Discretionary	47.70	61.40	48.90	62.90	2.5%	2.4%	

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APPENDIX 3

LEISURE (Non SCLT facilities)	Statutory or Discretionary	Fee for 2018/19	Fee for 2018/19	Fee for 2019/20	Fee for 2019/20	% Increase	% Increase	Notes
		MEMBERS	NON MEMBERS	MEMBERS	NON MEMBERS	MEMBERS	NON MEMBERS	
OFF PEAK CHARGE								
Whole hall	Discretionary	23.00	29.55	23.60	30.30	2.6%	2.5%	
Half Hall	Discretionary	11.45	14.80	11.70	15.20	2.2%	2.7%	
Badminton Court	Discretionary	7.55	9.70	7.80	10.00	3.3%	3.1%	
Bowls Lane (max. 3 lanes per court)	Discretionary	10.05	12.95	10.30	13.30	2.5%	2.7%	
Table Tennis Table (max. 3 tables per court)	Discretionary	10.05	12.95	8.10	11.20	-19.4%	-13.5%	
Trampoline (to include hire of one court)	Discretionary	13.90	17.95	14.30	18.50	2.9%	3.1%	
Sports Hall - Party Bookings								
Whole Hall	Discretionary	80.20	103.20	82.10	105.70	2.4%	2.4%	
Half Hall	Discretionary	41.75	53.70	42.80	55.00	2.5%	2.4%	
OUTDOOR SPORTS								
Synthetic Pitch AREA								
Whole Pitch 55 mins	Discretionary	44.05	56.65	45.10	58.00	2.4%	2.4%	
Half Pitch 55 mins	Discretionary	28.00	36.20	28.70	37.10	2.5%	2.5%	
Quarter Pitch 55 mins	Discretionary	19.00	24.50	19.50	25.10	2.6%	2.4%	
Whole Pitch 1hr 25 mins	Discretionary	64.50	83.00	66.10	85.00	2.5%	2.4%	
Half Pitch 1hr 25 mins	Discretionary	40.90	52.65	41.90	53.90	2.4%	2.4%	
Quarter Pitch 1hr 25 mins	Discretionary	26.20	33.70	26.90	34.50	2.7%	2.4%	
Whole Pitch 1hr 55 mins	Discretionary	86.70	111.55	88.80	114.50	2.4%	2.6%	
Half Pitch 1hr 55 mins	Discretionary	53.25	68.55	54.60	70.20	2.5%	2.4%	
Quarter Pitch 1hr 55 mins	Discretionary	35.90	46.15	36.80	47.30	2.5%	2.5%	
Junior Play & Pay	Discretionary	0.00	1.00	0.00	1.00	N/A	0.0%	Various sports - if specific area not being used
Idesall Sports Centre								
Sports Hall								
Adult peak	Discretionary	42.90	55.25	44.00	56.60	2.6%	2.4%	
Adult Off Peak	Discretionary	32.30	41.60	33.10	42.60	2.5%	2.4%	
Junior Peak	Discretionary	21.65	27.85	22.20	28.50	2.5%	2.3%	
Junior off peak	Discretionary	15.90	20.45	16.30	21.00	2.5%	2.7%	
Badminton Court								
Adult peak	Discretionary	10.35	13.30	10.60	13.60	2.4%	2.3%	
Adult Off Peak	Discretionary	7.75	9.95	8.00	10.20	3.2%	2.5%	
Junior Peak	Discretionary	5.35	6.85	5.50	7.00	2.9%	2.2%	
Junior off Peak	Discretionary	3.85	5.00	4.00	5.10	3.9%	2.0%	
Adult Trampoline Hire (1 Court)	Discretionary	22.35	28.80	22.90	29.50	2.5%	2.4%	
Junior Trampoline Hire (1 Court)	Discretionary	11.15	14.35	11.40	14.70	2.2%	2.4%	
Cricket Nets								
Adult	Discretionary	51.40	66.15	52.70	67.80	2.5%	2.5%	
Junior	Discretionary	25.70	33.20	26.30	34.00	2.3%	2.4%	

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		MEMBERS	NON MEMBERS	MEMBERS	NON MEMBERS	MEMBERS	NON MEMBERS	
Fitness Suite								
Room Hire	Discretionary	32.45	40.55	32.50	40.60	0.2%	0.1%	
Adult peak	Discretionary	5.25	6.55	5.30	6.60	1.0%	0.8%	
Adult peak - Concessionary	Discretionary	3.35	4.20	3.40	4.20	1.5%	0.0%	
Junior peak	Discretionary	2.65	3.30	2.70	3.30	1.9%	0.0%	
Adult off peak	Discretionary	3.90	4.85	3.90	4.90	0.0%	1.0%	
Junior off peak	Discretionary	2.00	2.50	2.00	2.50	0.0%	0.0%	
Casual Session 60+	Discretionary	3.35	4.20	3.40	4.20	1.5%	0.0%	
Adult Induction	Discretionary	11.25	14.05	11.30	14.10	0.4%	0.4%	
Youth Induction (11yrs - 18yrs)	Discretionary	5.60	7.00	5.60	7.00	0.0%	0.0%	
Gymnasium / Small Gym (per 55 minutes)								
Room Hire Adult peak	Discretionary	34.60	44.55	35.50	45.60	2.6%	2.4%	
Room Hire Junior peak	Discretionary	17.10	21.95	17.50	22.50	2.3%	2.5%	
Room Hire Adult off peak	Discretionary	25.95	33.35	26.60	34.20	2.5%	2.5%	
Room Hire Junior off peak	Discretionary	12.70	16.30	13.00	16.70	2.4%	2.5%	
Table Tennis (per 55 minutes)								
Adult peak	Discretionary	11.55	14.90	10.00	12.90	-13.4%	-13.4%	
Junior peak	Discretionary	5.60	7.25	4.90	6.30	-12.5%	-13.1%	
Adult off peak	Discretionary	8.60	11.05	7.50	9.60	-12.8%	-13.1%	
Junior off peak	Discretionary	4.25	5.45	3.70	4.70	-12.9%	-13.7%	
OUTDOOR FACILITIES								
All Weather full pitch (1 hour)								
Adult with lights peak	Discretionary	75.15	96.75	77.00	99.10	2.5%	2.4%	
Junior with lights peak	Discretionary	36.60	47.15	37.50	48.30	2.5%	2.4%	
Adult with lights off peak	Discretionary	60.65	76.05	62.10	79.90	2.4%	2.4%	
Junior with lights off peak	Discretionary	29.65	38.15	30.40	39.10	2.5%	2.5%	
Adult without lights peak	Discretionary	54.90	70.60	56.20	72.30	2.4%	2.4%	
Junior without lights peak	Discretionary	26.80	34.50	27.50	35.40	2.6%	2.6%	
Adult without lights off peak	Discretionary	52.10	67.05	53.40	68.70	2.5%	2.5%	
Junior without lights off peak	Discretionary	25.40	32.65	26.00	33.50	2.4%	2.6%	
All Weather half pitch (1 hour)								
Adult with lights peak	Discretionary	37.25	47.95	38.10	49.10	2.3%	2.4%	
Junior with lights peak	Discretionary	18.20	23.40	18.70	24.00	2.8%	2.6%	
Adult with lights off peak	Discretionary	30.45	39.10	31.20	40.10	2.5%	2.6%	
Junior with lights off peak	Discretionary	14.80	19.05	15.20	19.50	2.7%	2.4%	
Adult without lights peak	Discretionary	27.60	35.50	28.30	36.40	2.5%	2.5%	
Junior without lights peak	Discretionary	13.45	17.35	13.80	17.80	2.6%	2.6%	
Adult without lights off peak	Discretionary	26.05	33.50	26.70	34.30	2.5%	2.4%	
Junior without lights off peak	Discretionary	12.80	16.45	13.10	16.90	2.4%	2.7%	
Netball Court (per 55 minutes)								
Adult with lights peak	Discretionary	29.50	38.00	30.20	38.90	2.4%	2.4%	
Junior with lights peak	Discretionary	14.35	18.50	14.70	19.00	2.4%	2.7%	
Adult without lights off peak	Discretionary	19.05	24.55	19.50	25.20	2.4%	2.6%	
Junior without lights off peak	Discretionary	9.30	12.00	9.60	12.30	3.2%	2.5%	
All Courts Adult with lights peak	Discretionary	72.95	93.85	74.70	96.10	2.4%	2.4%	
All Courts Junior with lights peak	Discretionary	35.65	45.95	36.50	47.10	2.4%	2.5%	
All Courts Adult without lights off peak	Discretionary	53.25	68.60	54.60	70.30	2.5%	2.5%	
All Courts Junior without lights off peak	Discretionary	27.20	34.95	27.90	35.80	2.6%	2.4%	
Tennis Court (per 55 minutes)								
Adult without lights	Discretionary	8.80	11.35	9.00	11.60	2.3%	2.2%	
Junior without lights	Discretionary	4.40	5.65	4.50	5.80	2.3%	2.6%	
Adult with lights	Discretionary	11.00	14.20	11.30	14.60	2.7%	2.8%	
Junior with lights	Discretionary	5.60	7.25	5.80	7.40	3.5%	2.1%	

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		MEMBERS	NON MEMBERS	MEMBERS	NON MEMBERS	MEMBERS	NON MEMBERS	
Football Pitches per match								
Adult Pitch	Discretionary	59.50	76.55	61.00	78.40	2.5%	2.4%	
Youth Pitch	Discretionary	44.35	57.10	45.40	58.50	2.4%	2.5%	
Junior Pitch	Discretionary	29.35	37.75	30.10	38.70	2.6%	2.5%	
Mini Football Pitch	Discretionary	18.50	23.85	19.00	24.40	2.7%	2.3%	
Football Training Adult	Discretionary	32.35	41.70	33.20	42.70	2.6%	2.4%	
Football Training Junior	Discretionary	15.80	20.35	16.20	20.90	2.5%	2.7%	
Rugby Pitches per match								
Adult Pitch	Discretionary	59.50	76.55	61.00	78.40	2.5%	2.4%	
Youth Pitch	Discretionary	29.65	38.20	30.40	39.10	2.5%	2.4%	
Changing Rooms								
Adult group	Discretionary	23.80	30.60	24.40	31.40	2.5%	2.6%	
Junior group	Discretionary	11.65	15.00	12.00	15.40	3.0%	2.7%	
Room Hire								
Adult per hour	Discretionary	14.05	18.10	14.40	18.60	2.5%	2.8%	
Birthday Parties								
1 Hour (no party room)	Discretionary	68.90	88.60	70.60	90.80	2.5%	2.5%	
1½ Hour (with party room)	Discretionary	82.60	106.25	84.60	108.80	2.4%	2.4%	
1½ Hour (no party room)	Discretionary	86.70	111.55	88.80	114.30	2.4%	2.5%	
2 Hour (with party room)	Discretionary	96.45	124.05	98.80	127.10	2.4%	2.5%	
Classes								
Adult Yoga/Pilates/Circuits (per hour)	Discretionary	4.50	5.65	4.50	5.70	0.0%	0.9%	
Junior Yoga/Pilates/Circuits (per hour)	Discretionary	2.25	2.80	2.30	2.80	2.2%	0.0%	
Junior Gymnastics Class (1½ hours)	Discretionary	4.50	5.65	4.50	5.70	0.0%	0.9%	
Junior Trampoline Class (per hour)	Discretionary	3.35	4.20	3.40	4.20	1.5%	0.0%	
Equipment Hire								
Hire Badminton	Discretionary	2.30	3.00	2.30	3.00	0.0%	0.0%	
Hire Tennis Racket	Discretionary	2.30	3.00	2.30	3.00	0.0%	0.0%	
Sundries for purchase								
Tea, Coffee & Biscuits (per person)	Discretionary	1.50	1.90	2.00	2.50	33.3%	31.5%	
Tennis Balls (per tube)								
Football	Discretionary	7.50	9.65	7.70	9.90	2.6%	2.6%	
Shuttlecock	Discretionary	9.90	12.75	10.20	13.10	3.0%	2.8%	
Headphones	Discretionary	1.25	1.65	1.30	1.70	4.0%	3.0%	
	Discretionary	2.35	3.05	2.40	3.10	2.1%	1.6%	
Membership fees								
Individual Monthly D/D	Discretionary	22.00	N/A	22.00	N/A	0.0%	N/A	
Joint Monthly D/D	Discretionary	40.00	N/A	40.00	N/A	0.0%	N/A	
Annual Individual fee	Discretionary	220.00	N/A	220.00	N/A	0.0%	N/A	
<i>Membership includes; fitness suite & fitness classes during community time</i>								
Monthly Card Adult	Discretionary	30.00	37.50	30.00	37.50	0.0%	0.0%	
Monthly Card Junior	Discretionary	15.00	18.75	15.00	18.75	0.0%	0.0%	
Junior Play & Pay	Discretionary	1.00	N/A	1.00	N/A	0.0%	N/A	Various sports - if specific area not being used

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		MEMBERS	NON MEMBERS	MEMBERS	NON MEMBERS	MEMBERS	NON MEMBERS	
Much Wenlock Leisure Centre								
Sports Hall & Gymnasium								
Whole Main Sports Hall	Discretionary	42.95	55.30	44.00	56.70	2.4%	2.5%	
Half Main Sports Hall	Discretionary	21.70	27.85	22.20	28.50	2.3%	2.3%	
Badminton Court	Discretionary	10.30	13.30	10.60	13.60	2.9%	2.3%	
Gymnasium room hire	Discretionary	21.60	27.85	22.10	28.50	2.3%	2.3%	
Equipment Hire								
Hire Badminton/Tennis Racket	Discretionary	2.60	3.30	2.60	3.30	0.0%	0.0%	
Buy Shuttlecock	Discretionary	1.35	1.65	1.40	1.70	3.7%	3.0%	
Hire Football / basketball / Netball	Discretionary	1.60	2.00	1.60	2.00	0.0%	0.0%	
Fitness Suite								
Room Hire	Discretionary	34.28	N/A	34.30	N/A	0.1%	N/A	
Adult Induction	Discretionary	11.25	N/A	11.30	N/A	0.4%	N/A	
Youth Induction (16yrs - 18yrs)	Discretionary	5.60	N/A	5.60	N/A	0.0%	N/A	
Adult Session	Discretionary	5.00	N/A	5.00	N/A	0.0%	N/A	
Adult Session - Concessionary	Discretionary	2.50	N/A	2.50	N/A	0.0%	N/A	
Youth Session (16yrs - 18yrs)	Discretionary	2.45	N/A	2.50	N/A	2.0%	N/A	
Youth Session (16yrs - 18yrs) - Concessionary	Discretionary	1.25	N/A	1.30	N/A	4.0%	N/A	
60+ Session	Discretionary	3.20	4.05	3.20	4.05	0.0%	0.0%	
60+ Session - Concessionary	Discretionary	2.15	N/A	2.20	N/A	2.3%	N/A	
Fitness Classes								
Adult Session	Discretionary	4.30	5.35	4.30	5.40	0.0%	0.9%	
Adult Session - Concessionary	Discretionary	2.15	N/A	2.20	N/A	2.3%	N/A	
Junior Session (16yrs - 18yrs)	Discretionary	2.10	2.55	2.10	2.60	0.0%	2.0%	
Junior Session (16yrs - 18yrs) - Concessionary	Discretionary	1.05	N/A	1.10	N/A	4.8%	N/A	
60+ Casual Session	Discretionary	3.20	4.05	3.20	4.10	0.0%	1.2%	
60+ Casual Session - Concessionary	Discretionary	2.15	N/A	2.20	N/A	2.3%	N/A	
Changing Rooms								
Adult group	Discretionary	22.30	28.70	22.90	29.40	2.7%	2.4%	
Junior group	Discretionary	11.10	13.90	11.40	14.30	2.7%	2.9%	
POOL FACILITIES								
Public Swimming								
Adult Swim	Discretionary	4.45	5.65	4.60	5.80	3.4%	2.7%	
Adult Swim - Concessionary	Discretionary	2.20	N/A	2.30	N/A	4.5%	N/A	
Junior Swim	Discretionary	2.25	2.95	2.30	3.00	2.4%	1.7%	
Junior Swim - Concessionary	Discretionary	1.15	N/A	1.20	N/A	4.3%	N/A	
60+ Casual Session	Discretionary	3.35	3.60	3.50	3.70	4.5%	2.8%	
60+ Casual Session - Concessionary	Discretionary	2.25	N/A	2.30	N/A	2.4%	N/A	
Inflataplay Adult	Discretionary	5.10	6.55	5.20	6.70	2.0%	2.3%	
Junior Inflataplay - Concessionary	Discretionary	2.83	N/A	2.90	N/A	2.4%	N/A	
Inflataplay Junior	Discretionary	3.05	3.90	3.10	4.00	1.6%	2.6%	
Junior Inflataplay - Concessionary	Discretionary	1.55	N/A	1.60	N/A	3.2%	N/A	
60+ Inflataplay	Discretionary	4.50	5.75	4.60	5.90	2.2%	2.6%	
60+ Inflataplay - Concessionary	Discretionary	2.25	N/A	2.30	N/A	2.4%	N/A	
Swimming - Activity Classes								
Adult Aqua Aerobics	Discretionary	4.30	5.40	4.30	5.40	0.0%	0.0%	
Adult Aqua Aerobics - Concessionary	Discretionary	2.15	N/A	2.20	N/A	2.3%	N/A	
Junior Aerobics / Fit Swim (16yrs - 18yrs)	Discretionary	2.15	2.70	2.20	2.70	2.3%	0.0%	
Junior Aerobics / Fit Swim (16yrs - 18yrs) - Concessionary	Discretionary	1.05	N/A	1.10	N/A	4.8%	N/A	
60+ Aerobics / Fit Swim	Discretionary	3.20	4.00	3.20	4.00	0.0%	0.0%	
60+ Aerobics / Fit Swim - Concessionary	Discretionary	2.15	N/A	2.20	N/A	2.3%	N/A	
Children's Parties								
Sports Hall Party (55mins)	Discretionary	69.85	89.85	71.60	92.00	2.5%	2.4%	
Sports Hall Party (90mins)	Discretionary	104.80	134.80	107.30	138.10	2.4%	2.4%	
Pool Party with Inflatable (55mins)	Discretionary	105.35	135.65	107.90	138.90	2.4%	2.4%	
Pool Party with Inflatable (90mins)	Discretionary	118.00	151.90	120.90	155.60	2.5%	2.4%	
Pool Party Pool Only (55mins)	Discretionary	87.50	112.55	89.60	115.30	2.4%	2.4%	
Pool Party Pool Only (90mins)	Discretionary	109.15	140.50	111.80	143.90	2.4%	2.4%	
Swimming Pool Hire								
Pool only Adult	Discretionary	87.50	112.55	96.30	123.80	10.1%	10.0%	
Lane hire	Discretionary	16.55	21.30	18.20	23.50	10.0%	10.3%	

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		MEMBERS	NON MEMBERS	MEMBERS	NON MEMBERS	MEMBERS	NON MEMBERS	
OUTDOOR FACILITIES								
Artificial Turf Pitch (not floodlit)								
Whole Pitch Adult	Discretionary	72.05	92.70	73.80	94.90	2.4%	2.4%	
Half Pitch Adult	Discretionary	36.10	46.40	37.00	47.50	2.5%	2.4%	
1/3 Pitch Adult	Discretionary	28.05	36.05	28.70	36.90	2.3%	2.4%	
Athletics Track (not floodlit)								
Whole Track Adult (exclusive access)	Discretionary	41.95	53.85	43.00	55.20	2.5%	2.5%	
Whole Track Junior (exclusive access)	Discretionary	20.40	26.20	20.90	26.90	2.5%	2.7%	
Pay & Play Adult (per person)	Discretionary	4.95	6.30	5.10	6.50	3.0%	3.2%	
Pay & Play Junior (per person)	Discretionary	2.30	3.00	2.40	3.10	4.3%	3.3%	
Multi Use Games Area (floodlit)								
Full MUGA Adult without lights	Discretionary	59.05	75.95	60.50	77.80	2.5%	2.4%	
Full MUGA Junior without lights	Discretionary	29.50	38.00	30.20	38.90	2.4%	2.4%	
Full MUGA Adult with lights	Discretionary	75.50	97.15	77.30	99.50	2.4%	2.4%	
Full MUGA Junior with lights	Discretionary	37.75	48.55	38.70	49.70	2.5%	2.4%	
Netball/5-a-side Court Adult without lights	Discretionary	20.65	26.65	21.20	27.30	2.7%	2.4%	
Netball/5-a-side Court Junior without lights	Discretionary	10.40	13.30	10.70	13.60	2.9%	2.3%	
Netball/5-a-side Court Adult with lights	Discretionary	30.45	39.15	31.20	40.10	2.5%	2.4%	
Netball/5-a-side Court Junior with lights	Discretionary	15.20	19.65	15.60	20.10	2.6%	2.3%	
7-a-side Court Adult without lights	Discretionary	39.00	50.20	40.00	51.40	2.6%	2.4%	
7-a-side Court Junior without lights	Discretionary	19.50	25.05	20.00	25.70	2.6%	2.6%	
7-a-side Court Adult with lights	Discretionary	48.60	62.60	49.80	64.10	2.5%	2.4%	
7-a-side Court Junior with lights	Discretionary	24.25	31.25	24.90	32.00	2.7%	2.4%	
Tennis Court Adult without lights	Discretionary	9.70	12.55	10.00	12.90	3.1%	2.8%	
Tennis Court Junior without lights	Discretionary	4.95	6.35	5.00	6.50	1.0%	2.4%	
Tennis Court Adult with lights	Discretionary	12.15	15.55	12.50	15.90	2.9%	2.3%	
Tennis Court Junior with lights	Discretionary	6.05	7.80	6.20	8.00	2.4%	2.6%	
Football Pitches per match								
Junior Pitch	Discretionary	28.75	37.00	29.50	37.90	2.6%	2.4%	
Football Training Junior	Discretionary	15.85	20.30	16.30	20.80	2.8%	2.5%	
INDOOR FACILITIES								
Main Sports Hall								
Whole Main Sports Hall	Discretionary	32.40	41.55	33.20	42.60	2.5%	2.5%	
Half Main Sports Hall	Discretionary	17.30	22.30	17.70	22.90	2.3%	2.7%	
Badminton Court	Discretionary	7.75	9.95	8.00	10.20	3.2%	2.5%	
Gymnasium room hire	Discretionary	17.30	22.30	17.70	22.90	2.3%	2.7%	
Fitness Suite								
Adult Session	Discretionary	3.90	N/A	3.90	N/A	0.0%	N/A	
Adult Session - Concessionary	Discretionary	2.55	N/A	2.60	N/A	2.0%	N/A	
Youth Session (16yrs - 18yrs)	Discretionary	2.00	N/A	2.00	N/A	0.0%	N/A	
Youth Session (16yrs - 18yrs) - Concessionary	Discretionary	1.30	N/A	1.30	N/A	0.0%	N/A	
60+ Session	Discretionary	3.15	N/A	3.20	N/A	1.6%	N/A	
60+ Session - Concessionary	Discretionary	1.70	N/A	1.70	N/A	0.0%	N/A	
Artificial Turf Pitch (not floodlit)								
Whole Pitch Adult	Discretionary	59.40	76.55	60.90	78.40	2.5%	2.4%	
Half Pitch Adult	Discretionary	29.75	38.35	30.50	39.35	2.5%	2.6%	
1/3 Pitch Adult	Discretionary	23.05	29.70	23.60	30.40	2.4%	2.4%	
Membership fees								
Individual Monthly D/D	Discretionary	28.95	N/A	29.00	N/A	0.2%	N/A	
Individual Monthly D/D Swimming or Fitness Suite only	Discretionary	20.00	N/A	20.00	N/A	0.0%	N/A	
Joint Monthly D/D	Discretionary	52.95	N/A	53.00	N/A	0.1%	N/A	
Annual Individual fee	Discretionary	274.60	N/A	274.60	N/A	0.0%	N/A	
<i>Membership includes; casual swim, fitness suite & fitness classes during community time</i>								
Monthly Card	Discretionary	43.25	N/A	43.30	N/A	0.1%	N/A	
Student Monthly Card	Discretionary	21.65	N/A	21.70	N/A	0.2%	N/A	
Junior Play & Pay	Discretionary	1.00	1.00	1.00	1.00	0.0%	0.0%	Various sports - if specific area not being used
SPORTS DEVELOPMENT								
Severn Bridges Road Race								
Pre Paid Attached Runner	Discretionary	13.50	N/A	13.50	N/A	0.0%	N/A	
Pre Paid Non Attached Runners	Discretionary	15.50	N/A	15.50	N/A	0.0%	N/A	

FEES & CHARGES

APPENDIX 3

DEVELOPMENT MANAGEMENT	Statutory or Discretionary	Fee for 2018/19 £	Fee for 2019/20 £	Increase %	Notes
DEVELOPMENT MANAGEMENT					
PLANNING APPLICATIONS - Fees for Processing Planning Applications	Statutory	Please see website for current charges	Please see website for current charges		https://www.shropshire.gov.uk/planning/applications/submit-an-application/
BUILDING CONTROL	Fees are set in accordance with CIPFA accounting guidelines	Please See Building Control section of the Council's Website for detailed table	Please See Building Control section of the Council's Website for detailed table		https://www.shropshire.gov.uk/building-control/applications/
Dangerous Buildings and Structures Hourly Rates (Office Hours 08:00 to 17:00):-					
Business support (administration)		56.00	58.80	5.0%	
Business support (specialist)		70.00	73.50	5.0%	
Building Control Surveyor		70.00	73.50	5.0%	
Building Control Manager		100.00	105.00	5.0%	
Dangerous Buildings and Structures Hourly Rates (Out of Office Hours):-					
Building Control Surveyor		105.00	110.30	5.0%	
Building Control Manager		150.00	157.50	5.0%	
Completion Inspection (projects completed and occupied over 3 years). Inspection of outstanding items and issuing of completion certificate.		120.00	126.00	5.0%	
Completion Inspection (Projects completed and occupied over 3 years, incomplete inspections records or application exceeds 10 years old.)		248.00	260.00	4.8%	
Search and copy fee.					
Copying		19.20	20.00	4.2%	
Certificates (per copy)		18.00	18.90	5.0%	
Certificate of exemption.		35.00	36.80	5.1%	
Demolition Notice (issue section 81 Notice, neighbour letters and site inspection)		126.00	132.00	4.8%	
LAND CHARGES - Search Fees	Fees are set in accordance with Govt guidelines	Please see website for current charges	Please see website for current charges		https://www.shropshire.gov.uk/land-charges/land-charges-fees/
STREET NAMING AND NUMBERING -					
Fees for Processing Applications for the creation and amendment of addresses					
Creation of a new individual address	Discretionary	37.00	40.00	8.1%	
Creation of new addresses on developments up to 25 plots – per plot	Discretionary	37.00	40.00	8.1%	
Creation of new addresses on developments of more than 25 plots up to 50 plots – per plot between 26 and 50 plots	Discretionary	27.00	30.00	11.1%	
Creation of new addresses on developments over 50 plots – per plot for plots 51 and above	Discretionary	16.00	20.00	25.0%	
Individual property renaming or renumbering	Discretionary	37.00	40.00	8.1%	
Addition of a name to a numbered property	Discretionary	37.00	40.00	8.1%	
Alterations to development after initial notification - per affected address	Discretionary	27.00	30.00	11.1%	
Confirmation of postal addresses for solicitors or conveyancers and all consultees	Discretionary	27.00	30.00	11.1%	
PLANNING - OTHER					
Pre planning application advice					
- Category A (Largescale Major)	Discretionary	1,840.00	1,932.00	5.0%	
- Category B (Smallscale Major)	Discretionary	1,050.00	1,102.00	5.0%	
- Category C (Minor)	Discretionary	525.00	552.00	5.1%	
- Category D (Other proposals)	Discretionary	85.00	90.00	5.9%	
- Minerals proposals - EIA Proposals	Discretionary	1,840.00	1,932.00	5.0%	
- Minerals proposals - Major Non EIA Proposals exceeding 1ha	Discretionary	1,050.00	1,102.00	5.0%	
- Minerals proposals - All other proposals	Discretionary	265.00	278.00	4.9%	
- Change of use / Single dwelling	Discretionary	200.00	220.00	10.0%	
Bespoke Service (on agreement) - relevant flat rate fee plus a unit cost of:-	Discretionary	63.00	66.00	4.8%	Charge per hour for additional advice beyond that which can be delivered for the flat rate fee
Compliance Checking Service	Discretionary	N/A	50.00	N/A	New scheme offered for compliance checking post decision. Further details will be published on Council website.
Minerals and Waste Landfilling site monitoring	Discretionary	Please see website for current charges	Please see website for current charges		https://www.shropshire.gov.uk/planning/applications/submit-an-application/
Plan Copying (including copyright fee)					
- Using Planprinter (per copy)	Discretionary	30.00	32.00	6.7%	
Copying of documents					
- Planning Decision Notices (per copy)	Discretionary	20.00	22.00	10.0%	
- Planning Decision Notices (additional copies of same site)	Discretionary	5.00	6.00	20.0%	
- A4 Documents / Plans	Discretionary	2.10	2.20	4.8%	
- A3 Documents / Plans	Discretionary	2.10	2.25	7.1%	
- A1 Documents /Plans	Discretionary	2.20	2.30	4.5%	
Tree Preservation Orders					
- Copy of TPO (electronic)	Discretionary	15.00	15.00	0.0%	
- Copy of TPO (paper)	Discretionary	20.00	20.00	0.0%	
Tree and hedgerow decision notices					
- Copy of tree and hedgerow decision notices:	Discretionary	15.00	15.00	0.0%	
Appeal Statements					
- First 3 sheets	Discretionary	15.00	15.00	0.0%	
- Additional Sheets	Discretionary	1.50	1.50	0.0%	
Section 52's and 106's (per Legal Agreement)	Discretionary	15.00	15.00	0.0%	
Details of Listed Buildings (per copy)	Discretionary	5.00	5.00	0.0%	
Survey Maps/Large Plans (per copy)	Discretionary	10.00	10.00	0.0%	
High Hedge Complaints	Discretionary	550.00	550.00	0.0%	

FEES & CHARGES

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DEVELOPMENT MANAGEMENT	Statutory or Discretionary	Fee for 2018/19 £	Fee for 2019/20 £	Increase %	Notes
HISTORIC ENVIRONMENT					
Officer time for Historic Environment Record (HER) single site searches (commercial clients)	Discretionary	N/A	50.00	N/A	New charge for 2019/20
Officer time for Historic Environment Record (HER) searches (commercial clients)	Discretionary	100.00	100.00	0.0%	Per hour
Officer time for Historic Environment Record (HER) priority searches (commercial clients)	Discretionary	150.00	150.00	0.0%	Per hour
Provision of Countryside Stewardship consultation advice - middle tier responses					
- Band 1 Application area 0 - 30 ha	Discretionary	35.00	35.00	0.0%	Rates are agreed as part of a national Service Standard agreed by Natural England, Historic England and ALGAO
- Band 2 Application area 31 - 75 ha	Discretionary	70.00	70.00	0.0%	
- Band 3 Application area 76 - 150 ha	Discretionary	140.00	140.00	0.0%	
- Band 4 Application area 150 ha upwards	Discretionary	280.00	280.00	0.0%	
Provision of Countryside Stewardship consultation advice - higher tier responses					
- Band 1 Application area 0 - 30 ha	Discretionary	52.00	52.00	0.0%	Rates are agreed as part of a national Service Standard agreed by Natural England, Historic England and ALGAO
- Band 2 Application area 31 - 75 ha	Discretionary	105.00	105.00	0.0%	
- Band 3 Application area 76 - 150 ha	Discretionary	210.00	210.00	0.0%	
- Band 4 Application area 150 ha upwards	Discretionary	420.00	420.00	0.0%	
Provision of Pre-Purchase advice on Listed Buildings					
- Copy of LBC Decision Notices or associated documents (electronic)	Discretionary	N/A	15.00	N/A	New charge for 2019/20
- Copy of LBC Decision Notices or associated documents (paper)	Discretionary	N/A	20.00	N/A	New charge for 2019/20
Officer time for provision of pre-purchase advice	Discretionary	N/A	100.00	N/A	New charge for 2019/20
Officer time and expenses for pre-purchase site visit	Discretionary	N/A	200.00	N/A	New charge for 2019/20
Mapping Services (available for any reason not just Planning related reasons)					
A4 Maps					
1:500 - Rural and Urban					
- 1 Copy	Discretionary	14.20	14.60	2.8%	
- 2 Copies	Discretionary	15.60	16.10	3.2%	
- 3 Copies	Discretionary	16.90	17.40	3.0%	
- 4 Copies	Discretionary	18.20	18.70	2.7%	
- 5 Copies	Discretionary	19.60	20.20	3.1%	
- 6 Copies	Discretionary	20.90	21.50	2.9%	
- Extra Copies	Discretionary	1.50	1.50	0.0%	
1:1250 - Rural and Urban					
- 1 Copy	Discretionary	23.60	24.30	3.0%	
- 2 Copies	Discretionary	25.20	26.00	3.2%	
- 3 Copies	Discretionary	26.40	27.20	3.0%	
- 4 Copies	Discretionary	27.80	28.60	2.9%	
- 5 Copies	Discretionary	29.00	29.90	3.1%	
- 6 Copies	Discretionary	30.40	31.30	3.0%	
- Extra Copies	Discretionary	1.50	1.50	0.0%	
1:2500 - Urban					
- 1 Copy	Discretionary	61.60	63.40	2.9%	
- 2 Copies	Discretionary	63.00	64.90	3.0%	
- 3 Copies	Discretionary	64.30	66.20	3.0%	
- 4 Copies	Discretionary	65.70	67.70	3.0%	
- 5 Copies	Discretionary	67.10	69.10	3.0%	
- 6 Copies	Discretionary	68.30	70.30	2.9%	
- Extra Copies	Discretionary	2.00	2.10	5.0%	
1:2500 - Rural					
- 1 Copy	Discretionary	29.00	29.90	3.1%	
- 2 Copies	Discretionary	30.40	31.30	3.0%	
- 3 Copies	Discretionary	31.90	32.90	3.1%	
- 4 Copies	Discretionary	33.20	34.20	3.0%	
- 5 Copies	Discretionary	34.50	35.50	2.9%	
- 6 Copies	Discretionary	36.00	37.10	3.1%	
- Extra Copies	Discretionary	2.00	2.10	5.0%	
A3 Maps					
1:500 - Rural and Urban					
- 1 Copy	Discretionary	19.60	20.20	3.1%	
- Extra Copies	Discretionary	1.50	1.50	0.0%	
1:1250 - Rural and Urban					
- 1 Copy	Discretionary	42.70	44.00	3.0%	
- Extra Copies	Discretionary	2.00	2.10	5.0%	
1:2500 - Urban					
- 1 Copy	Discretionary	116.00	119.50	3.0%	
- Extra Copies	Discretionary	2.70	2.80	3.7%	
1:2500 - Rural					
- 1 Copy	Discretionary	48.10	49.50	2.9%	
- Extra Copies	Discretionary	2.70	2.80	3.7%	
Photocopying Planning Permissions (and other documents requiring research and/or extraction of info)					
- Copies of documents per hour (plus cost of copying)	Discretionary	52.30	55.00	5.2%	
- Hourly rate for requests for information	Discretionary	82.60	86.00	4.1%	

FEES & CHARGES

APPENDIX 3

DEVELOPMENT MANAGEMENT	Statutory or Discretionary	Fee for 2018/19 £	Fee for 2019/20 £	Increase %	Notes
POLICY					
Shropshire CIL - Levy Rates per Square Metre:-					
Shrewsbury, the market towns and other key Centres					
Residential Developments (use class C3) excluding affordable housing	Statutory	49.29	57.86	17.4%	Charge applicable to calendar year
Rural - Rest of Shropshire					
Residential Developments (use class C3) excluding affordable housing	Statutory	98.57	115.71	17.4%	Charge applicable to calendar year
Self-build and Custom House building Register					
Initial annual fee (to be included in the register)	Discretionary	30.00	30.00	0.0%	
Renewal fee	Discretionary	15.00	15.00	0.0%	
Workshop (to include self build guidance, support and signposting) per delegate	Discretionary	120.00	120.00	0.0%	
LOCAL PLAN RELATED					
Core Strategy	Discretionary	41.00	41.00	0.0%	
Site Allocations and Management of Development (SAMDev Plan)	Discretionary	150.00	150.00	0.0%	
Annual Monitoring report	Discretionary	30.00	30.00	0.0%	
Objectively Assessed Need for Housing	Discretionary	95.00	95.00	0.0%	
Supplementary Planning Documents	Discretionary	20.00	20.00	0.0%	
Statement of Community Involvement	Discretionary	10.00	10.00	0.0%	
Printed copies of any other planning policy or evidence base documents (per page)	Discretionary	0.10	0.10	0.0%	

FEES & CHARGES

APPENDIX 3

ENVIRONMENTAL MAINTENANCE	Statutory or Discretionary	Fee for 2018/19 £	Fee for 2019/20 £	Increase %	Notes
Alterations to the Highway					
Advisory disabled bay	Discretionary	275.00	275.00	0.0%	
H bar markings	Discretionary	345.00	345.00	0.0%	
Double H bar markings	Discretionary	345.00	345.00	0.0%	
Mirrors	Discretionary	630.00	630.00	0.0%	
Brown tourism signs	Discretionary	at cost	at cost		
Other Charges					
Traffic data - historic data on record	Discretionary	155.00	155.00	0.0%	
Automatic traffic counter data and report	Discretionary	780.00	780.00	0.0%	
Highway accident data	Discretionary	155.00	155.00	0.0%	
Advertising Banners (Shrewsbury approaches)	Discretionary	300.00	300.00	0.0%	2 week slot
Dog Control					
Collection fee for stray dogs	Statutory	25.00	25.00	0.0%	
Release/Admin fee (plus costs - like for like)	Discretionary	47.00	47.00	0.0%	
Re-Offending Penalty Charge:					
- Incident No. 2	Discretionary	17.00	17.00	0.0%	
- Incident No. 3	Discretionary	31.00	31.00	0.0%	
- Incident No. 4	Discretionary	46.00	46.00	0.0%	
ABANDONED VEHICLES					
On road, upright not damaged					
- Removal of Vehicle-On road (less than 3.5 tonnes)	Statutory	150.00	150.00	0.0%	Fee set by DfT
- Removal of Vehicle-On road (3.5 to 7.5 tonnes)	Statutory	200.00	200.00	0.0%	Fee set by DfT
- Removal of Vehicle-On road (7.5 to 18 tonnes)	Statutory	350.00	350.00	0.0%	Fee set by DfT
- Removal of Vehicle-On road (more than 18 tonnes)	Statutory	350.00	350.00	0.0%	Fee set by DfT
On road damaged or not upright					
- Removal of Vehicle-On road, damaged (less than 3.5 tonnes)	Statutory	250.00	250.00	0.0%	Fee set by DfT
- Removal of Vehicle-On road, damaged (3.5 to 7.5 tonnes)	Statutory	650.00	650.00	0.0%	Fee set by DfT
- Removal of Vehicle-On road, damaged (7.5 to 18 tonnes)	Statutory	Unladen £2000, Laden £3000	Unladen £2000, Laden £3000	0.0%	Fee set by DfT
- Removal of Vehicle-On road, damaged (more than 18 tonnes)	Statutory	Unladen £3000, Laden £4500	Unladen £3000, Laden £4500	0.0%	Fee set by DfT
Off road, upright not damaged					
- Removal of Vehicle-off road (less than 3.5 tonnes)	Statutory	200.00	200.00	0.0%	Fee set by DfT
- Removal of Vehicle-off road (3.5 to 7.5 tonnes)	Statutory	400.00	400.00	0.0%	Fee set by DfT
- Removal of Vehicle-off road (7.5 to 18 tonnes)	Statutory	Unladen £1000, Laden £1500	Unladen £1000, Laden £1500	0.0%	Fee set by DfT
- Removal of Vehicle-off road (more than 18 tonnes)	Statutory	Unladen £1500, Laden £2000	Unladen £1500, Laden £2000	0.0%	Fee set by DfT
Off road damaged or not upright					
- Removal of Vehicle-off road, damaged (less than 3.5 tonnes)	Statutory	300.00	300.00	0.0%	Fee set by DfT
- Removal of Vehicle-off road, damaged (3.5 to 7.5 tonnes)	Statutory	850.00	850.00	0.0%	Fee set by DfT
- Removal of Vehicle-off road, damaged (7.5 to 18 tonnes)	Statutory	Unladen £3000, Laden £4500	Unladen £3000, Laden £4500	0.0%	Fee set by DfT
- Removal of Vehicle-off road, damaged (more than 18 tonnes)	Statutory	Unladen £4500, Laden £6000	Unladen £4500, Laden £6000	0.0%	Fee set by DfT
Storage of Vehicle (per day) two wheeled	Statutory	10.00	10.00	0.0%	Fee set by DfT
Storage of Vehicle (per day) less than 3.5 tonnes	Statutory	20.00	20.00	0.0%	Fee set by DfT
Storage of Vehicle (per day) 3.5 to 7.5 tonnes	Statutory	25.00	25.00	0.0%	Fee set by DfT
Storage of Vehicle (per day) 7.5 to 18 tonnes	Statutory	30.00	30.00	0.0%	Fee set by DfT
Storage of Vehicle (per day) more than 18 tonnes	Statutory	35.00	35.00	0.0%	Fee set by DfT
Disposal of Vehicle - two wheeled	Statutory	50.00	50.00	0.0%	Fee set by DfT
Disposal of Vehicle - less than 3.5 tonnes	Statutory	75.00	75.00	0.0%	Fee set by DfT
Disposal of Vehicle - 3.5 to 7.5 tonnes	Statutory	100.00	100.00	0.0%	Fee set by DfT
Disposal of Vehicle - 7.5 to 18 tonnes	Statutory	125.00	125.00	0.0%	Fee set by DfT
Disposal of Vehicle - more than 18 tonnes	Statutory	150.00	150.00	0.0%	Fee set by DfT

FEES & CHARGES

APPENDIX 3

HIGHWAYS & TRANSPORT	Discretionary or Statutory	Fee for 2018/19 £	Fee for 2019/20 £	Increase %	Notes
HIGHWAYS					
Licences (per application)					
Charge for road closure:-					
- Road Closure by Temporary Notice	Discretionary	1,150.00	1,150.00	0.0%	
- Extension to Temporary Notice Road Closure	Discretionary	750.00	750.00	0.0%	
- Road Closure by Temporary Order	Discretionary	1,600.00	1,600.00	0.0%	
- Extension to Temporary Order Road Closure	Discretionary	750.00	750.00	0.0%	
New apparatus	Discretionary	400.00	410.00	2.5%	
Existing apparatus	Discretionary	400.00	410.00	2.5%	
Boring	Discretionary	310.00	320.00	3.2%	
Skip permit	Discretionary	115.00	120.00	4.3%	
Extension to skip permit	Discretionary	100.00	100.00	0.0%	
Illegal Skip permit	Discretionary	260.00	265.00	1.9%	
Scaffold permit	Discretionary	140.00	145.00	3.6%	
Extension to scaffold permit	Discretionary	100.00	100.00	0.0%	
Illegal Scaffold Permit	Discretionary	290.00	295.00	1.7%	
Temporary excavations	Discretionary	400.00	410.00	2.5%	
Building materials	Discretionary	115.00	120.00	4.3%	
Skip bags	Discretionary	115.00	120.00	4.3%	
Temporary signage	Discretionary	90.00	90.00	0.0%	Per 6 months
Temporary signage extension	Discretionary	85.00	85.00	0.0%	
S184 - Vehicular Access					
Conveyancing queries / Notice of conformity	Discretionary	110.00	110.00	0.0%	
Single Residential Access	Discretionary	170.00	170.00	0.0%	
Commercial or Agricultural Access	Discretionary	450.00	450.00	0.0%	
Commercial bell-mouth access (U or C Road)	Discretionary	1,200.00	1,200.00	0.0%	
Commercial bell-mouth access (A or B Road or Traffic Sensitive)	Discretionary	1,600.00	1,600.00	0.0%	
Residential dropped kerb access up to 3 properties (or equivalent traffic use)	Discretionary	750.00	750.00	0.0%	
Residential dropped kerb access 4-10 properties (or equivalent traffic use)	Discretionary	1,000.00	1,000.00	0.0%	
Residential bell-mouth access up to 3 properties (or equivalent traffic use)	Discretionary	1,200.00	1,200.00	0.0%	
Residential bell-mouth access 4-10 properties (or equivalent traffic use)	Discretionary	1,400.00	1,400.00	0.0%	
Residential bell-mouth access > 10 properties (or equivalent traffic use)	Discretionary	1,600.00	1,600.00	0.0%	
Housing development (>10 properties U or C Road)	Discretionary	1,650.00	1,650.00	0.0%	
Commercial bell-mouth access (in lieu of S278)	Discretionary	1,900.00	1,900.00	0.0%	
Housing development (>10 properties A or B Road)	Discretionary	2,000.00	2,000.00	0.0%	
Construction Access to facilitate the start of development sites with a S278 or S38 agreed in principle	Discretionary	2,100.00	2,100.00	0.0%	
NRSWA sample inspections	Statutory	50.00	50.00	0.0%	
Sample inspection defects	Statutory	47.50	47.50	0.0%	
Third party defect notifications	Statutory	68.00	68.00	0.0%	
Standard core charge	Discretionary		240.00		
Core charge with air void test	Discretionary		360.00		
Core charge with TM	Discretionary	310.00	610.00		New charge breakdown as per new HAUC guidance document
Core charge with TM and air void test	Discretionary		730.00		
Section 74 contractor overrun charges	Statutory	As per Statutory Guidance	As per Statutory Guidance		
PUBLIC TRANSPORT					
Operator fee per departure from Bus Station					
-Shrewsbury	Discretionary	0.52	0.55	5.8%	
-Oswestry	Discretionary	0.52	0.55	5.8%	
-Market Drayton	Discretionary	0.36	0.38	5.6%	
Sale of railcards (each)	Discretionary	10.00	10.00	0.0%	
DEVELOPING HIGHWAYS					
Extent of Highway search	Discretionary	57.50	57.50	0.0%	£57.50 minimum charge subject to search area
Section 38 Checking and Inspection fees	Discretionary	10% of bond value	10% of bond value	0.0%	Fee can vary depending on bond value
Section 278 Checking and Inspection fees	Discretionary	10% of bond value	10% of bond value	0.0%	Fee can vary depending on bond value

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HIGHWAYS & TRANSPORT	Discretionary or Statutory	Fee for 2018/19 £	Fee for 2019/20 £	Increase %	Notes
Car Parking Charges (On and Off Street)					
- Charge per hour:-					https://www.shropshire.gov.uk/parking/
Band 1 Parking	Discretionary	2.40	2.40	0.0%	
Band 2 Parking	Discretionary	1.80	1.80	0.0%	
Band 3 Parking	Discretionary	1.00	1.00	0.0%	
Band 4 Parking	Discretionary	0.70	0.70	0.0%	
Band 5 Parking	Discretionary	0.50	0.50	0.0%	
Band 6 Parking	Discretionary	0.30	0.30	0.0%	
Band 7 Parking	Discretionary	free	free	0.0%	
Band 1					
Shrewsbury On Street					
Band 2					
Quarry Swimming & Fitness Centre - Shrewsbury					
Ludlow On-Street (Red Zone) -					
Bridge Street - Shrewsbury					
St Austin's - Shrewsbury					
Raven Meadows - Shrewsbury					
Band 3					
St Julian's Friars - Shrewsbury					
Castle Street - Ludlow					
Listley Street North & South - Bridgnorth					
Sainsbury's - Bridgnorth					
Festival Square - Oswestry					
Merseyside On-Street - Ellesmere					
Band 4					
Riverside - Bridgnorth					
Beatrice Street - Oswestry					
Frankwell Main, Riverside & Quay - Shrewsbury					
Smithfield - Bridgnorth					
Ludlow On Street (Blue Zone) - Ludlow					
Back Lane - Much Wenlock					
Band 5					
Galdeford Zone A - Ludlow					
Frogmore Road - Market Drayton					
Easthope Road - Church Stretton					
Queen Street - Market Drayton					
Abbey Foregate - Shrewsbury					
St Mary's Lane - Much Wenlock					
Falcons Court - Much Wenlock					
Pepper Street - Whitchurch					
Castle Hill - Whitchurch					
Band 6					
Innage Lane - Bridgnorth					
Severn Street - Bridgnorth					
Galdeford Zone B - Ludlow					
Oswald Road - Oswestry					
Towers Lawn 1 & 2 - Market Drayton					
Smithfield - Ludlow					
Oak Street - Oswestry					
Newtown - Whitchurch					
St John's Street - Whitchurch					
Brownlow Street - Whitchurch					
New Road - Much Wenlock					
Talbot, Cross, Spar bridge - Ellesmere					
High Street - Wem					
Leek Street - Wem					
Mill Street - Wem					
Prees Heath HGV/Coach/Cars - Prees Heath					
Crossways - Church Stretton					

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HIGHWAYS & TRANSPORT	Discretionary or Statutory	Fee for 2018/19 £	Fee for 2019/20 £	Increase %	Notes
<p>Band 7 Newport Road - Market Drayton Gobowen Station - Gobowen Crown Hotel, High Street - Albrighton Church Street - Bishops Castle Harley Jenkins - Bishops Castle Dark Lane - Broseley Clun - Clun Lloyd Street - Oswestry High Street - Highley Auction Yard - Bishops Castle Bridgnorth Road - Broseley Childe Road East & West - Cleobury Mortimer Conedale Road - Craven Arms Newington Way - Craven Arms Gatacre - Oswestry Sherrymill Hill - Whitchurch Church Street - Prees</p> <p>Acap is applied to the tariff rates after 8 hours on Bands 4, 5 and 6 and Raven Meadows multi storey. A 3-hour cap on the linear tariff of 3 hours for parking periods between the hours of 8.00pm and 8.00am at Raven Meadows excluding Sunday and Bank Holidays A trade's person waiver is available at £20 per waiver. Weekly parking tickets are available (some restrictions) Off-street resident's car park permits are available (some restrictions) Season tickets are available (some restrictions) Free parking on Sundays and Bank/Public holidays on Bands 4, 5, 6 Concession of 50% on Sunday and Bank/Public holidays on Bands 2 & 3 car parks except for Raven Meadows, Shrewsbury where a flat rate of £1.50 for up to 10 hours on Sundays and Bank/Public holidays.</p>					
<p>Carpark 'Lock in Fees':- - Raven Meadows Multi Storey Car Park - Meole Brace Park and Ride - Oxon Park and Ride</p>					
	Discretionary	50.00	50.00	0.0%	Plus VAT
	Discretionary	50.00	50.00	0.0%	Plus VAT
	Discretionary	50.00	50.00	0.0%	Plus VAT

FEES & CHARGES

APPENDIX 3

OUTDOOR RECREATION	Statutory or Discretionary	Fee for 2018/19 £	Fee for 2019/20 £	% Increase	Notes
COUNTRYSIDE ACCESS					
Guided walk adult	Discretionary	4.50	4.60	2.2%	
Guided walk Child (under 16's)	Discretionary	2.50	2.50	0.0%	
Children's school holiday events	Discretionary	4.00	FOC		
Car parking charges countryside sites (all day)	Discretionary	2.30	2.50	8.7%	
School Visits per hour per Ranger	Discretionary	35.00	36.10	3.1%	
Birthday Parties @ Severn Valley Country Park	Discretionary	140.00	144.20	3.0%	
Room Hire at SVCP (insurance extra)	Discretionary	140.00	144.20	3.0%	
Individual Canoe Membership at The Mere per year	Discretionary	20.00	20.60	3.0%	
Group Canoe charges per boat per day	Discretionary	5.00	5.20	0.0%	
Community room hire at Mere Wardens Bungalow (per hour)	Discretionary	15.00	15.50	3.3%	
Community room hire at Mere Wardens Bungalow (per day)	Discretionary	80.00	82.40	3.0%	
Memorial bench softwood SVCP	Discretionary	475.00	489.30	3.0%	
Memorial bench softwood	Discretionary	200.00	206.00	3.0%	
Adopt a bench	Discretionary	60.00	61.80	3.0%	
Use of Countryside Sites for commercial filming (1 day)	Discretionary	250.00	257.50	3.0%	
Use of Countryside Sites for commercial filming (per hour)	Discretionary	70.00	72.10	3.0%	
Sponsor a fruit tree	Discretionary	60.00	61.80	3.0%	
Bags of firewood at SVCP	Discretionary	3.50	3.60	2.9%	
Hire of Countryside Sites for commercial events per day (not incl facilities)	Discretionary	250.00	257.50	3.0%	
Hire of Countryside Sites for community events per day (not incl facilities)	Discretionary	70.00	72.10	3.0%	
Shropshire's Great Outdoors Membership Scheme	Discretionary	36.00	37.10	3.1%	
Shropshire's Great Outdoors Membership Scheme (Monthly Direct Debit)	Discretionary	3.00	3.10	3.3%	
Shropshire's Great Outdoors Membership Scheme (Joint membership)	Discretionary		46.00	N/A	New category for 2019/20
Shropshire's Great Outdoors Membership Scheme (Family membership)	Discretionary		50.00	N/A	New category for 2019/20
Public Path Order - Standard Charge					
Pre-publication					
Initial investigative work	Discretionary	162.00	166.45	2.7%	
Site visit	Discretionary	216.00	221.83	2.7%	
Formal consultation letter	Discretionary	248.50	255.20	2.7%	
Officer time	Discretionary	382.00	392.31	2.7%	
Assessment of legal implications	Discretionary	81.00	83.18	2.7%	
Research into history and status of right of way	Discretionary	75.60	77.64	2.7%	
Preparation of committee reports / delegated powers report	Discretionary	270.00	277.29	2.7%	
Publication					
Drawing up map / legal notice	Discretionary	199.80	205.19	2.7%	
Letters to consultees	Discretionary	232.25	238.52	2.7%	
Consideration and response to statutory consultation	Discretionary	270.00	277.29	2.7%	
Drawing up statement of reasons for order	Discretionary	81.00	83.18	2.7%	
Site visit	Discretionary	162.00	166.45	2.7%	
Admin cost for advert	Discretionary	43.20	44.36	2.7%	
Confirmation of Order					
Negotiations of objections	Discretionary	167.50	172.02	2.7%	
Forward order to DEFRA	Discretionary	135.00	138.64	2.7%	
Final site visit	Discretionary	162.00	166.45	2.7%	
Confirmation of order	Discretionary	232.25	238.52	2.7%	
Admin costs for advertisement	Discretionary	43.20	44.36	2.7%	
Site visit	Discretionary	162.00	166.45	2.7%	
Additional Charges					
Officer time including extra time at site visits (per hour)	Discretionary	24.83	25.99	4.7%	
Additional Letters not covered by above (per letter)	Discretionary	75.60	77.64	2.7%	
Additional Visits for first hour.	Discretionary	162.00	166.45	2.7%	
Motor Rallies	Discretionary	162.00	170.00	4.9%	
Landowner Statements (Including Village Green) notices required	Discretionary	367.50	380.00	3.4%	
Landowner Statements (only) -no notices required	Discretionary	257.25	265.00	3.0%	
Landowner Statements - additional notices/site visits (per additional location)	Discretionary	162.00	167.00	3.1%	
ROW Search	Discretionary	60.00	62.00	3.3%	
Copies of legal orders	Discretionary	6.50	6.50	0.0%	
Temporary & Permanent Closures	Discretionary	1,080.50	1,110.00	2.7%	
Healthy Outdoors for Schools - Gold Rate	Discretionary	1,910.00	1,910.00	0.0%	
Healthy Outdoors for Schools - Silver Rate	Discretionary	1,571.00	1,571.00	0.0%	
Healthy Outdoors for Schools - Bronze Rate	Discretionary	975.00	975.00	0.0%	
Mapping Services					
A4 Map	Discretionary	10.00	10.00	0.0%	Per copy
A3 Map	Discretionary	11.00	11.00	0.0%	Per copy
A1 Plotter	Discretionary	60.00	60.00	0.0%	Per copy
A0 Plotter	Discretionary	80.00	80.00	0.0%	Per copy
Copies of ROW documents requiring research/extraction	Discretionary	40.00	40.00	0.0%	Per copy
Contracting labour rates (per hour)					
C'Side Maintenance Manager	Discretionary	50.17	54.73	9.1%	
Contracts Development Officer	Discretionary	38.35	41.86	9.2%	
Area Officer	Discretionary	35.10	37.50	6.8%	
C'Side Maintenance Officer	Discretionary	25.24	27.88	10.5%	

FEES & CHARGES

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THEATRE SERVICES	Statutory or Discretionary	Fee for 2018/19 £	Fee for 2019/20 £	Increase %	Notes
THEATRE SEVERN					
Not for Profit Organisations					
- Auditorium (All charges subject to a 7% commission on Box Office income or minimum £1 per ticket venue levy)					
- Hire Per Day (Mon to Thur)					
- 1 Performance					
Daily rate :Mon - Thurs	Discretionary	1,377.00	1,418.50	3.0%	
- 2 Performances (same day)	Discretionary	1,742.00	1,794.50	3.0%	
- Hire Per Day (Fri to Sun)					
- 1 Performance					
- 2 Performances	Discretionary	1,607.00	1,655.50	3.0%	
- 2 Performances	Discretionary	1,956.00	2,015.00	3.0%	
- Setting Up/Rehearsal Charges					
- 4 hours	Discretionary	386.00	398.00	3.1%	
- 8 hours	Discretionary	772.50	796.00	3.0%	
Per hour after midnight	Discretionary	113.00	116.50	3.1%	
- Studio Theatre (All charges subject to a 7% commission on Box Office income or minimum £1 per ticket venue levy)					
- Hire Per Day (Mon to Thur)					
- 1 Performance	Discretionary	595.00	613.00	3.0%	
- 2 Performances (same day)	Discretionary	847.00	872.50	3.0%	
- Flat Floor					
Daily rate :Mon - Thurs	Discretionary	954.00	983.00	3.0%	
Daily rate : Fri-Sun	Discretionary	1,007.00	1,038.00	3.1%	
- Hire Per Day (Fri to Sun)					
- 1 Performance					
- 2 Performances	Discretionary	772.50	796.00	3.0%	
- Flat Floor	Discretionary	1,018.01	1,049.00	3.0%	
- Flat Floor	Discretionary	1,007.50	1,038.00	3.0%	
- Setting Up/Rehearsal Charges					
- 4 hours	Discretionary	193.50	199.50	3.1%	
- 8 hours	Discretionary	387.00	399.00	3.1%	
- Per hour after midnight	Discretionary	65.00	67.00	3.1%	
- Dance Studio, Term Time Only					
- Hire Per Hour (with minimum hire being 2 hours)	Discretionary	29.00	30.00	3.4%	
- Hire Per Hour for 10-17 hours per week (with minimum hire being 2 hours)	Discretionary	26.50	27.50	3.8%	
- 18 or more hours per week	Discretionary	23.20	23.20	0.0%	
- Haydn Smith Room					
Per day (8 hours)	Discretionary	214.00	220.50	3.0%	
Per Hour (Minimum 2 hours)	Discretionary	33.00	34.00	3.0%	
Additional Charges					
Payment Processing Commission	Discretionary	3.50%	3.50%	0.0%	
Merchandise Commission	Discretionary	15%	15%	0.0%	
Programme Commission	Discretionary	10%	10%	0.0%	
Merchandise / Programme Commission using Theatre Staff	Discretionary	20%	20%	0.0%	
Performing Rights Society Charges	Discretionary	POA	POA		
Staffing (per Hour):-					
- Extra Staff before midnight	Discretionary	18.50	19.25	4.1%	
- Extra Staff after midnight	Discretionary	26.75	28.00	4.7%	
- Extra Staff bank holidays	Discretionary	36.00	37.25	3.5%	
Security Staff (at discretion of Theatre Management when security staff required)	Discretionary	POA	POA		
Marketing Services	Discretionary	POA	POA		
Commercial Organisations					
- Auditorium (All charges subject to 10% Box Office Commission)					
- Hire Per Day (Mon to Thur)					
- 1 Performance					
- 2 Performances (same day)	Discretionary	2,300.00	2,369.00	3.0%	
- 2 Performances (same day)	Discretionary	2,750.00	2,832.50	3.0%	
- Hire Per Day (Fri to Sun)					
- 1 Performance					
- 2 Performances	Discretionary	2,650.00	2,729.50	3.0%	
- 2 Performances	Discretionary	3,100.00	3,193.00	3.0%	
- Setting Up/Rehearsal Charges					
- 4 hours	Discretionary	600.00	618.00	3.0%	
- 8 hours	Discretionary	1,200.00	1,236.00	3.0%	
Per hour after midnight	Discretionary	170.00	175.50	3.2%	
- Studio Theatre (All charges subject to 10% Box Office Commission)					
- Hire Per Day (Mon to Thur)					
- 1 Performance					
- 2 Performances (same day)	Discretionary	1,100.00	1,133.00	3.0%	
- 2 Performances (same day)	Discretionary	1,500.00	1,545.00	3.0%	
- Flat Floor	Discretionary	1,500.00	1,545.00	3.0%	
- Hire Per Day (Fri to Sun)					
- 1 Performance					
- 2 Performances	Discretionary	1,300.00	1,339.00	3.0%	
- 2 Performances	Discretionary	1,700.00	1,751.00	3.0%	
- Flat Floor	Discretionary	1,700.00	1,751.00	3.0%	
- Setting Up/Rehearsal Charges					
- 4 hours	Discretionary	300.00	309.00	3.0%	
- 8 hours	Discretionary	600.00	618.00	3.0%	
Per hour after midnight	Discretionary	93.50	96.50	3.2%	
- Dance Studio, Term Time Only (Commercial Organisations)					
- Hire Per Hour (with minimum hire being 2 hours)	Discretionary	33.00	34.00	3.0%	
- Hire Per Hour for 10 -17 hours per week (with minimum hire being 2 hours)	Discretionary	29.50	30.50	3.4%	
18 hours or more per week	Discretionary	26.40	26.40	0.0%	
- Haydn Smith Room					
Per day (8 hours)	Discretionary	349.00	359.50	3.0%	
Per Hour (Minimum 2 hours)	Discretionary	50.00	51.50	3.0%	

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THEATRE SERVICES	Statutory or Discretionary	Fee for 2018/19 £	Fee for 2019/20 £	Increase %	Notes
Additional Charges					
Payment Processing Commission	Discretionary	3.5%	3.5%	0.0%	
Merchandise Commission	Discretionary	15%	15%	0.0%	
Programme Commission	Discretionary	10%	10%	0.0%	
Merchandise / Programme Commission using Theatre Staff	Discretionary	20%	20%	0.0%	
Performing Rights Society Charges	Discretionary	POA	POA		
Staffing (per Hour):-					
- Extra Staff before midnight	Discretionary	25.75	26.55	3.1%	
- Extra Staff after midnight	Discretionary	34.00	35.10	3.2%	
Extra staff bank holidays	Discretionary	43.25	44.55	3.0%	
Security Staff (at discretion of Theatre Management when security staff required)	Discretionary	POA	POA		
Marketing Services	Discretionary	POA	POA		
Hire of the whole building, longer lets and / or special events - charges by negotiation					
OLD MARKET HALL					
Film Ticket Admission Fees	Discretionary	The OMH has the discretion to vary admission charges	The OMH has the discretion to vary admission charges		

FEES & CHARGES

APPENDIX 3

VISITOR ECONOMY	Statutory or Discretionary	Fee for 2018/19 £	Fee for 2019/20 £	% Increase	Notes
VISITOR ECONOMY					
ACTON SCOTT					
Admissions					
Adult 18+	Discretionary	9.00	9.00	0.0%	includes voucher for 25% discount off return visit
Senior Citizens	Discretionary	8.00	8.00	0.0%	
Children - Children (3-17) - Children (0-2)	Discretionary Discretionary	5.00 Free of Charge	5.00 Free of Charge	0.0%	
Family Tickets (2 Adults & up to 3 Children)	Discretionary	25.00	25.00	0.0%	includes voucher for 25% discount off return visit
Season Tickets					
Adult 18+	Discretionary	20.00	20.00	0.0%	
Senior Citizens	Discretionary	17.00	17.00	0.0%	
Children - Children (3-17) - Children (0-2)	Discretionary Discretionary	12.00 Free of charge	12.00 -	0.0%	
Family	Discretionary	50.00	50.00	0.0%	
Groups - Adults	Discretionary	7.25	7.25	0.0%	
Groups - Seniors	Discretionary	7.25	7.25	0.0%	
Groups - Children	Discretionary	5.00	5.00	0.0%	
Coach Tour Admissions					
Coach tour passengers	Discretionary	7.25	7.25	0.0%	
Tours & Talks					
Guided (up to 25 people)	Discretionary	37.00	37.00	0.0%	
Introductory (up to 55 people)	Discretionary	50.00	50.00	0.0%	
Education Visitors					
Pre-school, Playgroup & Nursery Education Admissions					
Child	Discretionary	3.25	3.25	0.0%	
Adult	Discretionary	3.25	3.25	0.0%	
Pre-school, Playgroup & Nursery Education Sessions					
Various	Discretionary	55.00	55.00	0.0%	
Primary Education Admissions					
Child (with session)	Discretionary	3.25	3.25	0.0%	
Child (without session)	Discretionary	3.25	3.25	0.0%	
Primary Education Sessions					
Various	Discretionary	55.00	55.00	0.0%	
Secondary Education Admissions					
Child (with session)	Discretionary	3.25	3.25	0.0%	
Child (without session)	Discretionary	3.25	3.25	0.0%	
Secondary Education Sessions/Talks					
Sessions	Discretionary	55.00	55.00	0.0%	
Talks/Seminars	Discretionary	55.00	55.00	0.0%	
ROOM HIRE ETC					
Room					
<i>A 10% discount on room hire is available for return bookings in same financial year. A 10% discount is available for SC bookings. Only one discount can be applied to any booking. Other discounts may be offered to achieve best return on space*</i>					
- New Barn - per day (or part thereof)	Discretionary	75.00	75.00	0.0%	
- Black Barn - per day (or part thereof)	Discretionary	50.00	50.00	0.0%	
Black Barn including all equipment (eg. Cookery) - per day or part thereof	Discretionary	100.00	100.00	0.0%	
Course Fees					
Autumn Preserves - The Vegetable patch	Discretionary	65.00	65.00	0.0%	
Autumn Snail Day: Slow pace, beautiful space; nature connection and creative reflection	Discretionary		70.00	N/A	New
Blacksmithing	Discretionary	120.00	120.00	0.0%	
Branching out your Family Tree	Discretionary		40.00	N/A	New
Bread and Butter	Discretionary	90.00	100.00	11.1%	
Bread with Heritage Wheat	Discretionary		110.00	N/A	New
Breadmaking	Discretionary	90.00	100.00	11.1%	
Build a Cob Oven	Discretionary	75.00	75.00	0.0%	
Christmas in a Jar	Discretionary	65.00	65.00	0.0%	
Crazy Christmas Patchwork Stocking	Discretionary	55.00	55.00	0.0%	
Decorative Blacksmithing	Discretionary	230.00	230.00	0.0%	
Early Summer Dyes	Discretionary	65.00	65.00	0.0%	
Fire Skills	Discretionary		35.00	N/A	New
Fleece to Fibre	Discretionary	60.00	60.00	0.0%	
Fruit Tree Grafting	Discretionary		65.00	N/A	New
Hand Stitching and Applique	Discretionary		55.00	N/A	New
Hedgelaying	Discretionary	72.00	80.00	11.1%	
Introduction to Beekeeping	Discretionary	55.00	55.00	0.0%	
Introduction to Keeping Pigs	Discretionary	65.00	65.00	0.0%	
Late Summer Dyes	Discretionary	65.00	65.00	0.0%	
Make a bent stick Chair	Discretionary	200.00	200.00	0.0%	
Make a chestnut garden gate	Discretionary	80.00	80.00	0.0%	
Mosaic Workshop	Discretionary	60.00	60.00	0.0%	
Orchard Preserves	Discretionary		65.00	N/A	New
Orchard Restoration	Discretionary	70.00	70.00	0.0%	
Patchwork, Quilting and Applique for beginners	Discretionary	55.00	55.00	0.0%	

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VISITOR ECONOMY	Statutory or Discretionary	Fee for 2018/19	Fee for 2019/20	% Increase	Notes
		£	£		
Course Fees cont...					
Peg Loom and Stick Weaving	Discretionary	60.00	60.00	0.0%	
Ploughing with Heavy Horses	Discretionary	200.00	200.00	0.0%	
Poultry Keeping	Discretionary	35.00	35.00	0.0%	
Preserving with Honey	Discretionary		65.00	N/A	New
Print 'n' Stitch	Discretionary		55.00	N/A	New
Split Hazel Basketry	Discretionary	210.00	210.00	0.0%	
Spring Preserves	Discretionary		65.00	N/A	New
Stained Glass Applique	Discretionary		60.00	N/A	New
Summer Preserves	Discretionary		65.00	N/A	New
The Fruit Garden - Preserving	Discretionary		65.00	N/A	New
The Herb Garden - preserving	Discretionary		65.00	N/A	New
Victorian Preserves	Discretionary		65.00	N/A	New
Wheelwrighting	Discretionary	295.00	295.00	0.0%	
Working with Donkeys	Discretionary	60.00	60.00	0.0%	
Working With Heavy Horses	Discretionary	95.00	95.00	0.0%	
Wreathmaking	Discretionary	15.00	15.00	0.0%	
Ludlow Museum Resource Centre					
Room Hire - Ludlow Education Room per session (Morning or Afternoon)					
Personal/Voluntary group/ Charity Group	Discretionary	33.00	33.00	0.0%	
Business Use	Discretionary	66.00	66.00	0.0%	
MUCH WENLOCK MUSEUM					
Room Hire (Per Hour)	Discretionary	10.00	10.00	0.0%	
Room Hire (Per Hour Partner Organisations)	Discretionary	5.00	5.00	0.0%	
SHREWSBURY CASTLE					
Weddings/ Civil Partnership Ceremonies (Circular Room & Castle Grounds)					
- Per Ceremony (2 hours - Saturdays)	Discretionary	650.00	700.00	7.7%	
- Per Ceremony (2 hours - Tuesday - Friday)	Discretionary	600.00	650.00	8.3%	
- Per Ceremony (2 hours - Sunday - Monday)	Discretionary	Negotiable	Negotiable		
- Steward Service	Discretionary	50.00	50.00	0.0%	
Naming Ceremony Castle					
- Per Ceremony (Saturday)	Discretionary	650.00	700.00	7.7%	
- Per Ceremony (Tuesday -Friday)	Discretionary	600.00	650.00	8.3%	
- Per Ceremony (Sunday - Monday)	Discretionary	Negotiable	Negotiable		
Adult(18+)	Discretionary	4.00	4.00	0.0%	
Concession Senior 60+)	Discretionary	3.00	3.00	0.0%	
Child (5-17)	Discretionary	1.00	1.00	0.0%	
Child (0-4)	Discretionary	Free of Charge	Free of Charge		
Child Education Visit (5-17)	Discretionary	1.00	1.00	0.0%	
Room Hire (Circular Room per hr.)	Discretionary	20.00	25.00	25.0%	
Castle Ground Event Hire per hour - guide price	Discretionary	100.00	100.00	0.0%	
Castle Grounds Hire Per Day - guide Price	Discretionary	300.00	300.00	0.0%	
Shropshire Regimental Trust Grounds Hire - per hour	Discretionary	75.00	75.00	0.0%	
Shropshire Regimental Trust Hire per day	Discretionary	250.00	250.00	0.0%	
Education Session (2 hr. Session)	Discretionary	80.00	80.00	0.0%	
Advertising (Per Week)	Discretionary	25.00	25.00	0.0%	
SHREWSBURY VISITOR INFORMATION CENTRE					
Bed booking service-deposit	Discretionary	10%	10%	0.0%	
Bed booking service fee	Discretionary	3.00	3.00	0.0%	
Bed booking service over telephone	Discretionary	4.00	4.00	0.0%	
Photocopying	Discretionary	0.20	0.20	0.0%	
Ticket Sales	Discretionary	5%-15%	5%-15%		
Arts and Crafts Cabinet commission	Discretionary	20%	20%	0.0%	
Guided Walks (public) Adult	Discretionary	6.00 & 7.50	6.00 & 7.50	0.0%	
Guided Walks (public) Child	Discretionary	3.00	3.00	0.0%	
Guided Walks (private)	Discretionary	55.00	55.00	0.0%	
Guided Walks Themed (private)	Discretionary	60.00	60.00	0.0%	
Language supplement	Discretionary	POA	POA		
Talks	Discretionary	45.00	45.00	0.0%	
Coach Tours full day	Discretionary	POA	POA		
Coach Tours half day	Discretionary	POA	POA		
Supplement Cadfael Tour	Discretionary	POA	POA		
Online Booking Transaction Fee	Discretionary	0.50	0.50	0.0%	

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VISITOR ECONOMY	Statutory or Discretionary	Fee for 2018/19 £	Fee for 2019/20 £	% Increase	Notes
SHREWSBURY MUSEUM & ART GALLERY					
Admissions					
Adult 18+	Discretionary	4.50	4.50	0.0%	
Senior Citizens	Discretionary	4.00	4.00	0.0%	
Children (5-17)	Discretionary	2.00	2.00	0.0%	
Children (0-4))	Discretionary	Free of Charge	Free of Charge		
Essential Companion to a disabled person	Discretionary	Free of Charge	Free of Charge		
Student	Discretionary	3.00	2.00	-33.3%	
Family Day Ticket (2 Adults and up to 3 children)	Discretionary	10.00	10.00	0.0%	
Family Day Ticket (1 Adult and up to 3 children)	Discretionary	7.00	7.00	0.0%	
Museum Guided Tour (minimum 12)	Discretionary	5.00	5.00	0.0%	
Themed Events - Various	Discretionary	VARIOUS	VARIOUS		
Season Tickets					
Adult 18+	Discretionary	25.00	25.00	0.0%	
Two Adults	Discretionary	35.00	35.00	0.0%	
Senior Citizens	Discretionary	22.50	22.50	0.0%	
Two Senior Citizens	Discretionary	30.00	30.00	0.0%	
Children (0-4))	Discretionary	Free of Charge	Free of Charge		
Children (5-17)	Discretionary	25.00	12.50	-50.0%	
Student	Discretionary	17.50	12.50	-28.6%	
Family [2 adults & 3 Children	Discretionary	47.50	47.50	0.0%	
Family [1 adult & 3 children	Discretionary	30.00	30.00	0.0%	
Friends of Shrewsbury Museum	Discretionary	10.00	10.00	0.0%	
Be Active Season Tickets - Concessions					
Adult 18+	Discretionary	20.00	20.00	0.0%	
Two Adults	Discretionary	30.00	30.00	0.0%	
Senior Citizens [60+]	Discretionary	17.50	17.50	0.0%	
Two Senior Citizens	Discretionary	24.00	24.00	0.0%	
Family [2 Adults 73 Children]	Discretionary	42.50	42.50	0.0%	
Family [1 Adult & 3 children]	Discretionary	25.00	25.00	0.0%	
Be Active - single entry admission					
Adult (18+)	Discretionary	3.00	3.00	0.0%	
Senior Citizen [60 +]	Discretionary	2.50	2.50	0.0%	
Student	Discretionary	2.60	2.00	-23.1%	
Child [5-17]	Discretionary	2.00	2.00	0.0%	
Group Admissions (12 or more)					
Adult 18+	Discretionary	4.00	4.00	0.0%	
Senior Citizens	Discretionary	3.50	3.50	0.0%	
Children (5-17)	Discretionary	1.50	1.50	0.0%	
Children (0-4))	Discretionary	Free of Charge	Free of Charge		
Pre-school, Playgroup & Nursery Education Sessions					
Various	Discretionary	80.00 - 250.00	80.00 - 250.00	0.0%	
Primary Education Admissions					
Child (with session)	Discretionary	N/A	N/A		
Child (without session)	Discretionary	2.00	2.00	0.0%	
Primary Education Sessions					
Various Sessions (1/2/Full Day and Specialist Sessions)	Discretionary	80.00 - 250.00	80.00 - 250.00	0.0%	
Secondary Education Admissions					
Child (with session)	Discretionary	N/A	N/A		
Child (without session)	Discretionary	2.00	2.00	0.0%	
Secondary Education Sessions/Talks					
Sessions	Discretionary	80.00 - 250.00	80.00 - 250.00	0.0%	
Per Class	Discretionary	individually priced to reflect cost of delivery	individually priced to reflect cost of delivery		

FEES & CHARGES

APPENDIX 3

VISITOR ECONOMY	Statutory or Discretionary	Fee for 2018/19 £	Fee for 2019/20 £	% Increase	Notes
Room Hire (POA - dependant on numbers)					
Special Exhibitions Gallery (10.00 - 16.00 - Half Day Rate min 3 hours)	Discretionary	80	80	0.0%	
Special Exhibitions Gallery (10.00-16.00 minimum 2 hours - Hourly Rate)	Discretionary	POA	POA		
Special Exhibitions Gallery (16.00 - 23.00 Minimum 3 hours -Hourly Rate)	Discretionary	POA	POA		
Special Exhibitions Gallery Full Day (7 hours)	Discretionary	275.00	275.00	0.0%	
Balcony (10.00-16.00)* Limited Availability - Hourly Rate					
Balcony (16.00 - 23.00) (min 2 hrs) - Hourly Rate	Discretionary	50.00	50.00	0.0%	
Balcony Half Day Limited Availability (3 hours)	Discretionary	125.00	125.00	0.0%	
Balcony Gallery Full Day Limited Availability (7 hours)	Discretionary	200.00	200.00	0.0%	
Vaughans (10.00-16.00 minimum 2 hours - Hourly Rate)					
Vaughans (16.00 - 23.00 Minimum 2 hours -Hourly Rate)	Discretionary	25.00	25.00	0.0%	
Vaughans Half Day (3 hours)	Discretionary	55.00	55.00	0.0%	
Vaughans Gallery Full Day (7 hours)	Discretionary	100.00	100.00	0.0%	
Walker Education [education use up to 18 years per hour]					
Walker (10.00-16.00 minimum 2 hours - Hourly Rate)	Discretionary	12.00	12.00	0.0%	
Walker (16.00 - 23.00 Minimum 2 hours -Hourly Rate)	Discretionary	25.00	25.00	0.0%	
Walker Half Day (3 hours)	Discretionary	60.00	60.00	0.0%	
Walker Gallery Full Day (7 hours)	Discretionary	110.00	110.00	0.0%	
Projector/Whiteboard					
Flip Chart	Discretionary	12.50	12.50	0.0%	
	Discretionary	6.00	6.00	0.0%	
*Staffing charges may need to be applied for evening events or where multiple rooms/spaces are being hired					
		POA	POA		
Weddings/ Civil Partnership Ceremonies					
- Per Ceremony (2 hours - Saturdays)	Discretionary	650.00	700.00	7.7%	
- Per Ceremony (2 hours - Tuesday - Friday)	Discretionary	600.00	650.00	8.3%	
- Per Ceremony (2 hours - Sunday - Monday)	Discretionary	Negotiable	Negotiable		
- Steward Service	Discretionary	50.00	50.00	0.0%	
Naming Ceremony					
- Per Ceremony (Saturday)	Discretionary	650.00	700.00	7.7%	
- Per Ceremony (Tuesday -Friday)	Discretionary	600.00	650.00	8.3%	
- Per Ceremony (Sunday - Monday)	Discretionary	Negotiable	Negotiable		
Admission Packages/Passports					
SM&CA					
Adult 18+	Discretionary	7.00	7.00	0.0%	
Senior Citizens	Discretionary	5.50	5.50	0.0%	
Children (5-17)	Discretionary	2.50	2.50	0.0%	
Note: Courses are available at SM&AG which are individually priced. More details can be found on the events page on the website at: http://www.shrewsburymuseum.org.uk/events/					
THE SQUARE					
Hire Charges					
Reg Charities (Mon to Thurs)	Discretionary	30.00	35.00	16.7%	
Reg Charities (Fri and Sat)	Discretionary	35.00	40.00	14.3%	
Not for Profit Organisations (Mon to Thurs)	Discretionary	60.00	70.00	16.7%	
Not for Profit Organisations (Fri and Sat)	Discretionary	65.00	75.00	15.4%	
Tech Support per Hour (min 4 Hours)	Discretionary	17.00	20.00	17.6%	
Commercial					
Trading (Per day) - (10%) discount for 2 consecutive days)	Discretionary	440.00	440.00	0.0%	
Non trading (Per day) - (10%) discount for 2 consecutive days)	Discretionary	210.00	210.00	0.0%	
Single Trading Pitch (Per day) - (local Business only) 12.5 m2	Discretionary	220.00	220.00	0.0%	
Single Non Trading Pitch (Per day) - (local Business only) 12.5 m3	Discretionary	105.00	105.00	0.0%	
Power Supply Install /Tech support (Per day)	Discretionary	165.00	Pending Review		

FEES & CHARGES

APPENDIX 3

VISITOR ECONOMY	Statutory or Discretionary	Fee for 2018/19 £	Fee for 2019/20 £	% Increase	Notes
Archives and archaeology					
Consultancy, room hire					
Consultancy, bespoke training, workshops, archives/archaeology	Discretionary	£120 per half day	£120 per half day	0.0%	
Commercial research	Discretionary	£60 per hour	£60 per hour	0.0%	
Conservation work, basic cleaning etc.	Discretionary	£30 per hour	£30 per hour	0.0%	
Conservation work, repair work	Discretionary	£40 per hour	£40 per hour	0.0%	
Hire of Shropshire Archives for events	Discretionary	£110 per evening session plus refreshments	£110 per evening session plus refreshments	0.0%	
Group visits/outside talks	Discretionary	£50	£50	0.0%	
Photography permit					
Daily	Discretionary	10.00	10.00	0.0%	
Monthly	Discretionary	45.00	45.00	0.0%	
Annual	Discretionary	70.00	70.00	0.0%	
Group	Discretionary	100.00	100.00	0.0%	
Research/consultancy					
Research/photography service	Discretionary	40 per hour	40 per hour	0.0%	
Consultancy/commercial research/photography	Discretionary	60 per hour	60 per hour	0.0%	
Short search (one item)	Discretionary	10.00	10.00	0.0%	
Advice surgeries	Discretionary	n/a	n/a		
Photocopying					
Printed up to A4	Discretionary	0.20	0.20	0.0%	
Printed up to A3	Discretionary	0.40	0.40	0.0%	
Archives A4	Discretionary	1.00	1.00	0.0%	
Archives A3	Discretionary	2.00	2.00	0.0%	
Microform printouts					
Printed A4(self service)	Discretionary	0.50	0.50	0.0%	
Printed A4 (staff)	Discretionary	1.00	1.00	0.0%	
Printed up to A3	Discretionary	1.50	1.50	0.0%	
Archives A4 or A3	Discretionary	n/a	n/a		
Colour					
Printed up to A4	Discretionary	n/a	n/a		
Printed up to A3	Discretionary	n/a	n/a		
Archives A4	Discretionary	2.00	2.00	0.0%	
Archives A3	Discretionary	3.00	3.00	0.0%	
Internet printouts					
	Discretionary	0.20	0.20	0.0%	
Image services					
Print up to A4 including digitisation fee	Discretionary	17.50	17.50	0.0%	
Print up to A3 including digitisation fee	Discretionary	20.00	20.00	0.0%	
Digital file/new digitisation	Discretionary	15.00	15.00	0.0%	
Low res via email	Discretionary	n/a	n/a		
Records Management					
External customers, storage and retrieval service	Discretionary	£8.20 per box	£8.35 per box	1.8%	

FEES & CHARGES

APPENDIX 3

Youth Centres	Statutory or Discretionary	Fee for 2018/19 £	Fee for 2019/20 £	Increase %	Notes	
Bridgnorth Youth Centre						
Commercial Charges						
Hall (30ft x 30ft)/kitchen area/ computers	Discretionary	53.06	55.25	4.1%	This charge is for all day	
Hall (Elections)	Discretionary	124.85	130.00	4.1%		
Small Room (Chill out room) (up to 15 x 15 ft)	Discretionary	32.25	33.50	3.9%		
Whole building (Public areas)	Discretionary	67.63	70.50	4.2%		
Voluntary / Charity Rate						
Hall (30ft x 30ft)/kitchen area/ computers	Discretionary	21.85	22.75	4.1%		
Small Room (Chill out room) (up to 15 x 15 ft)	Discretionary	21.85	22.75	4.1%		
Whole building (Public areas)	Discretionary	41.62	43.50	4.5%		
Ludlow Youth Centre						
Small Room						
Commercial Rate	Discretionary	£31.62 per hour	£33.00 per hour	4.4%	No longer operated by Shropshire Council	
Charity / Community Rate	Discretionary	£21.42 per hour	£22.25 per hour	3.9%		
Hall/Kitchen/Computers						
Commercial Rate	Discretionary	£52.02 per hour	£54.25 per hour	4.3%		
Charity / Community Rate	Discretionary	£21.42 per hour	£22.25 per hour	3.9%		
Whole Building						
Commercial Rate	Discretionary	£66.30 per hour	£69.00 per hour	4.1%		
Charity / Community Rate	Discretionary	£40.80 per hour	£42.50 per hour	4.2%		
Sundorne Youth Centre						
Sports Hall:						
Off Peak Charges						
Games Hall	Discretionary	23.93		-100.0%		
Half Hall Space	Discretionary	16.23		-100.0%		
Peak Charges						
Games Hall	Discretionary	31.73		-100.0%		
Half Hall Space	Discretionary	19.97		-100.0%		
Square Room:						
Off Peak Charges	Discretionary	12.12		-100.0%		
Peak Charges	Discretionary	15.81		-100.0%		
Whitchurch Youth Centre						
Commercial Charges						
Laura's Room	Discretionary	34.33	35.75	4.1%	No longer operated by Shropshire Council	
Coffee Bar	Discretionary	53.06	55.25	4.1%		
Meeting room	Discretionary	53.06	55.25	4.1%		
Voluntary / Charity Rate						
Laura's Room	Discretionary	21.85	22.75	4.1%		
Coffee Bar	Discretionary	31.21	32.50	4.1%		
Meeting room	Discretionary	31.21	32.50	4.1%		
The Centre, Oswestry						
Commercial Charges						
Main Hall	Discretionary	39.53	41.25	4.4%		per hour
Art Room	Discretionary	26.01	27.00	3.8%	per hour	
Kitchen	Discretionary	33.29	34.75	4.4%	per hour	
Café	Discretionary	26.01	27.00	3.8%	per hour	
Meeting Room 1	Discretionary	10.40	10.75	3.4%	per hour	
Meeting Room 2	Discretionary	10.40	10.75	3.4%	per hour	
Meeting Room 3	Discretionary	29.13	30.50	4.7%	per hour	
Meeting Room 4	Discretionary	18.73	19.50	4.1%	per hour	
Meeting Room 10	Discretionary	10.40	10.75	3.4%	per hour	
Recording Studio (x2 rooms)	Discretionary	36.41	38.00	4.4%	per hour	
Charity Rate						
Main Hall	Discretionary	19.77	20.63	4.4%	per hour	
Art Room	Discretionary	13.00	13.50	3.8%	per hour	
Café	Discretionary	13.00	13.50	3.8%	per hour	
Kitchen	Discretionary	16.65	17.38	4.4%	per hour	
Meeting Room 1	Discretionary	8.32	8.75	5.2%	per hour	
Meeting Room 2	Discretionary	8.32	8.75	5.2%	per hour	
Meeting Room 3	Discretionary	14.56	15.25	4.7%	per hour	
Meeting Room 4	Discretionary	9.36	9.75	4.2%	per hour	
Meeting Room 10	Discretionary	8.32	8.75	5.2%	per hour	
Recording Studio (x2 rooms)	Discretionary	18.21	19.00	4.3%	per hour	
Discounts - at the discretion of the centre						
Only one discount (to a maximum of 20%) is available to non-constituted groups per booking.						
Constituted groups may be entitled to a 50% reduction in room hire cost at the discretion of The Centre.						
Proof of eligibility may be required.						

FEES & CHARGES**APPENDIX 3**

FACILITIES MANAGEMENT	Statutory or Discretionary	Fee for 2018/19	Fee for 2019/20	Increase %	Notes
		£	£		
Room Hire Charges					
Shirehall Meeting Rooms					
Monday - Friday					
Council Chamber - Full day	Discretionary	130.05	135.50	4.2%	
Council Chamber - Full day (concessionary)	Discretionary	65.02	67.75	4.2%	
Council Chamber - Half day	Discretionary	72.83	76.00	4.4%	
Council Chamber - Half day (concessionary)	Discretionary	36.41	38.00	4.4%	
Council Chamber - Evening	Discretionary	93.64	97.50	4.1%	
Council Chamber - Evening (concessionary)	Discretionary	46.82	48.75	4.1%	
Committee Rooms - Full day	Discretionary	78.03	81.50	4.4%	
Committee Rooms - Full day (concessionary)	Discretionary	39.01	40.75	4.5%	
Committee Rooms - Half day	Discretionary	46.82	48.75	4.1%	
Committee Rooms - Half day (concessionary)	Discretionary	23.41	24.38	4.1%	
Committee Rooms - Evening	Discretionary	52.02	54.00	3.8%	
Committee Rooms - Evening (concessionary)	Discretionary	26.01	27.00	3.8%	
Gallery - Full day	Discretionary	62.42	65.00	4.1%	
Gallery - Full day (concessionary)	Discretionary	31.21	32.50	4.1%	
Gallery - Half day	Discretionary	46.82	48.75	4.1%	
Gallery - Half day (concessionary)	Discretionary	23.41	24.38	4.1%	
Gallery - Evening	Discretionary	52.02	54.00	3.8%	
Gallery - Evening (concessionary)	Discretionary	26.01	27.00	3.8%	
Saturday					
Council Chamber - Full day	Discretionary	182.07	190.00	4.4%	
Council Chamber - Full day (concessionary)	Discretionary	91.03	95.00	4.4%	
Council Chamber - Half day	Discretionary	93.64	97.50	4.1%	
Council Chamber - Half day (concessionary)	Discretionary	46.82	48.75	4.1%	
Committee Rooms - Full day	Discretionary	104.04	108.50	4.3%	
Committee Rooms - Full day (concessionary)	Discretionary	52.02	54.25	4.3%	
Committee Rooms - Half day	Discretionary	62.42	65.00	4.1%	
Committee Rooms - Half day (concessionary)	Discretionary	31.21	32.50	4.1%	
Gallery - Full day	Discretionary	88.43	92.00	4.0%	
Gallery - Full day (concessionary)	Discretionary	44.22	46.00	4.0%	
Gallery - Half day	Discretionary	52.02	54.00	3.8%	
Gallery - Half day (concessionary)	Discretionary	26.01	27.00	3.8%	
Castle View - Oswestry					
Monday - Friday					
Council Chamber - Full day	Discretionary	104.04	108.50	4.3%	
Council Chamber - Full day (concessionary)	Discretionary	52.02	54.25	4.3%	
Council Chamber - Half day	Discretionary	52.02	54.25	4.3%	
Council Chamber - Half day (concessionary)	Discretionary	26.01	27.00	3.8%	
Council Chamber - Evening	Discretionary	52.02	54.00	3.8%	
Council Chamber - Evening (concessionary)	Discretionary	26.01	27.00	3.8%	
Meeting Rooms - Full day	Discretionary	52.02	54.00	3.8%	
Meeting Rooms - Full day (concessionary)	Discretionary	26.01	27.00	3.8%	
Meeting Rooms - Half day	Discretionary	41.62	43.25	3.9%	
Meeting Rooms - Half day (concessionary)	Discretionary	20.81	21.63	3.9%	
Meeting Rooms - Evening	Discretionary	41.62	43.25	3.9%	
Meeting Rooms - Evening (concessionary)	Discretionary	20.81	21.63	3.9%	

FEES & CHARGES

APPENDIX 3

FACILITIES MANAGEMENT	Statutory or Discretionary	Fee for 2018/19 £	Fee for 2019/20 £	Increase %	Notes
Room Hire Charges					
The Lantern					
Charity / Community Rate Monday to Friday - Community Hall 1		£8.16 per hour	£8.50 per hour	4.2%	8:30 am to 6:00 pm
Charity / Community Rate Monday to Friday - Community Hall 1		£12.24 per hour	£12.75 per hour	4.2%	6:00 pm to 11:00 pm
Charity / Community Rate Saturday & Sunday - Community Hall 1		£17.34 per hour	£18.00 per hour	3.8%	9:00 am to 11:00 pm
Commercial Rate Monday to Friday - Community Hall 1		£17.34 per hour	£18.00 per hour	3.8%	8:30 am to 6:00 pm
Commercial Rate Monday to Friday - Community Hall 2		£32.64 per hour	£34.00 per hour	4.2%	6:00 pm to 11:00 pm
Commercial Rate Saturday & Sunday - Community Hall 1		£47.94 per hour	£50.00 per hour	4.3%	9:00 am to 11:00 pm
Charity / Community Rate Monday to Friday - Community Hall 2		£8.16 per hour	£8.50 per hour	4.2%	8:30 am to 6:00 pm
Charity / Community Rate Monday to Friday - Community Hall 2		£12.24 per hour	£12.75 per hour	4.2%	6:00 pm to 11:00 pm
Charity / Community Rate Saturday & Sunday - Community Hall 2		£17.34 per hour	£18.00 per hour	3.8%	9:00 am to 11:00 pm
Commercial Rate Monday to Friday - Community Hall 2		£17.34 per hour	£18.00 per hour	3.8%	8:30 am to 6:00 pm
Commercial Rate Monday to Friday - Community Hall 2		£32.64 per hour	£34.00 per hour	4.2%	6:00 pm to 11:00 pm
Commercial Rate Saturday & Sunday - Community Hall 2		£47.94 per hour	£50.00 per hour	4.3%	9:00 am to 11:00 pm
Charity / Community Rate Monday to Friday - Community Hall 1 & 2		£8.16 per hour	£15.00 per hour	83.8%	8:30 am to 6:00 pm
Charity / Community Rate Monday to Friday - Community Hall 1 & 2		£13.26 per hour	£22.50 per hour	69.7%	6:00 pm to 11:00 pm
Charity / Community Rate Saturday & Sunday - Community Hall 1 & 2		£18.36 per hour	£30.00 per hour	63.3%	9:00 am to 11:00 pm
Commercial Rate Monday to Friday - Community Hall 1 & 2		£18.36 per hour	£30.00 per hour	63.3%	8:30 am to 6:00 pm
Commercial Rate Monday to Friday - Community Hall 1 & 2		£33.66 per hour	£60.00 per hour	78.3%	6:00 pm to 11:00 pm
Commercial Rate Saturday & Sunday - Community Hall 1 & 2		£48.96 per hour	£90.00 per hour	83.8%	9:00 am to 11:00 pm
Charity / Community Rate Monday to Friday - IT Suite		£8.16 per hour	£8.50 per hour	4.2%	8:30 am to 6:00 pm
Charity / Community Rate Monday to Friday - ITSuite		£11.22 per hour	£11.75 per hour	4.7%	6:00 pm to 11:00 pm
Charity / Community Rate Saturday & Sunday - IT Suite		£16.32 per hour	£17.00 per hour	4.2%	9:00 am to 11:00 pm
Commercial Rate Monday to Friday - IT Suite		£16.32 per hour	£17.00 per hour	4.2%	8:30 am to 6:00 pm
Commercial Rate Monday to Friday - IT Suite		£31.62 per hour	£33.00 per hour	4.4%	6:00 pm to 11:00 pm
Commercial Rate Saturday & Sunday - IT Suite		£46.92 per hour	£49.00 per hour	4.4%	9:00 am to 11:00 pm
Charity / Community Rate Monday to Friday - Interview/Meeting Room		£8.16 per hour	£8.50 per hour	4.2%	8:30 am to 6:00 pm
Charity / Community Rate Monday to Friday - Interview/Meeting Room		£9.18 per hour	£9.50 per hour	3.5%	6:00 pm to 11:00 pm
Charity / Community Rate Saturday & Sunday - Interview/Meeting Room		£14.28 per hour	£15.00 per hour	5.0%	9:00 am to 11:00 pm
Commercial Rate Monday to Friday - Interview/Meeting Room		£14.28 per hour	£15.00 per hour	5.0%	8:30 am to 6:00 pm
Commercial Rate Monday to Friday - Interview/Meeting Room		£29.58 per hour	£30.75 per hour	4.0%	6:00 pm to 11:00 pm
Commercial Rate Saturday & Sunday - Interview/Meeting Room		£44.88 per hour	£46.75 per hour	4.2%	9:00 am to 11:00 pm
Charity / Community Rate Monday to Friday - Ground Floor Meeting Room		£8.16 per hour	£8.50 per hour	4.2%	8:30 am to 6:00 pm
Charity / Community Rate Monday to Friday - Ground Floor Meeting Room		£10.20 per hour	£10.50 per hour	2.9%	6:00 pm to 11:00 pm
Charity / Community Rate Saturday & Sunday - Ground Floor Meeting Room		£15.30 per hour	£16.00 per hour	4.6%	9:00 am to 11:00 pm
Commercial Rate Monday to Friday - Ground Floor Meeting Room		£15.30 per hour	£16.00 per hour	4.6%	8:30 am to 6:00 pm
Commercial Rate Monday to Friday - Ground Floor Meeting Room		£30.60 per hour	£32.00 per hour	4.6%	6:00 pm to 11:00 pm
Commercial Rate Saturday & Sunday - Ground Floor Meeting Room		£45.90 per hour	£48.00 per hour	4.6%	9:00 am to 11:00 pm
Charity / Community Rate Monday to Friday - Large Meeting Room		£8.16 per hour	£8.50 per hour	4.2%	8:30 am to 6:00 pm
Charity / Community Rate Monday to Friday - Large Meeting Room		£10.20 per hour	£10.50 per hour	2.9%	6:00 pm to 11:00 pm
Charity / Community Rate Saturday & Sunday - Large Meeting Room		£15.30 per hour	£16.00 per hour	4.6%	9:00 am to 11:00 pm
Commercial Rate Monday to Friday - Large Meeting Room		£15.30 per hour	£16.00 per hour	4.6%	8:30 am to 6:00 pm
Commercial Rate Monday to Friday - Large Meeting Room		£30.60 per hour	£32.00 per hour	4.6%	6:00 pm to 11:00 pm
Commercial Rate Saturday & Sunday - Large Meeting Room		£45.90 per hour	£48.00 per hour	4.6%	9:00 am to 11:00 pm
Charity / Community Rate Monday to Friday - Small Meeting Room		£8.16 per hour	£8.50 per hour	4.2%	8:30 am to 6:00 pm
Charity / Community Rate Monday to Friday - Small Meeting Room		£10.20 per hour	£10.50 per hour	2.9%	6:00 pm to 11:00 pm
Charity / Community Rate Saturday & Sunday - Small Meeting Room		£15.30 per hour	£16.00 per hour	4.6%	9:00 am to 11:00 pm
Commercial Rate Monday to Friday - Small Meeting Room		£15.30 per hour	£16.00 per hour	4.6%	8:30 am to 6:00 pm
Commercial Rate Monday to Friday - Small Meeting Room		£30.60 per hour	£32.00 per hour	4.6%	6:00 pm to 11:00 pm
Commercial Rate Saturday & Sunday - Small Meeting Room		£45.90 per hour	£48.00 per hour	4.6%	9:00 am to 11:00 pm
Charity / Community Rate Monday to Friday - Community Kitchen		£5.00 per hour	£5.25 per hour	5.0%	8:30 am to 6:00 pm
Charity / Community Rate Monday to Friday - Community Kitchen		£5.50 per hour	£5.75 per hour	4.5%	6:00 pm to 11:00 pm
Charity / Community Rate Saturday & Sunday - Community Kitchen		£6.00 per hour	£6.25 per hour	4.2%	9:00 am to 11:00 pm
Commercial Rate Monday to Friday - Community Kitchen		£9.50 per hour	£10.00 per hour	5.3%	8:30 am to 6:00 pm
Commercial Rate Monday to Friday - Community Kitchen		£12.50 per hour	£13.00 per hour	4.0%	6:00 pm to 11:00 pm
Commercial Rate Saturday & Sunday - Community Kitchen		£14.00 per hour	£14.50 per hour	3.6%	9:00 am to 11:00 pm

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FACILITIES MANAGEMENT	Statutory or Discretionary	Fee for 2018/19 £	Fee for 2019/20 £	Increase %	Notes
Louise House					
Meeting Rooms 1 & 2					
Charity / Community Rate	Discretionary	£5.10 per hour	£5.25 per hour	2.9%	
Commercial Rate	Discretionary	£10.20 per hour	£10.50 per hour	2.9%	
Reception Interview Room					
Charity / Community Rate	Discretionary	£5.10 per hour	£5.25 per hour	2.9%	
Commercial Rate	Discretionary	£10.20 per hour	£10.50 per hour	2.9%	
IT Suite					
Charity / Community Rate	Discretionary	£5.10 per hour	£5.25 per hour	2.9%	
Commercial Rate	Discretionary	£10.20 per hour	£10.50 per hour	2.9%	
Computer Use	Discretionary				
Physio Suite					
Charity / Community Rate	Discretionary	£5.10 per hour	£5.25 per hour	2.9%	
Commercial Rate	Discretionary	£10.20 per hour	£10.50 per hour	2.9%	

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PROPERTY SERVICES GROUP	Statutory or Discretionary	Fee for 2018/19 £	Fee for 2019/20 £	Increase %	Notes	
Testing of portable appliance						
Attendance Charge	Statutory	26.00		-100.0%	Services no longer provided internally	
1 - 199 items	Statutory	2.01		-100.0%		
200 - 499 items	Statutory	2.00		-100.0%		
500 - 999 items	Statutory	1.97		-100.0%		
1000 - 1999 items	Statutory	1.95		-100.0%		
2000+ items	Statutory	1.90		-100.0%		
Plugtops and Fuses						
Supply & fit plugtop	Discretionary	3.22		-100.0%		
Supply & fit fuse	Discretionary	0.15		-100.0%		
Supply & fit 1 gang trailing cable	Discretionary	2.99		-100.0%		
Supply & fit 2 gang trailing cable	Discretionary	4.93		-100.0%		
Supply & fit 4 gang trailing cable	Discretionary	9.41		-100.0%		
Supply & fit socket on kettle	Discretionary	2.37		-100.0%		
Cable Repair						
Supply & fit 2 core 0.5 (per metre)	Discretionary	0.15		-100.0%		
Supply & fit 2 core 0.75 (per metre)	Discretionary	0.17		-100.0%		
Supply & fit 3 core 0.5 (per metre)	Discretionary	0.22		-100.0%		
Supply & fit 3 core 0.75 (per metre)	Discretionary	0.29		-100.0%		
Supply & fit 3 core 1.0 (per metre)	Discretionary	0.32		-100.0%		
Supply & fit 3 core 1.25 (per metre)	Discretionary	0.41		-100.0%		
Supply & fit 3 core 1.5 (per metre)	Discretionary	0.45		-100.0%		
Stationery Prices						
SCC Register Stickers (per label)	Statutory	0.02		-100.0%		
Green 'Do Not Use After' (per label)	Statutory	0.02		-100.0%		
Plastic Cable Tags (per label)	Statutory	0.03		-100.0%		
Register Sheets EN6 (per label)	Statutory	0.03		-100.0%		
Red Defective Labels (per label)	Statutory	0.03		-100.0%		
Equipment Servicing						
Microwave leakage & performance tests	Statutory	14.75		-100.0%		

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TRADING STANDARDS & LICENSING	Statutory or Discretionary	Fee for 2018/19 £	Fee for 2019/20 £	% Increase	Notes
LICENSING ACT 2003					
Personal licences, temporary events and other fees					
Application for a grant or renewal of personal licence	Statutory Fee	37.00	37.00	0.0%	
Temporary event notice	Statutory Fee	21.00	21.00	0.0%	
Theft, loss etc. of premises licence or summary	Statutory Fee	10.50	10.50	0.0%	
Application for a provisional statement where premises being built etc.	Statutory Fee	315.00	315.00	0.0%	
Notification of change of name or address	Statutory Fee	10.50	10.50	0.0%	
Application to vary licence to specify individual as premises supervisor	Statutory Fee	23.00	23.00	0.0%	
Application for transfer of premises licence	Statutory Fee	23.00	23.00	0.0%	
Interim authority notice following death etc. of licence holder	Statutory Fee	23.00	23.00	0.0%	
Theft, loss etc. of certificate of summary	Statutory Fee	10.50	10.50	0.0%	
Notification of change of name or alteration of rules of club	Statutory Fee	10.50	10.50	0.0%	
Change of relevant registered address of club	Statutory Fee	10.50	10.50	0.0%	
Theft, loss etc. of temporary event notice	Statutory Fee	10.50	10.50	0.0%	
Theft, loss etc. of personal licence	Statutory Fee	10.50	10.50	0.0%	
Duty to notify change of name or address	Statutory Fee	10.50	10.50	0.0%	
Right of freeholder etc. to be notified of licensing matters	Statutory Fee	21.00	21.00	0.0%	
Minor Variation	Statutory Fee	89.00	89.00	0.0%	
Removal of DPS at Community Premises	Statutory Fee	23.00	23.00	0.0%	
Copy of public register entry (per individual entry)	Discretionary	26.00	39.00	50.0%	
Licensing Exceptionally Large Events					
Additional Application Fee (5,000 - 9,999)	Statutory Fee	1,000.00	1,000.00	0.0%	
Additional Annual Fee (5,000 - 9,999)	Statutory Fee	500.00	500.00	0.0%	
Additional Application Fee (10,000 - 14,999)	Statutory Fee	2,000.00	2,000.00	0.0%	
Additional Annual Fee (10,000 - 14,999)	Statutory Fee	1,000.00	1,000.00	0.0%	
Additional Application Fee (15,000 - 19,999)	Statutory Fee	4,000.00	4,000.00	0.0%	
Additional Annual Fee (15,000 - 19,999)	Statutory Fee	2,000.00	2,000.00	0.0%	
Additional Application Fee (20,000 - 29,999)	Statutory Fee	8,000.00	8,000.00	0.0%	
Additional Annual Fee (20,000 - 29,999)	Statutory Fee	4,000.00	4,000.00	0.0%	
Additional Application Fee (30,000 - 39,999)	Statutory Fee	16,000.00	16,000.00	0.0%	
Additional Annual Fee (30,000 - 39,999)	Statutory Fee	8,000.00	8,000.00	0.0%	
Additional Application Fee (40,000 - 49,999)	Statutory Fee	24,000.00	24,000.00	0.0%	
Additional Annual Fee (40,000 - 49,999)	Statutory Fee	12,000.00	12,000.00	0.0%	
Additional Application Fee (50,000 - 59,999)	Statutory Fee	32,000.00	32,000.00	0.0%	
Additional Annual Fee (50,000 - 59,999)	Statutory Fee	16,000.00	16,000.00	0.0%	
Additional Application Fee (60,000 - 69,999)	Statutory Fee	40,000.00	40,000.00	0.0%	
Additional Annual Fee (60,000 - 69,999)	Statutory Fee	20,000.00	20,000.00	0.0%	
Additional Application Fee (70,000 - 79,999)	Statutory Fee	48,000.00	48,000.00	0.0%	
Additional Annual Fee (70,000 - 79,999)	Statutory Fee	24,000.00	24,000.00	0.0%	
Additional Application Fee (80,000 - 89,999)	Statutory Fee	56,000.00	56,000.00	0.0%	
Additional Annual Fee (80,000 - 89,999)	Statutory Fee	28,000.00	28,000.00	0.0%	
Additional Application Fee (90,000 and over)	Statutory Fee	64,000.00	64,000.00	0.0%	
Additional Annual Fee (90,000 and over)	Statutory Fee	32,000.00	32,000.00	0.0%	
Premises Licenses and Club Premises Certificates					
No rateable value to £4,300 (Band A)					
Application Fee (Initial/Variation)	Statutory Fee	100.00	100.00	0.0%	
Annual Fee	Statutory Fee	70.00	70.00	0.0%	
Rateable value £4,301 - £33,000 (Band B)					
Application Fee (Initial/Variation)	Statutory Fee	190.00	190.00	0.0%	
Annual Fee	Statutory Fee	180.00	180.00	0.0%	
Rateable value £33,001 - £87,000 (Band C)					
Application Fee (Initial/Variation)	Statutory Fee	315.00	315.00	0.0%	
Annual Fee	Statutory Fee	295.00	295.00	0.0%	
Rateable value £87,001 - £125,000 (Band D) - All premises other than where primary business is the sale of alcohol					
Application Fee (Initial/Variation)	Statutory Fee	450.00	450.00	0.0%	
Annual Fee	Statutory Fee	320.00	320.00	0.0%	
Rateable value £125,001 and above (Band E) - All premises other than where primary business is the sale of alcohol					
Application Fee (Initial/Variation)	Statutory Fee	635.00	635.00	0.0%	
Annual Fee	Statutory Fee	350.00	350.00	0.0%	
Rateable value £87,001 - £125,000 (Band D) - where primary business is the sale of alcohol					
Application Fee (Initial/Variation)	Statutory Fee	900.00	900.00	0.0%	
Annual Fee	Statutory Fee	640.00	640.00	0.0%	
Rateable value £125,001 and above (Band E) - where primary business is the sale of alcohol					
Application Fee (Initial/Variation)	Statutory Fee	1,905.00	1,905.00	0.0%	
Annual Fee	Statutory Fee	1,050.00	1,050.00	0.0%	

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TRADING STANDARDS & LICENSING	Statutory or Discretionary	Fee for 2018/19 £	Fee for 2019/20 £	% Increase	Notes	
GAMBLING ACT 2005						
For all casino premises licences refer to the Gambling Act 2005 Policy Statement 2016 to 2019 paragraphs 36.1 and 36.2						
Regional Casino Premises Licence						
Fee in respect of other premises	Statutory	POA	POA	0.0%	GAMBLING ACT 2005 POLICY STATEMENT 2016 TO 2019 PARAGRAPHS 36.1 AND 36.2	
Annual Fee	Statutory	POA	POA	0.0%		
Fee for application to vary licence	Statutory	POA	POA	0.0%		
Fee for application to transfer a licence	Statutory	POA	POA	0.0%		
Fee for application to reinstate a licence	Statutory	POA	POA	0.0%		
Fee for application for provisional statement	Statutory	POA	POA	0.0%		
Large Casino Premises						
Fee in respect of other premises	Statutory	POA	POA	0.0%		36.1 The Council has not passed a resolution not to issue casino premises licences under Section 166 (1) of the Act. Should the Council decide to do so in the future details of the resolution will be included in this Policy, including the date on which such a resolution will take effect.
Annual Fee	Statutory	POA	POA	0.0%		
Fee for application to vary licence	Statutory	POA	POA	0.0%		
Fee for application to transfer a licence	Statutory	POA	POA	0.0%		
Fee for application to reinstate a licence	Statutory	POA	POA	0.0%		
Fee for application for provisional statement	Statutory	POA	POA	0.0%		
Small casino premises						
Fee in respect of other premises	Statutory	POA	POA	0.0%	36.2 Despite the fact that the Council has not passed such a resolution, the Council is currently not enabled by the Secretary of State (in accordance with regulations made under Section 175 of the Act) to grant a premises licence for a small or large casino. In practice, this means that the Council cannot grant such a licence.	
Annual Fee	Statutory	POA	POA	0.0%		
Fee for application to vary licence	Statutory	POA	POA	0.0%		
Fee for application to transfer a licence	Statutory	POA	POA	0.0%		
Fee for application to reinstate a licence	Statutory	POA	POA	0.0%		
Fee for application for provisional statement	Statutory	POA	POA	0.0%		
Bingo premises licence						
Fee in respect of other premises	Statutory	1,484.00	1,798.00	21.2%		Note 9. Bingo is equal chance gaming and is commonly either cash bingo or prize bingo. The Commission has published its view of what bingo is and how it differs from other forms of gambling. This can be found in the Commission's advice note 'What Constitutes Bingo'.
Annual Fee	Statutory	786.00	1,000.00	27.2%		
Fee for application to vary licence	Statutory	1,371.00	1,662.00	21.2%		
Fee for application to transfer a licence	Statutory	1,200.00	1,200.00	0.0%		
Fee for application to reinstate a licence	Statutory	1,200.00	1,200.00	0.0%		
Fee for application for provisional statement	Statutory	1,474.00	1,784.00	21.0%		
Adult Gaming Centre Premises Licence						
Fee in respect of other premises	Statutory	1,484.00	1,798.00	21.2%		
Annual Fee	Statutory	786.00	1,000.00	27.2%		
Fee for application to vary licence	Statutory	1,000.00	1,000.00	0.0%		
Fee for application to transfer a licence	Statutory	1,200.00	1,200.00	0.0%		
Fee for application to reinstate a licence	Statutory	1,200.00	1,200.00	0.0%		
Fee for application for provisional statement	Statutory	1,474.00	1,784.00	21.0%		
Betting Premises (track) licence						
Fee in respect of other premises	Statutory	1,484.00	1,798.00	21.2%		
Annual Fee	Statutory	786.00	1,000.00	27.2%		
Fee for application to vary licence	Statutory	1,250.00	1,250.00	0.0%		
Fee for application to transfer a licence	Statutory	950.00	950.00	0.0%		
Fee for application to reinstate a licence	Statutory	950.00	950.00	0.0%		
Fee for application for provisional statement	Statutory	1,474.00	1,784.00	21.0%		
Family Entertainment Centre Premises Licence						
Fee in respect of other premises	Statutory	1,484.00	1,798.00	21.2%		
Annual Fee	Statutory	750.00	750.00	0.0%		
Fee for application to vary licence	Statutory	1,000.00	1,000.00	0.0%		
Fee for application to transfer a licence	Statutory	950.00	950.00	0.0%		
Fee for application to reinstate a licence	Statutory	950.00	950.00	0.0%		
Fee for application for provisional statement	Statutory	1,474.00	1,784.00	21.0%		
Betting Premises (other) licence						
Fee in respect of other premises	Statutory	1,484.00	1,798.00	21.2%		
Annual Fee	Statutory	600.00	600.00	0.0%		
Fee for application to vary licence	Statutory	1,371.00	1,500.00	9.4%		
Fee for application to transfer a licence	Statutory	1,200.00	1,200.00	0.0%		
Fee for application to reinstate a licence	Statutory	1,200.00	1,200.00	0.0%		
Fee for application for provisional statement	Statutory	1,474.00	1,784.00	21.0%		
Applicable for all gaming licences						
Change of circumstances fee - for all gaming licences	Statutory	50.00	50.00	0.0%		
Fee for copy licence - for all gaming licences	Statutory	25.00	25.00	0.0%		
Copy of public register entry (per individual entry)	Discretionary	26.00	39.00	50.0%		
Temporary Use of Premises						
Temporary Use Notice	Statutory	500.00	500.00	0.0%		
Replacement of an endorsed copy of a Temporary Use Notice	Statutory	25.00	25.00	0.0%		
Occasional Use Notice	No Charge	No Charge	No Charge	0.0%		

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TRADING STANDARDS & LICENSING	Statutory or Discretionary	Fee for 2018/19 £	Fee for 2019/20 £	% Increase	Notes
LOTTERIES					
Lottery - new registration	Statutory Fee	40.00	40.00	0.0%	
Lottery - renewal of existing registration	Statutory Fee	20.00	20.00	0.0%	
LICENSED PREMISES GAMING MACHINE PERMITS					
Gaming Machine - Up to 2 Machines	Statutory Fee	50.00	50.00	0.0%	
Gaming Machine Permits - New	Statutory Fee	150.00	150.00	0.0%	
Gaming Machine Permits - Variation	Statutory Fee	100.00	100.00	0.0%	
Gaming Machine Permits - Change of name	Statutory Fee	25.00	25.00	0.0%	
Gaming Machine Permits - Transfer of permit	Statutory Fee	25.00	25.00	0.0%	
Gaming Machine Permits - Copy (lost, stolen, damaged)	Statutory Fee	15.00	15.00	0.0%	
Gaming Machine Permits - annual fee	Statutory Fee	50.00	50.00	0.0%	
CLUB GAMING / CLUB MACHINE PERMITS					
Club Gaming / Club Machine Permits - New or Renew	Statutory Fee	200.00	200.00	0.0%	
Club Gaming / Club Machine Permits for holders of club premises	Statutory Fee	100.00	100.00	0.0%	
Club Gaming / Club Machine Permits - Annual Fee	Statutory Fee	50.00	50.00	0.0%	
Club Gaming / Club Machine Permits - Variation	Statutory Fee	100.00	100.00	0.0%	
Club Gaming / Club Machine Permits - Copy (lost, stolen, damaged)	Statutory Fee	15.00	15.00	0.0%	
PRIZE GAMING PERMITS					
Prize Gaming Permits - New or Renewal	Statutory Fee	300.00	300.00	0.0%	
Prize Gaming Permits - Change of Name	Statutory Fee	25.00	25.00	0.0%	
Prize Gaming Permits - Copy (lost, stolen or damaged)	Statutory Fee	15.00	15.00	0.0%	
UNLICENSED FAMILY ENTERTAINMENT GAMING CENTRE GAMING MACHINE PERMITS					
Family Entertainment Gaming Centre Gaming Machine Permits - New or Renewal	Statutory Fee	300.00	300.00	0.0%	
Family Entertainment Gaming Centre Gaming Machine Permits - Change of Name	Statutory Fee	25.00	25.00	0.0%	
Family Entertainment Gaming Centre Gaming Machine Permits -	Statutory Fee	15.00	15.00	0.0%	
ANIMAL LICENCES					
New charges under Animal Licences to reflect the introduction of the Animal Welfare (Licensing of Activities Involving Animals) (England) Regulations 2018					
Zoo licences (plus Vet Fees) (new)	Discretionary	782.00	901.00	15.2%	Plus Vets Fees- Initial application fee £603.67. Fee due after Licence granted £297.33.
Zoo licences (plus Vet Fees) (renewal)	Discretionary	723.00	848.00	17.3%	Plus Vets Fees - Initial application fee £474.88. Fee due after Licence granted £373.12.
Dog Day Care < 10 dogs (new)	Discretionary	N/a	483.00		Initial application fee £313.95. Fee due after Licence granted £169.05.
Dog Day Care > 10 dogs (new)	Discretionary	N/a	553.00		Initial application fee £359.45. Fee due after Licence granted £193.55.
Dog Day Care < 10 dogs (renewal)	Discretionary	N/a	415.00		Initial application fee £49.80. Fee due after Licence granted £365.20.
Dog Day Care > 10 dogs (renewal)	Discretionary	N/a	462.00		Initial application fee £46.20. Fee due after Licence granted £415.80.
Dog Day Care < 10 dogs - (additional activity)	Discretionary	N/a	154.00		
Dog Day Care > 10 dogs (additional activity)	Discretionary	N/a	224.00		
Breeding for dogs < 10 dogs (new)	Discretionary	N/a	517.00		Initial application fee £356.73. Fee due after Licence granted £160.27.
Breeding for dogs > 10 dogs (new)	Discretionary	N/a	587.00		Initial application fee £399.16. Fee due after Licence granted £187.84.
Breeding for dogs < 10 dogs (renewal)	Discretionary	N/a	415.00		Initial application fee £224.10. Fee due after Licence granted £190.90.
Breeding for dogs > 10 dogs (renewal)	Discretionary	N/a	438.00		Initial application fee £214.62. Fee due after Licence granted £223.38.
Breeding for dogs < 10 dogs (additional activity)	Discretionary	N/a	155.00		
Breeding for dogs > 10 dogs (additional activity)	Discretionary	N/a	260.00		
Boarding for cats < 10 cats (new)	Discretionary	N/a	483.00		Initial application fee £313.95. Fee due after Licence granted £169.05.
Boarding for cats > 10 cats (new)	Discretionary	N/a	553.00		Initial application fee £359.45. Fee due after Licence granted £193.55.
Boarding for cats < 10 cats (renewal)	Discretionary	N/a	415.00		Initial application fee £49.80. Fee due after Licence granted £365.20.
Boarding for cats > 10 cats (renewal)	Discretionary	N/a	462.00		Initial application fee £46.20. Fee due after Licence granted £415.80.
Boarding for cats < 10 cats (additional activity)	Discretionary	N/a	188.00		
Boarding for cats > 10 cats (additional activity)	Discretionary	N/a	224.00		

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TRADING STANDARDS & LICENSING	Statutory or Discretionary	Fee for 2018/19 £	Fee for 2019/20 £	% Increase	Notes
Kennel Boarding < 10 animals (new)	Discretionary	N/a	483.00		Initial application fee £313.95. Fee due after Licence granted £169.05.
Kennel Boarding > 10 animals (new)	Discretionary	N/a	553.00		Initial application fee £359.45. Fee due after Licence granted £193.55.
Kennel Boarding < 10 animals (renewal)	Discretionary	N/a	415.00		Initial application fee £49.80. Fee due after Licence granted £365.20.
Kennel Boarding > 10 animals (renewal)	Discretionary	N/a	462.00		Initial application fee £46.20. Fee due after Licence granted £415.80.
Kennel Boarding < 10 animals (additional activity)	Discretionary	N/a	154.00		
Kennel Boarding for cats > 10 animals (additional activity)	Discretionary	N/a	224.00		
Home Boarding < 10 animals (new)		N/a	483.00		Initial application fee £313.95. Fee due after Licence granted £169.05.
Home Boarding > 10 animals (new)	Discretionary	N/a	553.00		Initial application fee £359.45. Fee due after Licence granted £193.55.
Home Boarding < 10 animals (renewal)	Discretionary	N/a	415.00		Initial application fee £49.80. Fee due after Licence granted £365.20.
Home Boarding > 10 animals (renewal)	Discretionary	N/a	462.00		Initial application fee £46.20. Fee due after Licence granted £415.80.
Home Boarding < 10 animals (additional activity)	Discretionary	N/a	155.00		
Home Boarding for animals > 10 animals (additional activity)	Discretionary	N/a	226.00		
Selling animals as pets < 10 (new)	Discretionary	N/a	483.00		Initial application fee £313.95. Fee due after Licence granted £169.05.
Selling animals as pets > 10 (new)	Discretionary	N/a	553.00		Initial application fee £359.45. Fee due after Licence granted £193.55.
Selling animals as pets < 10 (renewal)	Discretionary	N/a	415.00		Initial application fee £224.10. Fee due after Licence granted £190.90.
Selling animals as pets > 10 (renewal)	Discretionary	N/a	462.00		Initial application fee £249.48. Fee due after Licence granted £212.52.
Selling animals as pets < 10 (additional activity)	Discretionary	N/a	155.00		
Selling animals as pets > 10 (additional activity)	Discretionary	N/a	226.00		
Keeping or training animals for exhibition < 10 (new)	Discretionary	N/a	483.00		Initial application fee £313.95. Fee due after Licence granted £169.05.
Keeping or training animals for exhibition < 10 (new)	Discretionary	N/a	553.00		Initial application fee £359.45. Fee due after Licence granted £193.55.
Keeping or training animals for exhibition < 10 (new)	Discretionary	N/a	486.00		Initial application fee £315.90. Fee due after Licence granted £170.10.
Keeping or training animals for exhibition < 10 (new)	Discretionary	N/a	556.00		Initial application fee £366.96. Fee due after Licence granted £189.04.
Keeping or training animals for exhibition < 10 (new)	Discretionary	N/a	154.00		
Keeping or training animals for exhibition < 10 (new)	Discretionary	N/a	224.00		
Hiring out horses < 10 horses (new)	Discretionary	N/a	518.00		Initial application fee £357.42. Fee due after Licence granted £160.58.
Hiring out horses > 10 horses (new)	Discretionary	N/a	589.00		Initial application fee £400.52. Fee due after Licence granted £188.48.
Hiring out horses < 10 horses (new)	Discretionary	N/a	450.00		Initial application fee £274.50. Fee due after Licence granted £175.50.
Hiring out horses > 10 horses (new)	Discretionary	N/a	497.00		Initial application fee £293.23. Fee due after Licence granted £203.77.
Hiring out horses < 10 horses (additional activity)	Discretionary	N/a	258.00		
Hiring out horses > 10 horses (additional activity)	Discretionary	N/a	153.00		

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TRADING STANDARDS & LICENSING	Statutory or Discretionary	Fee for 2018/19 £	Fee for 2019/20 £	% Increase	Notes
Horses annual inspection	Discretionary	N/a	58.00		
Variation of the licence with inspection	Discretionary	N/a	58.00		
Licence variation with no inspection	Discretionary	N/a	48.00		
Licence variation with inspection <10	Discretionary	N/a	126.00		
Licence variation with inspection >10	Discretionary	N/a	150.00		
Re-inspection request < 10 no vet	Discretionary	N/a	132.00		
Re-inspection request > 10 no vet	Discretionary	N/a	156.00		
Re-inspection request < 10 with a vet	Discretionary	N/a	166.00		
Re-inspection request > 10 with a vet	Discretionary	N/a	190.00		
Animal Boarding					
Animal Boarding (new) - up to 10 animals	Discretionary	168.00	N/A		
Animal Boarding (new) - 11 and more animals	Discretionary	222.00	N/A		
Animal Boarding (renewal) - where number of boarding animals increases to such extent that a different category of licence is applicable.	Discretionary	362.00	N/A		
Breeding Establishments for Dogs					
Animal Breeding (new) - up to 10 animals (plus vets fees)	Discretionary	168.00	N/A		
Animal Breeding (new) - 11 and more animals (plus vets fees)	Discretionary	222.00	N/A		
Animal Breeding (renewal) - applicable to all categories, where the number of breeding animals increases to such an extent that a different category of licence is applicable.	Discretionary	362.00	N/A		
Pet Shops					
Pet Shops (New) (where total licensing procedure takes no more than 6 hrs) (plus vet fees)	Discretionary	168.00	N/A		Replaced on 1 October 2018 by the introduction of the Animal Welfare (Licensing of Activities Involving Animals) (England) Regulations 2018. Details of revised charging mechanism are included above under Animal Licenses.
Pet Shops (renewal) where total licensing procedure takes no more than 6 hrs (plus vet fees)	Discretionary	362.00	N/A		
Riding Establishments					
Riding Establishment - New - where total licensing procedure takes no more than 9 hrs (plus vet fees)	Discretionary	242.00	N/A		
Riding Establishments(Renewal) - where total licensing procedure takes no more than 3.75 hrs (plus vet fees)	Discretionary	250.00	N/A		
Dangerous Animals					
Dangerous Wild Animals (plus Veterinary Surgeon's fee) - New	Discretionary	242.00	270.00	11.6%	Plus vets fees; if exceed 9 hours plus hourly charge for each additional hour or part thereof @ £25/hr.
Dangerous Wild Animals (plus Veterinary Surgeon's Fee) (renewal) - where total licensing procedure takes no more than 3.75 hrs	Discretionary	250.00	290.00	16.0%	Plus vets fees; if exceed 3.75 hours plus hourly charge for each additional hour or part thereof @ £25/hr.
Performing Animals					
Performing Animals (indefinite registration) - where total licensing procedure takes no more than 6 hrs	Discretionary	168.00	N/A		Replaced on 1 October 2018 by the introduction of the Animal Welfare (Licensing of Activities Involving Animals) (England) Regulations 2018

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TRADING STANDARDS & LICENSING	Statutory or Discretionary	Fee for 2018/19 £	Fee for 2019/20 £	% Increase	Notes
<u>PUBLIC HEALTH LICENCES</u>					
Acupuncture - Each Person (not including premises) - submitted	Discretionary	50.00	104.00	108.0%	
Acupuncture Premises - Premises including one person	Discretionary	153.00	244.00	59.5%	Additional persons included on same application £29/person
Electrolysis Each Person - (not including premises) - submitted	Discretionary	50.00	104.00	108.0%	
Electrolysis Premises - Premises including one person	Discretionary	153.00	244.00	59.5%	Additional persons included on same application £29/person
Cosmetic piercing techniques - Each Person (not including premises) - submitted separately	Discretionary	50.00	104.00	108.0%	
Cosmetic piercing techniques - Premises including one person	Discretionary	153.00	244.00	59.5%	Additional persons included on same application £29/person
Tattooing - Each Person (not including premises) - submitted	Discretionary	50.00	104.00	108.0%	
Tattooing Premises - Premises including one person	Discretionary	153.00	244.00	59.5%	Additional persons included on same application £29/person
<u>SCRAP METAL LICENCES</u>					
Scrap Metal Dealers - Site (New)	Discretionary	638.00	638.00	0.0%	Initial application fee £102.08. Fee due after licence granted £535.92.
Scrap Metal Dealers - Site (Renewal)	Discretionary	2,873.00	2,873.00	0.0%	Initial renewal application fee £459.68. Fee due after licence granted £2,413.32.
Scrap Metal Dealers - Collectors (New)	Discretionary	194.00	198.00	2.1%	Initial application fee £118.80. Fee due after licence granted £79.20.
Scrap Metal Dealers - Collectors (Renewal)	Discretionary	469.00	469.00	0.0%	Initial renewal application fee £281.40. Fee due after renewal granted £187.60.
Scrap Metal Dealer Site Manager Variation	Discretionary	90.00	90.00	0.0%	
Scrap Metal Dealer - Site/Collector Licensee Name - Variation (not transfer of licensee)	Discretionary	50.00	50.00	0.0%	
Scrap Metal Dealer - collector to site variation	Discretionary	435.00	435.00	0.0%	Initial application fee £252.30. Fee due after variation granted £182.70.
Scrap Metal Dealer - site to collector variation	Discretionary	105.00	105.00	0.0%	
<u>TAXI AND PRIVATE HIRE LICENCES</u>					
<u>Vehicles</u>					
Hackney Carriage Vehicle - New	Discretionary	142.00	142.00	0.0%	Fees subject to further consultation.
Hackney Carriage Vehicle - Renewal	Discretionary	159.00	159.00	0.0%	
Hackney Carriage Licence Transfer (Transfer of existing licence to a new vehicle)	Discretionary	102.00	102.00	0.0%	
Private Hire Vehicle - New	Discretionary	148.00	148.00	0.0%	New
Private Hire Vehicle - Renewal	Discretionary	156.00	168.00	7.7%	
Private Hire Vehicle Licence Transfer (Transfer of existing licence to a new vehicle)	Discretionary	108.00	108.00	0.0%	
Novelty Vehicle - New	Discretionary		141.00	N/A	New
Novelty Vehicle - Renewal	Discretionary		145.00	N/A	
Novelty Vehicle Licence Transfer (Transfer of existing licence to a new vehicle)	Discretionary		87.00	N/A	
Executive Vehicle - New	Discretionary		133.00	N/A	New
Executive Vehicle - Renewal	Discretionary		136.00	N/A	
Executive Vehicle Licence Transfer (Transfer of existing licence to a new vehicle)	Discretionary		78.00	N/A	
Exterior Plate replacement following damage or loss	Discretionary	45.00	45.00	0.0%	
Internal Plate replacement following damage or loss	Discretionary	45.00	45.00	0.0%	
Fare Card replacement following damage or lost	Discretionary	2.50	3.00	20.0%	
Private hire door signs replacement (pair)	Discretionary	45.00	45.00	0.0%	
Trailer - New	Discretionary		123.00	N/A	New
Trailer - Renewal	Discretionary		126.00	N/A	New

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TRADING STANDARDS & LICENSING	Statutory or Discretionary	Fee for 2018/19 £	Fee for 2019/20 £	% Increase	Notes
Additional administrative charges					
Licence holder transfer/change of details	Discretionary	24.00	24.00	0.0%	
Drivers					
Driver's Joint Badge New - 3 year (inc. DVLA, DBS Check, first knowledge test and first driver training assessment)	Discretionary	235.00	235.00	0.0%	
Driver's Badge Renewal - 3 Years (including DVLA and DBS)	Discretionary	202.00	217.00	7.4%	
Driver's Joint Badge New - 3 year (inc. DVLA, DBS Check, first knowledge test and first driver training assessment) including	Discretionary		249.00	N/A	New
Driver's Badge Renewal - 3 Years (including DVLA and DBS check). including safeguarding	Discretionary		224.00	N/A	New
Driver Training Assessment	Discretionary	23.00	34.00	47.8%	
Driver's Knowledge Test Resit	Discretionary	53.00	52.00	-1.9%	
Driver's Badge Replacement following damage or loss	Discretionary	45.00	45.00	0.0%	
Safeguarding Training	Discretionary	39.00	48.00	23.1%	
Private Hire Operators - 5 Years (Formerly 3 years) - New					
Private Hire Operator - up to and including 30 vehicles and one base	Discretionary	254.00	319.00	25.6%	
Private Hire Operator - 31 vehicles and more and/or more than one	Discretionary	553.00	722.00	30.6%	
Private Hire Operators - 5 Years (Formerly 3 years) - Renewal					
Private Hire Operator - up to and including 30 vehicles and one base	Discretionary	195.00	259.00	32.8%	
Private Hire Operator - 31 vehicles and more and/or more than one	Discretionary	538.00	663.00	23.2%	
MISCELLANEOUS LICENCES					
Street Trading Consent/ Licence- minimum charge for up to 7 days (the 7 days may be used at any time within a 12 month period commencing from the date the consent is issued, but the dates must be confirmed on the application)	Discretionary	76.00	173.00	127.6%	
Street Trading Consent/Licence- each additional day or part thereof (the dates must be confirmed on application)	Discretionary	4.00	4.00	0.0%	
Street Trading Consent/Licence- Annual	Discretionary	494.00	494.00	0.0%	
Sex establishments (application) New	Discretionary	2,362.00	2,590.00	9.7%	
Sex establishments Renewal	Discretionary	1,679.00	1,837.00	9.4%	
PLEASURE BOATS AND VESSELS					
Per Annum (plus Marine Inspector's fees)	Discretionary	168.00	168.00	0.0%	
DISTRIBUTION OF FREE PRINTED MATTER					
Weekly permit	Discretionary	81.00	81.00	0.0%	
Monthly	Discretionary	115.00	115.00	0.0%	
Annual permit	Discretionary	150.00	150.00	0.0%	

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REGULATORY SERVICES	Statutory or Discretionary	Fee for 2018/19 £	Fee for 2019/20 £	% Increase	Notes
POLLUTION PREVENTION AND CONTROL ACT**					
Local Authority Integrated Pollution Prevention and Control Charges					
Application Fee					
Standard process (includes solvent emission activities)	Statutory Fee	1,650.00	1,650.00		
Additional fee for operating without a permit	Statutory Fee	1,188.00	1,188.00		
PVRI, SWOBs and Dry Cleaners	Statutory Fee	155.00	155.00		
PVR I & II combined	Statutory Fee	257.00	257.00		
VRs and other Reduced Fee Activities	Statutory Fee	362.00	362.00		
Reduced fee activities: Additional fee for operating without a permit	Statutory Fee	71.00	71.00		
Mobile plant**	Statutory Fee	1,650.00	1,650.00		
for the third to seventh applications	Statutory Fee	985.00	985.00		
for the eighth and subsequent applications	Statutory Fee	498.00	498.00		
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					
Annual Subsistence Charge					
Standard process Low *	Statutory Fee	772(104)	772(104)		
Standard process Medium *	Statutory Fee	1161(156)	1161(156)		
Standard process High *	Statutory Fee	1747(207)	1747(207)		
PVRI, SWOBs and Dry Cleaners L/MH	Statutory Fee	79/158/237	79/158/237		
PVR I & II combined L/MH	Statutory Fee	113/226/341	113/226/341		
VRs and other Reduced Fees L/MH	Statutory Fee	228/365/548	228/365/548		
Mobile plant, for first and second permits L/MH**	Statutory Fee	626/1034/1551	626/1034/1551		
for the third to seventh permits L/MH	Statutory Fee	385/617/924	385/617/924		
eighth and subsequent permits L/MH	Statutory Fee	198/314/473	198/314/473		
Late payment Fee	Statutory Fee	52.00	52.00		
* the additional amounts in brackets must be charged where a permit is for a combined Part B and waste installation					
Where a Part B installation is subject to reporting under the E-PRTR Regulation, add an extra £99 to the above amounts					
Transfer and Surrender					
Standard process transfer	Statutory Fee	169.00	169.00		
Standard process partial transfer	Statutory Fee	497.00	497.00		
Surrender: all Part B activities	Statutory Fee	0.00	0.00		
Reduced fee activities: transfer	Statutory Fee	0.00	0.00		
Reduced fee activities: partial transfer	Statutory Fee	47.00	47.00		
Temporary transfer for Mobiles					
First transfer	Statutory Fee	53.00	53.00		
Repeat following enforcement or warning	Statutory Fee	53.00	53.00		
Substantial Change					
Standard process	Statutory Fee	1,050.00	1,050.00		
Standard process where the substantial change results in a new PPO	Statutory Fee	1,650.00	1,650.00		
Reduced fee activities	Statutory Fee	102.00	102.00		
LA-IPPC charges					
Application	Statutory Fee	3,363.00	3,363.00		
Additional fee for operating without a permit	Statutory Fee	1,188.00	1,188.00		
Annual Subsistence LOW	Statutory Fee	1,343.00	1,343.00		
Annual Subsistence MEDIUM	Statutory Fee	1,507.00	1,507.00		
Annual Subsistence HIGH	Statutory Fee	2,230.00	2,230.00		
Late Payment Fee	Statutory Fee	52.00	52.00		
Substantial Variation	Statutory Fee	3,363.00	3,363.00		
Transfer	Statutory Fee	235.00	235.00		
Partial transfer	Statutory Fee	698.00	698.00		
Surrender	Statutory Fee	698.00	698.00		
					NB – every subsistence charge includes the additional £99 charge to cover LA extra costs in dealing with reporting under the E-PRTR Regulation
					Key
					Subsistence charges can be paid in four equal quarterly instalments paid on 1st April, 1st July, 1st October and 1st January. Where paid quarterly the total amount payable to the local authority will be increased by £36. Reduced fee activities are listed in the Schedule to the Part B scheme
					<u>Newspaper advertisements</u>
					Newspaper adverts may be required under EPR at the discretion of the LA as part of the consultation process when considering an application (see Chapter 9 of the General Guidance Manual). This will be undertaken and paid for by the LA and the charging scheme contains a provision for the LA to recoup its costs.

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REGULATORY SERVICES	Statutory or Discretionary	Fee for 2018/19 £	Fee for 2019/20 £	% Increase	Notes
GENERAL SERVICES COSTS					
Professional PPO hourly rate		68.50	58.00	-15.3%	
Support PPO Hourly Rate		38.00	44.40	16.8%	
ENVIRONMENTAL HEALTH					
PRIVATE WATER SUPPLIES					
Risk Assessment:					
Risk Assessment(each assessment)	Statutory Max	300.00	300.00	0.0%	
Risk Assessment(each assessment)additional hours up to a statutory maximum of £500	Statutory Max	50.00	50.00	0.0%	
Auditing risk assessments carried out by others	Statutory Max	100.00	100.00	0.0%	
Auditing risk assessments carried out by others additional hours (up to sta max of £500)	Statutory Max	50.00	50.00	0.0%	
Sampling fee per visit	Statutory Max	100.00	100.00	0.0%	
Investigation (each investigation)	Statutory Max	100.00	100.00	0.0%	
Analysis for check and audit sampling of supplies	Statutory Max	actual cost up to maximum £25	actual cost up to maximum £25	0.0%	
Analysis of samples taken during check monitoring	Statutory Max	actual cost up to maximum £100	actual cost up to maximum £100	0.0%	
Analysis for samples taken during auditing monitoring	Statutory Max	actual cost up to maximum £500	actual cost up to maximum £500	0.0%	
Swimming pool sampling - (plus analysis costs at direct cost)	Discretionary	100.00	100.00	0.0%	
PRIVATE SECTOR HOUSING					
Mandatory HMO Licence (Homes in Multiple Occupancy)	Discretionary	£525 (for up to 6 units)	£695 (for up to 5 units)		plus cost of DBS check
Inspection of dwellings for immigration	Discretionary	then £75 per additional unit £120 + VAT (standard within 10 working days)	then £95 per additional unit. £116 + vat	-3.3%	
STUDENT ACCOMODATION ACCREDITATION SCHEME					
Inspection of property	Discretionary	135.00	226.00	67.4%	Fee payable every 3 years
Half day briefing for Landlords	Discretionary	40.00	40.00	0.0%	Fee payable every 3 years
ENVIRONMENTAL & OTHER INFORMATION					
Pollution Prevention & Control Act/Environmental Protection Act					
- Register Copy - per entry	Discretionary	11.00	11.00	0.0%	
- Copy - documents relating to authorisation (per hour, plus the cost of any materials)	Discretionary	68.50	58 plus cost of materials		
- Environmental Information Regulations (pollution information)					
- Information request (minimum charge for up to 1 hour)	Discretionary	68.50	58.00	-15.3%	
- Additional charge per hour for more than 1 hours work	Discretionary	68.50	58.00	-15.3%	
- Factual Statements					
- Civil Proceedings - re accidents in Retail Premises (plus the cost of any materials)	Discretionary	68.50	58 per hr (Prof) 44.40 per hr (Support)		
- Food Safety Act 1990 (register copies)					
- Copy of total register (based on hourly rate) - per hour	Discretionary	68.50	58.00	-15.3%	
- Copy of individual entry	Discretionary	11.00	14.80	34.5%	
HEALTH CERTIFICATES					
Export Health Certificate	Discretionary	60.00	61.00	1.7%	
VOLUNTARY SURRENDER					
Voluntary Surrender Certificate (does not include other charges such as disposal)	Discretionary	62.50	67.00	7.2%	
PRIMARY AUTHORITY					
	Discretionary	Bespoke based on hourly rate	Bespoke based on hourly rate	0.0%	
SAFETY AT SPORTS GROUNDS					
	Discretionary	68.50 per hour	58 per hr (Prof) 44.40 per hr (Support)	0.0%	
ENVIRONMENTAL HEALTH TRAINING COURSES					
Level 2 food hygiene course costs	Discretionary	£51	N/A		
- officer time			£400		
- plus expenses (room hire / refreshments)			at cost		
- course booklets and exam papers			£18.40 per person		
Refresher food hygiene course per person	Discretionary	£42	N/A		
- officer time			£266		
- plus expenses (room hire / refreshments)			at cost		
- course booklets and exam papers			£15 per person		
Bespoke courses charged at:	Discretionary	POA			
- officer hourly rate			58 per hr (Prof) 44.40 per hr (Support)		
- expenses (at cost)					
- course booklets and papers (at cost)					
NFHS Re-rating Inspection	Discretionary		213.00	N/A	New

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REGULATORY SERVICES	Statutory or Discretionary	Fee for 2018/19 £	Fee for 2019/20 £	% Increase	Notes	
PEST CONTROL						
Domestic Premises						
Within Normal Working Hours						
Wasps (up to 2 nests)	Discretionary	50.00	50.00	0.0%	Fully Traded	
- additional nest			15.00	N/A		
Fleas (two or less bedrooms) up to 2 treatments in a 14 day period	Discretionary	85.00	130.00	52.9%		
- 3 bedroom house			160.00	N/A		
- 4 bedroom house			190.00	N/A		
- 5 bedroom house			250.00	N/A		
Fleas & crawling insects (each additional bedroom)	Discretionary	25.00	N/A			
Rats (up to four treatment visits at the discretion of the service)	Discretionary	80.00	110.00	37.5%		
Mice (up to four treatment visits at the discretion of the service)	Discretionary	80.00	110.00	37.5%		
Bedbugs (up to 2 bedrooms and one revisit) up to 2 treatments in a 14 day period	Discretionary	120.00	180.00	50.0%		
- 3 bedroom house			210.00	N/A		
- 4 bedroom house			240.00	N/A		
- 5 bedroom house			300.00	N/A		
Moles, rabbits & squirrels - POA based on hourly rate plus cost of materials	Discretionary	POA	POA	N/A	+ VAT	
Cockroaches - POA based on hourly rate plus cost of materials	Discretionary	£68.50 per hour	POA	N/A	+ VAT	
Other crawling insects - POA based on hourly rate plus cost of materials	Discretionary		POA	N/A	+ VAT	
Flies and flying insects - POA based on hourly rate plus cost of materials	Discretionary		POA	N/A	+ VAT	
Pigeons - POA based on hourly rate plus cost of materials	Discretionary		POA	N/A	+ VAT	
Minimum charge for any call out even if no treatment is necessary or possible	Discretionary	25.00	25.00	0.0%	includes VAT	
Non Domestic Premises						
Contract Work (POA based on hourly rate and the cost of materials)	Discretionary	POA	POA		+ VAT	
Non-Contract Work (per hour, plus the cost of any materials)	Discretionary	68.50 + VAT	POA		+ VAT	
Minimum charge for any call out even if no treatment is necessary or possible or no access	Discretionary		25.00	N/A	includes VAT	
TRADING STANDARDS						
Weights & measures: testing weighing equipment (additional costs will be incurred for hire of specialised weighing and measuring equipment on a case-by-case basis and will be recharged at direct cost)						
Up to 15kg	Discretionary	Hourly rate on a case by case basis				
Over 15kg and up to 60kg	Discretionary					
Over 60kg and up to 500 kg	Discretionary					
Over 500kg and up to 1 tonne	Discretionary					
Over 1 tonne and up to 2 tonne	Discretionary					
Over 2 tonne and up to 50 tonne	Discretionary					
Over 50 tonne and up to 60 tonnes	Discretionary					
Weights & measures: testing liquid fuel						
Containers Un-subdivided	Discretionary				Hourly rate of £62.52 for a W&M Inspector and £37.36 for a Technical/Support Officer	
Single and multi-outlets - First Nozzle	Discretionary					
Each additional nozzle	Discretionary					
Peripheral equipment and credit card acceptor	Discretionary					
Bulk Fuel Meter Systems	Discretionary					
Certificate of errors	Discretionary					
Hourly rate (TSO + support officer)	Discretionary					
Weights and measures: hiring of equipment						
A. Hand weights - per tonne or part thereof per day or part thereof	Discretionary					
B. Suspended load platform - per day or part thereof	Discretionary					
C. Delivery and collection of weights/suspended load platform - per hour per officer	Discretionary					

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REGULATORY SERVICES	Statutory or Discretionary	Fee for 2018/19 £	Fee for 2019/20 £	% Increase	Notes
FIREWORKS AND EXPLOSIVES (Explosives Regulations 2014)					The fees listed are for whole years. Fees for parts of a year are charged on a pro-rata basis.
Licence to store explosives where, by virtue of regulation 27 of, and Schedule 5 to, the 2014 Regulations, a minimum separation distance of greater than 0 metres is prescribed					
1 year	Statutory Fee	185.00	185.00	0.0%	
2 years	Statutory Fee	243.00	243.00	0.0%	
3 years	Statutory Fee	304.00	304.00	0.0%	
4 years	Statutory Fee	374.00	374.00	0.0%	
5 years	Statutory Fee	423.00	423.00	0.0%	
Renewal of licence to store explosives where a minimum separation distance of greater than 0 metres is prescribed					
1 year	Statutory Fee	86.00	86.00	0.0%	
2 years	Statutory Fee	147.00	147.00	0.0%	
3 years	Statutory Fee	206.00	206.00	0.0%	
4 years	Statutory Fee	266.00	266.00	0.0%	
5 years	Statutory Fee	326.00	326.00	0.0%	
Licence to store explosives where no minimum separation distance or a 0 metres minimum separation distance is					
1 year	Statutory Fee	109.00	109.00	0.0%	
2 years	Statutory Fee	141.00	141.00	0.0%	
3 years	Statutory Fee	173.00	173.00	0.0%	
4 years	Statutory Fee	206.00	206.00	0.0%	
5 years	Statutory Fee	238.00	238.00	0.0%	
Renewal of licence to store explosives where no minimum separation distance or a 0 metres minimum separation					
1 year	Statutory Fee	54.00	54.00	0.0%	
2 years	Statutory Fee	86.00	86.00	0.0%	
3 years	Statutory Fee	120.00	120.00	0.0%	
4 years	Statutory Fee	152.00	152.00	0.0%	
5 years	Statutory Fee	185.00	185.00	0.0%	
Varying the name of licensee or address of site	Statutory Fee	36.00	36.00	0.0%	
Transfer of licence	Statutory Fee	36.00	36.00	0.0%	
Replacement of licence if lost	Statutory Fee	36.00	36.00	0.0%	
Any other kind of variation (Not varying name of licensee or address of	Discretionary	469.00	554.00	18.1%	
Explosives Assent Procedure	Discretionary	310.00	364.10	17.5%	
Copy of public register entry (per individual entry)	Discretionary	26.00	29.00	11.5%	
CIVIL PARKING ENFORCEMENT FINES					
Higher Level	Statutory Fee	70.00	70.00	0.0%	
Lower Level	Statutory Fee	50.00	50.00	0.0%	
BLUE BADGE PERMITS					
	Statutory Fee	10.00	10.00	0.0%	
PAVEMENT PERMITS					
New Application	Discretionary	135.00	413.00	205.9%	
Renewal	Discretionary	50.00	311.00	522.0%	

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PUBLIC HEALTH	Statutory or Discretionary	Fee for 2018/19 £	Fee for 2019/20 £	Increase %	Notes
REGISTRARS					
Civil Weddings / Partnerships at approved venues					
Mon - Thu	Discretionary	396.00	421.00	6.3%	Proposed Fee for 2020-21 - £421
Fri	Discretionary	396.00	421.00	6.3%	Proposed Fee for 2020-21 - £421
Sat	Discretionary	446.00	471.00	5.6%	Proposed Fee for 2020-21 - £471
Sun & Bank Holiday	Discretionary	446.00	471.00	5.6%	Proposed Fee for 2020-21 - £471
Advanced booking fee for ceremonies booked over a year but under two years from the date of the ceremony	Discretionary	60.00	60.00	0.0%	Proposed Fee for 2020-21 - £60
Advanced Booking Fee for ceremonies booked within one year-Not Refundable	Discretionary	46.00	46.00	0.0%	Proposed Fee for 2020-21 - £46
Administration fee for changes to dates or venues	Discretionary	25.00	25.00	0.0%	Proposed Fee for 2020-21 - £25
Civil Partnerships in Council Ceremony Rooms on Saturdays up to 12:00	Discretionary	176.00	266.00	51.1%	Proposed Fee for 2020-21 - £266
Civil Partnerships/Weddings at Registration Offices after 12.30 on Saturday	Discretionary	261.00	266.00	1.9%	Proposed Fee for 2020-21 - £266
Civil Partnerships/Weddings at Registration Offices after 12.30 on Sundays and Bank Hols	Discretionary	316.00	316.00	0.0%	Proposed Fee for 2020-21 - £316
Additional charge for use of Ceremony room for photographs only	Discretionary	50.00	50.00	0.0%	
Reaffirmation of vows & civil naming ceremonies at approved					
Mon - Fri	Discretionary	265.00	270.00	1.9%	Proposed Fee for 2020-21 - £270
Sat	Discretionary	265.00	270.00	1.9%	Proposed Fee for 2020-21 - £270
Sun & Bank Holiday	Discretionary	320.00	320.00	0.0%	Proposed Fee for 2020-21 - £320
Reaffirmation of vows & civil naming ceremonies at Registration Office					
Mon - Fri	Discretionary	265.00	270.00	1.9%	Proposed Fee for 2020-21 - £270
Sat	Discretionary	265.00	270.00	1.9%	Proposed Fee for 2020-21 - £270
After 12.30 on Saturday	Discretionary	265.00	270.00	1.9%	Proposed Fee for 2020-21 - £270
On Sunday & Bank Hols	Discretionary	320.00	320.00	0.0%	Proposed Fee for 2020-21 - £320
Civil Funeral	Discretionary	180.00	190.00	5.6%	Proposed Fee for 2020-21 - £190
Private Citizenship ceremonies					
At the Shropshire Register Office, Mon - Fri	Discretionary	180.00	180.00	0.0%	Proposed Fee for 2020-21 - £180
Group Citizenship ceremonies	Statutory	80.00	80.00	0.0%	
Licensing of approved venues					
First time applications (up to 2 rooms) - 3 year duration	Discretionary	1,700.00	1,700.00	0.0%	Proposed Fee for 2020-21 - £1700
Renewals (up to 2 rooms) - 3 year duration	Discretionary	1,700.00	1,700.00	0.0%	Proposed Fee for 2020-21 - £1700
Renewals (up to 2 rooms) - 5 year duration	Discretionary	2,550.00	2,550.00	0.0%	Proposed Fee for 2020-21 - £2550
Renewals (up to 2 rooms) - 7 year duration	Discretionary	3,400.00	3,400.00	0.0%	Proposed Fee for 2020-21 - £3400
Renewals (up to 2 rooms) - 10 year duration	Discretionary	4,600.00	4,600.00	0.0%	Proposed Fee for 2020-21 - £4600
Addition of extra room	Discretionary	250.00	250.00	0.0%	Proposed Fee for 2020-21 - £250
Licensing of additional building within curtilage, outside application period.	Discretionary	710.00	710.00	0.0%	
Appeals against revocation or refusal to issue approval (non-refundable charge)	Discretionary	1,300.00	1,300.00	0.0%	Proposed Fee for 2020-21 - £1300
Copy certificates-issued at registration					
Short birth certificates	Statutory	4.00	4.00	0.0%	Proposed Fee for 2020-21 - £4
Standard birth certificates	Statutory	4.00	4.00	0.0%	Proposed Fee for 2020-21 - £4
Death certificates	Statutory	4.00	4.00	0.0%	Proposed Fee for 2020-21 - £4
Marriage certificates	Statutory	4.00	4.00	0.0%	Proposed Fee for 2020-21 - £4
Extract from civil partnership register	Statutory	4.00	4.00	0.0%	Proposed Fee for 2020-21 - £4
Standard certificate from civil partnership register	Statutory	4.00	4.00	0.0%	Proposed Fee for 2020-21 - £4
Marriage Certificates following Conversion from a Civil Partnership. Issued on the day	Statutory	4.00	4.00	0.0%	Proposed Fee for 2020-21 - £4
Copy certificates-issued after registration					
Short birth certificates	Statutory	7.00	7.00	0.0%	Proposed Fee for 2020-21 - £7
Standard birth certificates	Statutory	7.00	7.00	0.0%	Proposed Fee for 2020-21 - £7
Death certificates	Statutory	7.00	7.00	0.0%	Proposed Fee for 2020-21 - £7
Marriage certificates	Statutory	7.00	7.00	0.0%	Proposed Fee for 2020-21 - £7
Extract from civil partnership register	Statutory	10.00	10.00	0.0%	Proposed Fee for 2020-21 - £10
Standard certificate from civil partnership register	Statutory	10.00	10.00	0.0%	Proposed Fee for 2020-21 - £10

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PUBLIC HEALTH	Statutory or Discretionary	Fee for 2018/19 £	Fee for 2019/20 £	Increase %	Notes
Copy certificates-issued month or more after registration					
Short birth certificates	Statutory	10.00	10.00	0.0%	Proposed Fee for 2020-21 - £10
Standard birth certificates	Statutory	10.00	10.00	0.0%	Proposed Fee for 2020-21 - £10
Death certificates	Statutory	10.00	10.00	0.0%	Proposed Fee for 2020-21 - £10
Marriage certificates	Statutory	10.00	10.00	0.0%	Proposed Fee for 2020-21 - £10
Extract from civil partnership register	Statutory	10.00	10.00	0.0%	Proposed Fee for 2020-21 - £10
Standard certificate from civil partnership register	Statutory	10.00	10.00	0.0%	Proposed Fee for 2020-21 - £10
Marriage Certificates following Conversion from a Civil Partnership. Issued after the day	Statutory	10.00	10.00	0.0%	Proposed Fee for 2020-21 - £10
Gold - priority service					
Expediated service charge (including certificate fee)					
Expediated service charge - next day delivery (including certificate fee)	Discretionary	35.00	35.00	0.0%	Proposed Fee for 2020-21 - £35
Silver - premium service					
Recorded delivery (including certificate fee)	Discretionary	16.50	16.50	0.0%	Proposed Fee for 2020-21 - £16.50
Bronze - standard service					
Certificate fee only	Discretionary	10.00	10.00	0.0%	Proposed Fee for 2020-21 - £10
Bronze Service Handling and postage	Discretionary	1.00	1.00	0.0%	Proposed Fee for 2020-21 - £1
Registration of birth					
Certificate	Statutory				
Registration of birth - additional charge for late appointment 16:30-18:30	Discretionary	10.00	10.00	0.0%	
Space 17- Insertion/ Removal of Forenames within 12 months of registration	Statutory	40.00	40.00	0.0%	Proposed Fee for 2020-21 - £40
Registration of death					
Certificate	Statutory				
Notice of marriage (per person)	Statutory	35.00	35.00	0.0%	Proposed Fee for 2020-21 - £35
Home Office Referral (if necessary)	Statutory	24.00	24.00	0.0%	Proposed Fee for 2020-21 - £24
Fee payable for a statutory basic marriage ceremony in a registrar's office	Statutory	46.00	46.00	0.0%	Proposed Fee for 2020-21 - £46
Notice of marriage - additional charge for late appointment 16:30-18:30	Discretionary	20.00	20.00	0.0%	Proposed Fee for 2020-21 - £20
Notice of civil partnership registration (per person)	Statutory	35.00	35.00	0.0%	Proposed Fee for 2020-21 - £35
Fee payable for a statutory basic civil partnership formation in a registrar's office	Statutory	46.00	46.00	0.0%	Proposed Fee for 2020-21 - £46
Conversion of Civil Partnership to Marriage					
Conversion of Civil Partnership to Marriage (BASIC SINGLE STAGE)	Statutory	45.00	45.00	0.0%	Proposed Fee for 2020-21 - £45
Conversion of Civil Partnership to Marriage (2 stage)	Statutory	27.00	27.00	0.0%	Proposed Fee for 2020-21 - £27
SR's attendance at a building registered for the marriage of same sex couples, or at a conversion at according to the usages of the Jews or Society of Friends, or at a military, naval or air force chapel registered for the marriage of same sex couples.	Statutory	91.00	91.00	0.0%	Proposed Fee for 2020-21 - £91
Consideration by Registrar of Divorce/dissolution/nullity outside the British Isles	Statutory	50.00	50.00	0.0%	Proposed Fee for 2020-21 - £50
Consideration by Registrar General of Divorce/dissolution/nullity outside the British Isles	Statutory	75.00	75.00	0.0%	Proposed Fee for 2020-21 - £75
Applications to waiver 28 days waiting period	Statutory	60.00	60.00	0.0%	Proposed Fee for 2020-21 - £60
Corrections:					
Consideration by registrar of a correctio application	Statutory	75.00	75.00	0.0%	Proposed Fee for 2020-21 - £75
Consideration by Registrar General of a correction application	Statutory	90.00	90.00	0.0%	Proposed Fee for 2020-21 - £90
Rehearsals					
Rehearsals at any Registration Office Mon-Fri normal office hours	Discretionary	50.00	50.00	0.0%	Proposed Fee for 2020-21 - £50
Rehearsals at any Registration Office Sat pre 12.30	Discretionary	100.00	100.00	0.0%	Proposed Fee for 2020-21 - £100
Additional Services					
Completion of PD2	Discretionary	10.00	10.00	0.0%	Proposed Fee for 2020-21 - £10
Personalisation of Wedding Vows					
Commemorative Certificate-e.g. for siblings	Discretionary	4.50	4.50	0.0%	Proposed Fee for 2020-21 - £4.50
Commemorative Certificate-e.g. anniversaries	Discretionary	6.00	6.00	0.0%	Proposed Fee for 2020-21 - £6
Commemorative Certificate Laminating	Discretionary	1.00	1.00	0.0%	Proposed Fee for 2020-21 - £1
Confetti	Discretionary	1.00	1.00	0.0%	Proposed Fee for 2020-21 - £1

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LEGAL & DEMOCRATIC	Statutory or Discretionary	Fee for 2018/19 £	Fee for 2019/20 £	Increase %	Notes
LEGAL FEES					
All legal advice and transactions (excluding disbursements) - level of charge dependent on charge out rate of respective fee earner)					
S106 Agreements Generally	Discretionary	£80 - £120 per hour	£80 - £120 per hour	0.0%	
S106 Agreement - Single Plot	Discretionary	£80 - £120 per hour	£80 - £120 per hour	0.0%	
S106 Agreement - For Off-site Affordable Housing Contributions	Discretionary	450.00	450.00	0.0%	
Hourly Charge	Discretionary	200.00	200.00	0.0%	
S 38 Agreements	Discretionary	£80- £120 per hour plus disbursements	£80- £120 per hour plus disbursements	0.0%	
S 278 Agreements	Discretionary	£80- £120 per hour plus disbursements	£80- £120 per hour plus disbursements	0.0%	
Deed of Grant for surface water drainage	Discretionary	£80- £120 per hour plus disbursements	£80- £120 per hour plus disbursements	0.0%	
Consents for sublease / charge on Battlefield/Oxon business park	Discretionary	40.00	40.00	0.0%	
Deeds of covenant for assignments on Battlefield/ Oxon	Discretionary	175.00	175.00	0.0%	
Deeds of covenant for assignments on former smallholdings	Discretionary	350.00	350.00	0.0%	
Commons Register Amendments	Discretionary	1,000.00	1,000.00	0.0%	
Education Appeals (There are further charges for each appeal whc)					
Admissions Appeals					
If the Chairman of the Appeals Panel considers that further legal advice is necessary then the Appeals Clerk will seek advice from the Council's legal services at a cost of £100 per hour (pro rata)					
	Discretionary	£100 per hour (pro rata)	£100 per hour (pro rata)	0.0%	
Exclusion Appeals					
Recharge school at cost separately for any legal services, if required, which will be charged at the rate of £80 to £120 per hour depending upon the solicitor instructed. (NB: It is highly likely that a Solicitor will be required to attend for the entire Panel hearing.)					
	Discretionary	£80 - £120 per hour	£80 - £120 per hour	0.0%	
ELECTORIAL REGISTRATION					
Sale of Full or Edited Register of Electors					
In Data Form	Statutory	£20 plus £1.50 per 1000 entries (or part)	£20 plus £1.50 per 1000 entries (or part)	0.0%	
In Printed Form	Statutory	£10 plus £5 per 1000 entries (or part)	£10 plus £5 per 1000 entries (or part)	0.0%	
Sale of Full list of Overseas Electors					
In Data Form	Statutory	£20 plus £1.50 per 100 entries (or part)	£20 plus £1.50 per 100 entries (or part)	0.0%	
In Printed Form	Statutory	£10 plus £5 per 100 entries (or part)	£10 plus £5 per 100 entries (or part)	0.0%	
Elections Charges to Parish and Town Councils					
Uncontested Elections	Discretionary	£100 per election (if warded or grouped the cost is £100 for each ward or parish as they are classed as separate elections)	£100 per election (if warded or grouped the cost is £100 for each ward or parish as they are classed as separate elections)	0.0%	
Contested Elections	Discretionary	Actual cost of election.	Actual cost of election.		

FEES & CHARGES

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SHIRE SERVICES	Statutory or Discretionary	Fee for 2018/19 £	Fee for 2019/20 £	Increase %	Notes
SHIRE SERVICES					
Cleaning					
Average charge per hour	Discretionary	15.07			Trading
Catering					
Primary (Reception to Year 2) - average per meal	Statutory	2.20	To be determined in 2019/20 to ensure a break-even level.		Trading
Primary (Year 3 onwards) - average per meal	Discretionary	2.20		Trading	
Secondary - average per meal	Discretionary	2.35		Trading	
Worcester schools - average per meal	Discretionary	2.30		Trading	

FEES & CHARGES

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CHILDREN'S SERVICES	Statutory or Discretionary	Fee for 2018/19 £	Fee for 2019/20 £	Increase %	Notes
MUSIC SERVICE (Charges Based on Academic Year)					
Bought In					
Bought-in Lesson (per hour)	Discretionary	46.00	46.50	1.1%	
Bought-in Lesson (including admin service) (per hour)	Discretionary	50.00	50.50	1.0%	
Bought-in Lesson (pupils that cannot be grouped) (per hour)	Discretionary	44.00	44.50	1.1%	
Whole Class Tuition (KS2) (per hour)	Discretionary	40.00	40.50	1.3%	
Whole Class Tuition (per hour)	Discretionary	44.00	44.50	1.1%	
Curriculum Support (per hour)	Discretionary	48.00	48.50	1.0%	
School Ensembles	Discretionary	48.00	48.50	1.0%	
Remissions					
Income Support (Free School Meals) (Refund per term)	Discretionary	45.00 + Free Instrument	45.00 + Free Instrument		
Child Tax Credit & Working Tax Credit (contact Service for criteria) (Refund per term)	Discretionary	22.50 + 25% off	22.50 + 25% off Instrument		
School of Music					
A – see Service ensemble list	Discretionary	40.00	42.00	5.0%	
B – see Service ensemble list	Discretionary	30.00	32.00	6.7%	
Special Double Bass Lessons					
Term 1 (per hour)	Discretionary	Free + Free Instrument	Free + Free Instrument	0.0%	
Term 2 & 3 (per hour)	Discretionary	23.00 + Free Instrument	23.00 + Free Instrument	0.0%	
Continuation from Whole Class (Groups of 6 of more in half an hour)					
Year 1 (per hour)	Discretionary	23.00 + Free Instrument	23.00 + Free Instrument	0.0%	
Festivals and Workshops - Charges to Schools					
Area Festivals (per pupil) - minimum £95 and maximum £265	Discretionary	2.00	2.00	0.0%	
Djembe and Stomp Workshops	Discretionary				
Colleges (per hour)	Discretionary				
Instrument Hire					
Instrument Hire (Violin/Ukulele/Guitar) (per term)	Discretionary	8.50	8.50	0.0%	
Instrument Hire (Popular) (per term)	Discretionary	20.00	20.00	0.0%	
Instrument Hire (Other) (per term)	Discretionary	15.00	15.00	0.0%	
Popular - bassoon, double bass, euphonium, french horn, tuba, tenor horn, viola,					
Other - cello, clarinet, cornet, flute, trombone, trumpet, snare drum, saxophone, harp					
SPECIAL EDUCATION					
EWO Penalty Charges					
- Per pupil (if paid within 21 days)	Statutory	£60	The Statutory Instrument prescribing these charges has not been updated for a number of years so charges will remain at current levels until informed otherwise	0.0%	
- Per pupil (if paid within 22 - 28 days)	Statutory	£120		0.0%	
Home to School / College Transport Charges (Charges Based on Academic Year)					
Post 16 (Mainstream & SEND)					
Autumn	Discretionary	293.00	295.00	0.7%	
Spring	Discretionary	291.00	295.00	1.4%	
Summer	Discretionary	291.00	285.00	-2.1%	
Annual	Discretionary	875.00	875.00	0.0%	
Benefits (Admin Fee)	Discretionary	142.50	**		** Subject to consultation
In Catchment Pupils (Full Term)					
Post 16	Discretionary	293.00	295.00	0.7%	
Primary & Secondary	Discretionary	161.00	180.00	11.8%	
2nd Child	Discretionary	138.00	156.00	13.0%	
Half Term / AM or PM	Discretionary	105.00	121.00	15.2%	
2nd Child	Discretionary	94.00	109.00	16.0%	
Free School Meals	Discretionary	10.00	10.00	0.0%	
Out of Catchment Pupils (Full Term)					
Post 16	Discretionary	293.00	295.00	0.7%	
Primary / Secondary	Discretionary	227.00	250.00	10.1%	
Free School Meals	Discretionary	10.00	10.00	0.0%	

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ADULT SERVICES	Statutory or Discretionary	Fee for 2018/19 £	Fee for 2019/20 £	Increase %	Notes
Day Care Related Charges:					
Transport Daily Charges					
5 mile radius (up to 10 miles per day)	Discretionary	4.79	4.90	2.4%	
10 mile radius (up to 20 miles per day)	Discretionary	7.18	7.34	2.2%	
Over 10 miles radius (over 20 miles per day)	Discretionary	9.57	9.78	2.2%	
Day Centre Attendance Charge per day (includes refreshments and some activities)					
Older People					
Helena Lane	Discretionary	53.48	55.10	3.0%	
Learning Disabilities					
Abbotswood	Discretionary	51.30	52.85	3.0%	
Aquamira	Discretionary	103.63	106.75	3.0%	
Greenacres	Discretionary	38.50	39.65	3.0%	
Albert Road	Discretionary	45.99	47.35	3.0%	
Helena Lane	Discretionary	58.79	60.55	3.0%	
Wayfarers	Discretionary	43.81	45.10	3.0%	
Avalon	Discretionary	64.09	66.00	3.0%	
Hydrotherapy charges (based on hirers using their own staff)					
20 minute Hydro session	Discretionary	10.41	10.70	2.8%	
1 hour pool hire	Discretionary	31.22	32.15	3.0%	
Multi-sensory room Aquamira (per person for a half hour session)	Discretionary	5.20	5.35	2.8%	
Residential Related Charges:					
Older People					
Four Rivers existing residents (excluding FNC)	Discretionary				
Four Rivers new residents (excluding FNC)	Discretionary				
		It is recommended that fees for current clients be increased by 2% from 1st April 2018	It is recommended that fees for current clients be increased by 3% from 1st April 2019		
		775.20	798.46	3.0%	
COURT OF PROTECTION CLIENT PROPERTY CHARGES					
Work up to court decision appointing a deputy	Statutory Fee				
Annual management fee -first year	Statutory Fee	As per statute			
Annual management fee -after 1st year	Statutory Fee				
Annual property management fee	Statutory Fee				
COMMUNITY SERVICES JOINT TRAINING COURSES					
- Band A Half Day (Voluntary Sector in Shropshire - paid workers)	Discretionary	£15 - £31	£11-£34		Full breakdown of individual course fees can be found in the current Joint Training booklet. Revised fees will be published in the next Joint Training Booklet and customers will be advised via E-gov new letter in advance of increase.
- Band A Full Day (Voluntary Sector in Shropshire - paid workers)	Discretionary	£42 - £52	£42-£54.50		
- Band B Half Day (Shropshire)	Discretionary	£20 - £36	£16-£39		
- Band B Full Day (Shropshire)	Discretionary	£47 - £52	£47-£59.50		
- Band B Half Day (Telford & Wrekin)	Discretionary	£23.50 - £41	£20-£44		
- Band B Full Day (Telford & Wrekin)	Discretionary	£47 - £57	£47-£69.50		
- Band C Half Day (Other (Out of county care providers, other LAs and commercial organisations which are not care or health providers)	Discretionary	£61 - £70	£30-£74		
- Band C Full Day (Other (Out of county care providers, other LAs and commercial organisations which are not care or health providers)	Discretionary	£102	£102-£114.50		
- In House Training Half Day	Discretionary	Guideline price £250	£245-£300		
- In House Training Full Day	Discretionary	Guideline price £430	£420-£500		
- Bespoke Training		Prices quoted on application		N/A	

FEES & CHARGES

APPENDIX 3

HOUSING HEALTH	Statutory or Discretionary	Fee for 2018/19 £	Fee for 2019/20 £	% Increase	Notes
Home Point					
Advertising charges to Housing Associations for vacant properties on the Homepoint website	Discretionary	£70.00	£70.00	0.0%	
Housing Options					
LHA (Local Housing Allowance) entitlement for size of household up to max of 4 bedroom entitlement - any discretionary management fee can no longer be charged by law					
Rates as shown below per week:-					
Shared accommodation or most single aged under 35	Statutory	£83.00	£85.00	2.4%	
1 bedroom	Statutory	£88.00	£90.00	2.3%	
2 bedrooms	Statutory	£110.00	£112.00	1.8%	
3 bedrooms	Statutory	£130.00	£133.00	2.3%	
4 bedrooms	Statutory	£170.00	£174.00	2.4%	
Hostels (predominantly 1 bedroom and part furnished)	Statutory	-	-	-	
Bed & Breakfast	Statutory	-	-	-	
Reimbursement of cost to us minus £18.23 which we are unable to recover from Rev & Bens Housing Benefits					
Note: There has been a date specified of May 2018 for the full roll out of UC to couples and families in Shropshire. UC is paid according to the size of the household not the size of the property.					

APPENDIX 4

HOUSING REVENUE ACCOUNT RENT LEVEL 2019/20

Summary

This report recommends the approach to be followed to calculate rent levels and service charges for the Council's retained housing stock and shared ownership homes for the 2019/20 financial year. Over recent years the Government's policy regarding the level of rent for social housing has been subject to significant changes, the most recent being those introduced by the Welfare Reform and Work Act 2016. This Act imposed the requirement for social housing rent to be cut by 1% each April for 4 years commencing in April 2016. The rent level for the 2019/20 financial year will be the fourth and final year of this policy and as such rent will be subject to a 1% reduction from April 2019. Service charges and rent for Shared Ownership homes are not bound by this requirement.

Recommendations

It is recommended that:

Social Housing rents for 2019/20 are reduced by 1% from 1st April 2019.

Affordable rents for 2019/20 are reduced by 1% from 1st April 2019.

Shared Ownership rents continue to be set at 2.75% of the outstanding capital value of the home at the time of sale and thereafter increased each April in accordance with the terms specified in the lease agreements.

Service charges continue to be set on the basis of actual cost.

Background

The Housing Revenue Account (HRA) is a ring fenced account separate from the General Fund that records the financial transactions relating to the management and maintenance of the Council's retained housing stock, and the primary source of income (approximately 98%) comes from tenants' housing rent.

Since 2002 Council house rents in Shropshire were increased annually based on the Government's recommended formula rent calculation. This approach was followed by the former District and Borough Councils in Bridgnorth and Oswestry from 2002 and by subsequently Shropshire Council from 2009.

In May 2014 the coalition Government issued new Guidance on Rents for Social Housing. This guidance ended the previously complex formula rent calculation and replaced it with a simple annual inflationary uplift determined by the preceding September Consumer Price Index (CPI) plus 1%. The new guidance took effect from April 2015 and was intended to apply for 10 years.

Following the general election in May 2015 the Chancellor announced in his Budget Statement made on the 8th July 2015 that the new Government intended to abandon the 10 year guidance and instead impose a requirement for local authorities and housing associations to cut rent by 1% for 4 consecutive years commencing in April 2016. This policy was subsequently incorporated in the Welfare Reform and Work Act 2016 and will apply to rents for 2019/20.

Affordable Rent

The HRA new homes building programmes have so far delivered a total of 116 affordable homes for rent or shared ownership. These programmes have been part funded by Homes and Communities Agency (now Homes England) grant which has enabled the conversion of up to 241 homes from social rent to affordable rent as an additional contribution to the funding. Affordable rents are set at 80% of the market rent for a similar property in the area and are on average £17.59 a week higher than the social rent. There is a local safeguard that the affordable rent cannot exceed the Local Housing Allowance. Suitable properties are converted at re-let and to date a total of 229 homes have been switched. All rented new build homes (82) are let on an affordable rent.

Shared Ownership Rent

Under shared ownership the purchaser buys a share of the home (typically between 40% and 60%) and pays rent to the Council initially set at 2.75% of the remaining unpurchased market value. Each subsequent April the rent payment is increased by the terms specified in the lease agreement which will be either the preceding September Consumer Price Index (CPI) plus 1% or the preceding September Retail Price Index (RPI) plus ½%. These terms are specified in the lease agreements between the Council and the purchaser and are not affected by the requirements of the Welfare Reform and Work Act 2016. The September 2018 CPI was 2.4% and the RPI was 3.3% meaning that the uplift for April 2019 will be either 3.4% or 3.8% depending in the specific agreement. To date we have 34 occupied shared ownership properties of which 24 are CPI based and 10 are RPI based.

Service Charges

Service charges are applied to a number of tenancies in respect of specific services relating to either the property (such as cleaning in communal areas) or provided specifically for the tenant (such as garden maintenance). Service charges are applied in addition to the rent charge and are subject to an individual calculation based on recovery of costs incurred in the provision of the service.

Financial Implications

Application of a 1% rent cut will result in the 52 week average social rent falling by 81p to £79.83 per week and the average affordable rent falling by 98p to £97.42 per week. The overall impact to the HRA will be a reduction in rent income of £168,800 from

2018/19 to 2019/20. The inflationary increase for shared ownership properties will increase the average weekly rent by £1.23 to £36.35 (52 week basis).



<u>Committee and Date</u>	<u>Item</u>
Cabinet	
13 February 2019	<u>Public</u>

CAPITAL STRATEGY 2019/20 – 2023/24

Responsible Officer James Walton

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1. Summary

- 1.1 The Council is required to prepare a Capital Strategy which demonstrates that the authority takes capital expenditure and investment decisions in line with service objectives and properly takes account of stewardship, value for money, prudence, sustainability and affordability. This is the first year that the Council has had to prepare a Capital Strategy and ensure that the Council is complying with the revised Prudential Code for Capital Finance in Local Authorities that CIPFA published in 2017.
- 1.2 The strategy gives an overview of how capital expenditure, capital financing and treasury management activities contribute to the provision of services, but importantly considers the associated risks for the future financial sustainability. The strategy also considers the governance surrounding capital investments that has been implemented within the Council.
- 1.3 The capital programme for 2019/20 to 2021/22 is also considered within the Capital Strategy and schemes are only included within the Capital Programme once they have been approved by the Capital Investment Board following a stringent gateway approval mechanism and the appropriate approval has been sought from Cabinet or Council.

2. Recommendations

- 2.1 It is recommended that members:
 - A. Agree and recommend to Council the adoption of the Capital Strategy 2019/20 - 2023/24 attached as Appendix 1.
 - B. Agree and recommend to Council the revised Capital Programme as set out in the report and detailed at Section 7 and Appendix B to the Capital Strategy

REPORT

3. Risk Assessment and Opportunities Appraisal

- 3.1. The development of the Council's Capital Strategy is a fundamental process in evaluating the financial risks arising from investment projects, both in terms of the risks arising from the individual projects and the impact that they have on the Council's financial position and sustainability.
- 3.2. The Strategy outlines the process for evaluating business cases for investment, which always considers the financial and non-financial risks arising from the project.
- 3.3. The Strategy also focusses on the overall financing capability of the Council to take forward prospective projects and categorises potential projects into investment categories and types. Each investment category and type is evaluated to consider the level of investment risk associated with them. Each investment type is then given a risk score which gives a basis for the level of exposure the Council should expose itself to when considering which capital projects to pursue. Further details of the risk analysis are provided in Section 5 of the Capital Strategy attached.

4. Development of the Capital Strategy

- 4.1 Since the introduction of the revised Prudential Code for Capital Finance in Local Authorities by CIPFA in 2017, the Council has been considering and evaluating the necessary processes and procedures that we need to have embedded in order to comply with the requirements of the Code.
- 4.2 Over the last twelve months the "Hopper" process has been developed which provides a clear framework and governance regarding how capital projects will be considered and evaluated within the Council.
- 4.3 Alongside this, the Council has also been considering the potential investment fund that could be available to take forward prospective projects and has held workshops with officers and members to consider the investment categories and risks that need to be considered when evaluating where the Council invests money into large scale projects.
- 4.4 The outcome of these activities has enabled the Capital Strategy to be drawn up over the last year and whilst the Strategy detailed in Appendix 1 is the current position of projects and funding available, it is recognised that this will be constantly changing as new projects come forward and business cases are developed to confirm projected figures. It is also recognised that this Strategy and the projects identified within this Strategy need to be consistent with other Corporate Strategies including the Financial Strategy, the Treasury Strategy, the Corporate Plan, the Economic Development Strategy, the Commercial Strategy, the Housing Strategy and the Digital Transformation Strategy. It is anticipated

that further work will continue around this over the spring and summer as the longer-term Financial Strategy is developed and other Strategies are reviewed.

5. Capital Programme 2019/20 - 2021/22

5.1 The capital programme for 2019/20 to 2021/22 is shown in the table below and reported in more detail in the Capital Strategy.

Scheme Description	2019/20 Revised Budget £	2020/21 Revised Budget £	2021/22 Revised Budget £
<u>General Fund</u>			
Place & Enterprise	37,252,752	18,817,000	15,001,000
Adult Services	3,600,000	-	-
Public Health	230,000	-	-
Children's Services	14,652,743	3,364,358	1,000,000
Resources & Support	5,000,000	-	-
Total General Fund	60,735,495	22,181,358	16,001,000
Housing Revenue Account	7,600,950	-	-
Total Approved Budget	68,336,445	22,181,358	16,001,000

List of Background Papers (This MUST be completed for all reports, but does not include items containing exempt or confidential information)

Financial Strategy 2018/19 – 2022/23 – Council, 22nd February 2018
 Financial Monitoring Report Quarter 3 – 2018/19 – Cabinet, 13th February 2019
 Treasury Strategy 2019/20 – Cabinet, 13th February 2019

Cabinet Member (Portfolio Holder)

David Minnery

Local Member

All

Appendices

Appendix 1 - Capital Strategy 2019/20 To 2023/24

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Capital Strategy

2019/20 to 2023/24

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Appendix A: Programme Governance

Appendix B: Capital Programme 2019/20 to 2021/22

1. Introduction

- 1.1 The Chartered Institute of Public Finance and Accountancy (CIPFA) published a revised Prudential Code for Capital Finance in Local Authorities (The Code) in 2017. The objectives of the Code are to ensure that the capital expenditure plans of local authorities are affordable, prudent and sustainable, and that treasury management decisions are taken in accordance with good professional practice and in full understanding of the risks involved and how these risks will be managed to levels that are acceptable to the organisation.
- 1.2 In order to demonstrate that the authority takes capital expenditure and investment decisions in line with service objectives and properly takes account of stewardship, value for money, prudence, sustainability and affordability authorities should have in place a capital strategy that sets out the long-term context in which capital expenditure and investment decisions are made and gives due consideration to both risk and reward and impact on the achievement of priority outcomes.
- 1.3 The capital strategy is intended to give a high-level overview of how capital expenditure; capital financing and treasury management activity contribute to the provision of services along with an overview of how associated risk is managed and the implications for future financial sustainability.
- 1.4 Capital investment is technically described as “Expenditure on the acquisition, creation, or enhancement of ‘long term assets’”. This is items of land, property and plant which have a useful life of more than 1 year.
- 1.5 The Capital Strategy will continue to develop over the coming years as greater certainty over Council resources and responsibilities is ascertained following the roll out of Fair Funding and Business Rates Retention by April 2020. It is anticipated that, in the fulness of time, the arrangements and ambitions set out in this document will be refined to appropriately reflect the nature of Shropshire Council’s Capital Strategy over a 5 to 20-year planning horizon.

2. Objectives

2.1 The key aims of the capital strategy are to:

- Provide a clear set of objectives and a framework, within the CIPFA codes and statutory legislation, by which new projects are evaluated to ensure that all new funding is targeted at meeting the priorities of the Councils Corporate Plan;
- Prioritise projects that not only achieve ongoing statutory requirements but also deliver the key underlying objective of all the Council's strategies; to become more financially sustainable.
- Set out how the Council identifies, programmes and prioritises funding requirements and proposals arising from business cases submitted through a Capital Investment Board following a stringent gateway appraisal mechanism comprising of Expression of Interest Case (EOI), Outline Business Case (OBC) and Full Business Case (FBC) before necessary Cabinet and/or Council approval;
- Consider options available for funding expenditure and how resources can be maximised to generate investment. To determine a prudent, affordable and self-sustaining funding policy framework, whilst minimising or mitigating the ongoing revenue implications of any such investment;
- Identify the resources available for investment;
- Ensure the strategy has an overall balance of risk, on a range of projects;
- Establish effective arrangements for the management of expenditure including the assessment of project outcomes, budget profiling, deliverability, value for money, liquidity and yield of investments.

3. Asset Management Planning

3.1 The overriding objective of asset management with the council is to achieve a corporate portfolio of property assets that is appropriate, fit for purpose and affordable. The council's property portfolio consists of operational property, investment property and property held for specific community or regeneration purposes. The council has specific reasons for owning and retaining property:

- Operational purposes, e.g. assets that support core business and service delivery, e.g. schools, office buildings.
- Investment properties held to provide a financial return to the council that supports service provision.
- Parks, playgrounds and open spaces.
- Regeneration, enabling strategic place shaping and economic growth.

3.2 Asset management is an important part of the council's business management arrangements and is crucial to the delivery of efficient and effective services, the ongoing management and maintenance of capital assets will be considered as part of the strategy. The asset management planning includes an objective to optimise the council's land and property portfolio through proactive estate management and effective corporate arrangements for the acquisition and disposal of land and property assets.

3.3 The council will continue to realise the value of any properties that have been declared surplus to requirements in a timely manner, having regard to the prevailing market conditions.

3.4 When a capital asset is deemed as surplus, it may be sold so that the proceeds, known as capital receipts, can be spent on planned capital expenditure. Repayments of capital grants, loans and investments also generate capital receipts. The Council already has budget commitments within the current capital programme of projects expected to be funded from capital receipts. The current position of expected capital receipts against budget commitments is as follows:

Detail	2018/19 £	2019/20 £	2020/21 £	2021/22 £
Corporate Resources Allocated in Capital Programme	7,321,041	14,765,473	114,288	-
Capital Receipts used to finance redundancy costs				
To be allocated from Ring Fenced Receipts	4,272,454	7,989,688	2,557,456	-
Total Commitments	11,593,495	22,755,161	2,671,744	-
Capital Receipts in hand/projected:				
Brought Forward in hand	20,857,133	11,499,251	(6,720,910)	(8,927,654)
Generated 2018/19YTD	1,932,232	-	-	-
Projected - 'Green'	303,381	4,535,000	465,000	-
Total in hand/projected	23,092,746	16,034,251	(6,255,910)	(8,927,654)
Shortfall to be financed from Prudential Borrowing / (Surplus) to carry forward	(11,499,251)	6,720,910	8,927,654	8,927,654
Further Assets Being Considered for Disposal	953,001	3,064,544	3,400,000	-

- 3.5 The previous table demonstrates that by 2021/22 the Council will require £8.9m of generated capital receipts to meet its current liabilities within the approved capital programme. Of this budget requirement £7.4m of assets have been identified as surplus to requirements with the potential to dispose, leaving a funding shortfall of £1.5m that will have to be addressed from Prudential Borrowing unless further disposals are forthcoming.
- 3.6 Asset Management Planning needs full consideration as part of the Capital Strategy to fund future projects that are deemed unsuitable to be funded from Prudential Borrowing as they neither generate new income nor create revenue savings that will fund the resulting MRP requirement. At the point of considering such projects for inclusion in the Capital Programme, asset disposals to fund these projects will form part of the full appraisal process.

4. Commercial Activity & Investment Property

- 4.1 The Chartered Institute of Public Finance and Accountancy (CIPFA) defines investment property as property held solely to earn rentals or for capital appreciation or both. Returns from property ownership can be both income-driven (through the receipt of rent) and by way of appreciation of the underlying asset value (capital growth). The combination of these is a consideration in assessing the attractiveness of a property for acquisition.
- 4.2 In the context of the Capital Strategy, the council is using capital to invest in property to provide a positive surplus / financial return. The council may fund the purchase of the property by borrowing money, normally from the Public Works Loan Board and Debt Management Office as part of HM Treasury. The rental income paid by the tenant(s) should exceed the cost of repaying the borrowed money each year. The annual surplus then supports the council's budget position and enables the council to continue to provide services for local people.
- 4.3 The reasons for buying and owning property investments are primarily:
- Financial returns to fund services to residents.
 - Market and economic opportunity.
 - Economic development and regeneration actively in the council area.
- 4.4 Historically, property has provided strong investment returns in terms of capital growth and generation of stable income. Property investment is not without risk as property values can fall as well as rise and changing economic conditions could cause tenants to leave with properties remaining vacant.
- 4.5 The strategy makes it clear that the council will continue to invest prudently on a commercial basis and to take advantage of opportunities as they present themselves, supported by our robust governance process.
- 4.6 CIPFA has recently expressed concerns at the level of borrowing some local authorities have made to invest in commercial property and has reminded councils that local authorities "should avoid exposing public funds to unnecessary or unquantified risk".
- 4.7 As a result of these concerns there is a distinct possibility that CIPFA will issue additional guidance soon and make it clear that these investment approaches are not consistent with the requirements of fiscal sustainability, prudence and affordability by introducing a cap on borrowing in relation to commercial investment activity.

5. Capital & Investment Priorities

- 5.1 Underlying the Capital and Investment Strategy is the recognition that the financial resources available to meet capital expenditure priorities are constrained by a significant reduction in financial resources. The Council must therefore rely on internal capital resources including borrowing or external funds and seek ways in which all investment decisions can be no less than self-sustaining financially whilst generating significant positive returns in terms of meeting priorities.
- 5.2 The Council will assess its overall approach to investment. This will reflect those investments made into the delivery of services and those designed for a wider economic basis. A balanced portfolio approach to investment will ensure an overall net average return reflecting some investments will yield higher returns than others and limit exposure to volatility in any one area.
- 5.3 The Council envisages that investments can be classified into three main categories being:
- Commercial
 - Transformation
 - Economic Growth

5.4 **Commercial**

Commercial investments can be sub-divided into several investment types:

Private Commercial (C1)

Build, re-develop, manage, sell property for commercial purposes, for which the Council is predominantly seeking a commercial return rather than another factor, such as economic regeneration.

Public Commercial (C2)

Build, re-develop and manage property specifically designed to deliver services from public sector partners.

Hybrid (C3)

Develop new and innovative solutions that provide a mix between Council Services, Public Sector, Commercial Return and Place Shaping.

Private Housing (C4)

Build, re-develop, manage or sell-on residential housing solutions encompassing all development types including high end to affordable, new build to redevelopment of iconic sites.

5.5 Transformation

Transformation investments can be sub-divided into several investment types:

Non-Property Service Investment (T1)

Invest in and re-develop direct service delivery, but not necessarily physical assets or property.

Assets to Manage Growth (T2)

Build, re-develop, manage and deliver services from property specifically designed to deliver core Council services with the key objective being arresting growth in service costs.

Assets to Manage Rationalisation (T3)

Build, re-develop, manage and deliver services from property specifically designed to deliver core Council services with the key objective being rationalisation, reduction and efficiency.

5.6 Economic Growth

Economic growth investments can be sub-divided into a few investment types:

Infrastructure (EG1)

Build or commission strategic infrastructure within Shropshire, potentially for commercial return, potentially to reduce costs, potentially to create wider strategic opportunity for development.

Economic Growth (EG2)

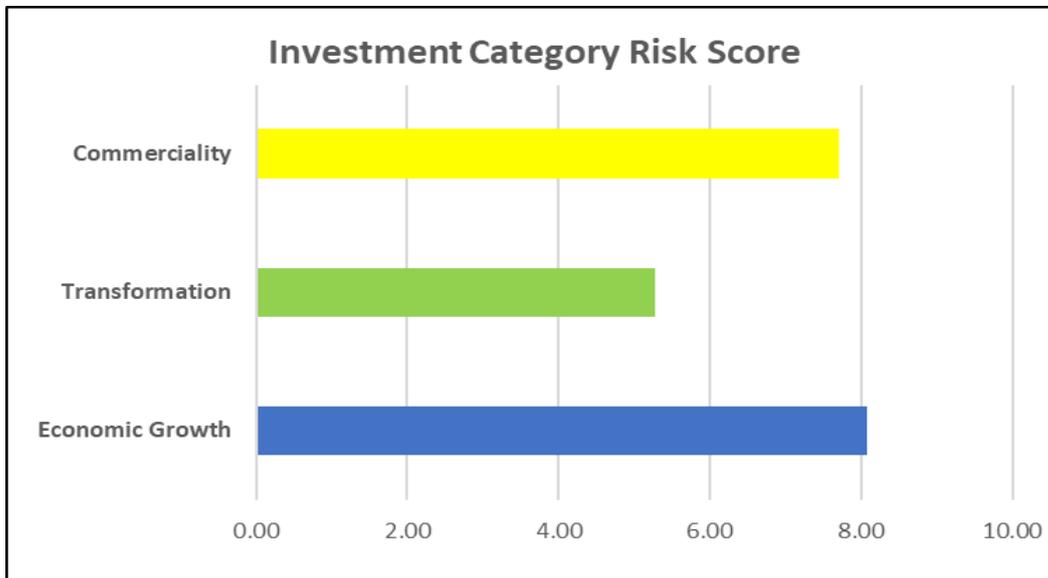
Build, re-develop, manage, sell property with a focus on place shaping and regeneration that is financially viable in that, as a minimum, it remains affordable and delivers value for money to the Council.

5.7 Each investment category and investment type are exposed to the following investment risks:

- Technological - impact of the Fourth Industrial Revolution¹.
- Demographic - Ageing population.
- Economic - Economic slowdown/slow recovery, death of the high street, Brexit - business investment in the UK and supply chain disruption.
- Employment - Brexit - large scale involuntary reverse migration.
- Governmental - Regulatory/legislative changes and fiscal impacts.

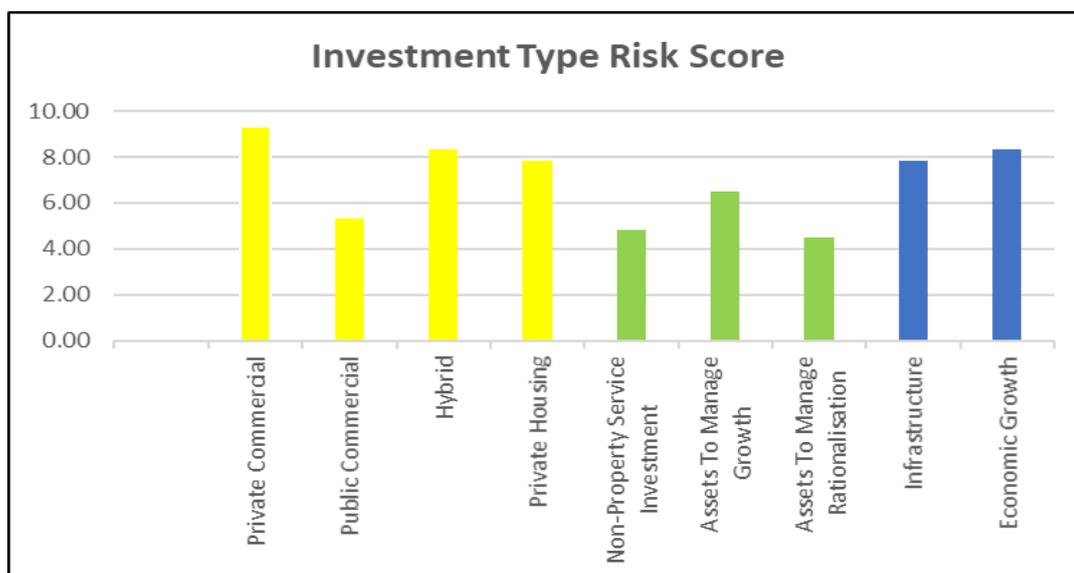
¹ The Fourth Industrial Revolution is the current and developing environment in which disruptive technologies and trends such as the Internet of Things (IoT), robotics, virtual reality (VR) and artificial intelligence (AI) are changing the way we live and work.

- 5.8 The Council has assessed each investment type in terms of the likelihood and impact of each investment risk and so compiled an investment risk score for each investment type and an overall investment risk score for each investment category.
- 5.9 The graph below shows the average investment risk score for each of the three investment categories.



- 5.10 Economic Growth is assessed as the riskiest investment category because of high-risk perception in relation to the impact of the Fourth Industrial Revolution, economic slowdown / slow recovery, death of the high street and Brexit - large scale involuntary reverse migration.
- 5.11 Economic Growth is closely followed by the Commercial investment category as the result of high-risk perception in relation the impact of the Fourth Industrial Revolution, death of the high street, economic slowdown / slow recovery and regulatory / legislative changes.
- 5.12 Unsurprisingly, the investment category with the lowest risk perception is Transformation. Essentially this is the Council investing in existing areas of expertise, i.e. investing in and developing direct service delivery either through non-property or assets to transform services and manage service growth and rationalisation.
- 5.13 Risk is one side of a Risk and Reward assessment that should be made for any proposed investment. It follows that higher risk areas would be expected to deliver a higher financial return. The scope and nature of potential investments that a local authority can make do not necessarily follow this pattern, however, and as such the management of risk at a macro level provides an appropriate level of assurance at early stages of development.
- 5.14 Diversification across all risks is the key to delivering a balanced portfolio of investment across the Council. It follows, however, that low risk, high return proposals, which may centre around investment in local authority and other public sector bodies' assets, could be an acceptable exception to this general rule.

- 5.15 The following graph shows the average investment risk score for each of the nine investment types.



- 5.14 The risk scores for the various investment categories and investment types have been utilised to determine proposed, estimated Investment Fund exposure ranges for each investment type as follows:

Investment Category & Type	Investment Fund Exposure Range (%)		Investment Fund Exposure Range (£150m Investment Fund)	
	Minimum %	Maximum %	Minimum £m	Maximum £m
Commercial	34.0%	44.0%	51.0	66.0
- Private Commercial	6.3%	9.3%	9.5	14.0
- Public Commercial	12.2%	15.2%	18.2	22.7
- Hybrid	7.2%	10.2%	10.9	15.4
- Private Housing	7.8%	10.8%	11.7	16.2
Transformation	38.0%	48.0%	57.0	72.0
- Non-Property Service Investment	13.1%	17.1%	19.6	25.6
- Assets To Manage Growth	9.2%	13.2%	13.8	19.8
- Assets To Manage Rationalisation	14.2%	18.2%	21.3	27.3
Economic Growth	13.0%	23.0%	19.5	34.5
- Infrastructure	6.3%	12.3%	9.4	18.4
- Economic Growth	5.7%	11.7%	8.6	17.6

6. Governance of the Programme

- 6.1 To ensure that available resources are allocated optimally and deliver value for money, investment programme planning is, whilst having its own approval process, determined in parallel with the service and revenue budget planning process within the framework of the Financial Strategy.
- 6.2 New programmes of expenditure will be appraised along with other investments and grant allocation programmes following a clearly defined gateway process. The authority will make use of internal officer experience supported by external professional advisors where necessary to ensure robust investment decisions are made. This advice will cover financial, legal, property and economic outcomes through appropriate appointments.
- 6.3 The authority has an appraisal mechanism in place which will seek to ensure that there is an integrated approach to addressing cross-cutting issues, both internal and external to the authority, developing and improving service delivery through transformation and its investment in pursuance of the authority's over-arching aims. These include Officer Groups which bring together a range of service interests and professional expertise, including:
- Democratic decision-making and scrutiny processes which provide overall political direction and ensure accountability for the investment in the Capital Programme.
 - A Capital Investment Board (CIB) which will oversee the investment portfolio. It will be supported by a matrix group of officers of all specialities that will continue to appraise all business plans using independent external advisors if necessary. This will assist the making of investment decisions based on full site investigations, due diligence, funding package, undertaking full risk and reward assessments, life time costings, asset replacement and monitoring the outcome and reviewing those projects already in progress;
 - The Senior Programme Officer Group (SPOG) overseeing and approving business cases for investments prior to sign off and for submission to Capital Investment Board and Cabinet/Council approval;
 - Specific Project boards of management groups with wide ranging membership to oversee significant development projects as required.
- 6.4 For projects and programmes an Expression of Interest (EOI) will be submitted that needs to include the investment levels required, source of funding, outcomes to be delivered, risk assessments, appropriate due diligence, repayment mechanisms, revenue impacts and full lifetime costings. These will be scored against an agreed weighting and appropriate recommendations made to the investment board.

- 6.5 Subject to the EOI proposal being approved a detailed Outline Business Case (OBC) be submitted and appraised prior to a Full Business Case being completed and appended to a cabinet report. A suite of template documents is appended to the OBC to ensure a consistent approach to project delivery. These include;
- Risk Register;
 - Life Time Costing Plan;
 - Gantt Chart for project timeline;
 - Project Board Terms of Reference and Agenda;
 - Procurement considerations;
 - Project closure report.
- 6.6 A summary of the programme governance is detailed in Appendix A.
- 6.7 Future monitoring of the programmes will include more rigorous expenditure profiling, outcome achievements, delivery against timetable, returns, risk assessments and completion reviews for each project.
- 6.8 Quarterly Capital Programme reports will continue to be submitted to Cabinet that identify changes to the approved programme to reflect;
- New resource allocations
 - Rescheduling in programme delivery
 - Programmes reduced or removed
 - Virements between schemes and programmes to maximise delivery.
 - Revisions to spend profile and funding to ensure ongoing revenue costs are minimised.
 - Monitor the funding of the programme
 - Capital receipts generated

7. Capital Programme 2017/18 Actual - 2021/22 Estimate

- 7.1 The current projected capital programme is shown below in summary with the full detailed programme included as Appendix B. It includes all projects that have proceeded to approval stage, either via delegated powers or full Cabinet and Council recommendation approvals. It also includes estimates for capital grants for 2019/20 and beyond where there is an expectation that grant funding will continue, such as Highways Maintenance and School Maintenance Grants.

Capital expenditure	2017/18 Actual	2018/19 Estimate	2019/20 Estimate	2020/21 Estimate	2021/22 Estimate
	£ m	£ m	£ m	£ m	£ m
Non HRA Capital expenditure	95.4	51.9	56.7	20.5	15.9
HRA Capital expenditure	6.9	8.0	7.6	-	-
Commercial activities/non-financial investments	-	6.0	4.0	1.7	0.1
Total Capital expenditure	102.3	65.9	68.3	22.2	16.0

- 7.2 The above table shows the expected capital programme budget as at Quarter 3 2018/19. It will be revised following completion of the 2018/19 capital closedown procedure and when final figures are established, which may result in slippage of budgets from 2018/19 into 2019/20.
- 7.3 The Council may also receive additional grant notifications throughout the financial year or if bids are submitted for additional grant funding as the year progresses. These changes will be reported as part of the quarterly finance strategy reporting.
- 7.4 There are several projects being considered that are being processed via the appraisal mechanism that is in place. As these projects have not completed the full cycle of appraisal they are not included in the capital programme budget above but are informed as part of Section 10 "Future Capital & Investments Schemes", where the impact of having additional budget requirements, and the resulting effect on the Capital Financing Requirement against prudential indicators is fully assessed. As these projects progress through both the appraisal process and the Councils governance requirements they will added into the capital programme.

8. Funding the Current Capital Programme 2017/18 Actual - 2021/22 Estimate

8.1 There are several sources of funding the Council can use to finance its Capital Programme. The Current Programme is funded from the following sources;

- Capital Receipts
- Prudential Borrowing
- Developers Contribution (S106, CIL)
- Revenue Contributions
- Capital Grants
- Cash Balances / Internal Borrowing

8.2 Capital Receipts

Capital Receipts come from the sale of the Council's assets. If the disposal is Housing Revenue Account land or property, then the whole receipt is not available to support the capital programme as a percentage must be paid over to the MHCLG. Where the sale of an asset leads to the requirement to repay grant, the capital receipt will be utilised for this purpose. Once this liability has been established and provided for, capital receipts will be available to support the capital programme as a corporate resource. Where the asset has been funded from prudential borrowing a review will be undertaken to determine whether the most cost-effective option is to utilise the receipt to repay debt, considering the balance sheet position of the authority.

8.3 Flexible use of Capital Receipts

The 2015 Comprehensive Spend Review (CSR) announced that local authorities will be allowed to spend up to 100% of capital receipts (excluding Right to Buy receipts) on the revenue costs of reform projects. Instead of holding assets that could be made surplus, councils will be able to sell them to reinvest in their services. Guidance relating to specific conditions, number of years that this will be offered and the qualifying criteria for a 'reform' project was issued as part of the Final Local Government Settlement on 11th March 2016. The key points included:

- The direction only relates to new receipts received in the period 1st April 2016 to 31st March 2019 that could be applied to meet the revenue costs of reform incurred in the same timeframe;
- The key criteria to use when deciding whether expenditure can be funded by the capital receipts flexibility is that it is forecast to generate ongoing savings to the authority's net service expenditure and is expenditure on a project where incurring upfront costs will generate ongoing savings; and

- Individual authorities demonstrate the highest standards of accountability and transparency.
- Examples of qualifying expenditure include the sharing of back office and administrative services; investment in service reform feasibility work; collaboration between central and local government to free up land for economic use; funding the cost of service reconfiguration or restructuring leading to ongoing efficiencies; sharing Chief Executives; driving a digital approach; aggregating procurement on common goods; improving systems and processes to tackle fraud; setting up commercial or alternative delivery models to deliver services more efficiently or increase revenue income; and integrating public facing services across two or more public sector bodies

8.4 **HRA Right to Buy Receipts**

In most cases there will be no ring fencing of capital receipts to specific projects. One exception to this is the retained Right to Buy (RTB) receipts held by the Council under the agreement signed in June 2012 and amended in June 2013. Under this agreement any retained RTB receipts, which are not used for the specific purpose of providing replacement affordable housing, must be returned to MHCLG.

8.5 **Prudential Borrowing**

The Council will investigate opportunities to resource capital projects using prudential borrowing where plans are sustainable, affordable and prudent. Full appraisal will take place to ensure that, where appropriate, sufficient revenue returns are generated to cover the cost of borrowing.

Where it is considered that prudential borrowing is the appropriate method of funding, but it requires additional revenue financing, the cost will be built into the revenue budget planning process. There are various debt instruments available for financing prudential borrowing and these are explored in detail in the Treasury Management Strategy.

The PWLB remains the Council's preferred source of long-term borrowing given the transparency and control that its facilities continue to provide. The Council qualified for borrowing at the 'Certainty Rate' (0.20% below the PWLB standard rate) for a twelve-month period from 01/11/2018, through its application via the 2018/19 Capital Estimates Return.

8.5 **S106 Developer Contributions**

S106 agreements are made with developers / landowners as part of the planning approval process to ensure that new development mitigates its own impact and provides the necessary infrastructure to support it.

These contributions are site specific or can be 'pooled' for a maximum of 5 site specific projects. Any contributions received are 'ring-fenced' for the purpose as set out in the relevant S106 agreement and are applied to fund schemes within the relevant capital programme once an eligible scheme has been identified.

S106 contribution agreements have covered all types of infrastructure including transport, affordable housing, play areas, open spaces, playing fields, public realm and public art. However, since the Council adopted CIL the planning obligations sought within S106 agreements have been scaled back to deal with only site-specific requirements, as required by the CIL Regulations. Pooled contributions previously sought for strategic transport, public realm and public open space related obligations are now dealt with by CIL.

The S106 contributions are time limited in that if they are not spent within an agreed timescale, typically 5 – 10 years, dependent on what has been agreed in the S106 agreement and any funds not spent in line with the agreement would have to be repaid to the developer, which, may include interest.

Consideration of available S106 funding should be taken into consideration when agreeing, for example, the roads programme for future years to maximise the use of the available funding and reduce the reliance on other sources of funding, predominantly borrowing. With the exception of funding for affordable housing the other pooled S106 obligations, such as Strategic Transport, Public Realm and Public Open Space will become zero over time as the CIL continues to be applied.

8.6 Community Infrastructure Levy (CIL)

CIL contributions are determined by set rates as detailed within the Council's CIL Charging Schedule and based on the amount of floor space being created by the development. CIL can be used to fund a wide range of infrastructure that is needed as a result of new development but is not site specific, giving more flexibility in where the funding can be used in geographical terms.

The CIL does not replace the requirement of S106 contributions. S106 contributions will still be relevant and will be sought alongside CIL.

The Planning Act and subsequent Community Infrastructure Levy Regulations 2010 (as amended) says that authorities can only spend CIL on providing infrastructure to support the development of their areas. This includes flood defence, open space, recreation and sport, roads and transport facilities, education and health facilities. However, it does not include affordable housing, which will continue to be funded by S106 obligations.

8.7 Revenue Contributions

An element of the revenue budget can be set aside to fund the capital programme (Direct Revenue Financing). However, with increasing General Fund revenue pressures these amounts available are reducing. A service or school may wish to offer some of its revenue budget to support the financing of a capital project. This is acceptable if it can be demonstrated that this funding is unfettered.

8.8 Government Grants

Capital resources from Central Government can be split into two categories:

- *Non-ring fenced* - resources which are delivered through grant that can be utilised on any project (albeit that there may be an expectation of use for a specific purpose). This now encompasses the vast majority of Government funding and the Council will initially allocate these resources to a general pool from which prioritised schemes can be financed.
- *Ring-fenced* - resources which are ring fenced to particular areas and therefore have restricted uses, specified by the funder.

8.9 Non-Government Contributions

Where there is a requirement to make an application to an external agency to receive external funding, and when appropriate to commit Council resources as matched funding to any bid for external resources, a business case should first be presented for consideration to the CIB. The business case must demonstrate how the project aligns to Council's priorities and how matched funding and any revenue consequences can be managed within the context of the capital and revenue budget.

8.10 Funding Summary of the Capital Programme 2017/18 - 2021/22

The current projected capital programme is financed as follows:

Financing of capital expenditure	2017/18	2018/19	2019/20	2020/21	2021/22
	Actual	Estimate	Estimate	Estimate	Estimate
	£ m	£ m	£ m	£ m	£ m
Capital receipts	4.5	7.3	14.7	0.1	-
Capital grants	38.5	41.4	38.3	20.4	15.9
Other Contributions	0.8	3.2	2.9	-	-
Major Repairs Allowance	1.8	6.4	3.9	-	-
Revenue	3.7	0.9	4.2	-	-
Prudential Borrowing	53.0	6.7	4.3	1.7	0.1
Total financing	102.3	65.9	68.3	22.2	16.0

The term Prudential Borrowing above does not automatically lead to external borrowing as the Council may be able to use cash it holds in reserves and as working capital which is usually termed internal borrowing. Over time all debt whether it be internal or external borrowing must be repaid, and this is therefore replaced over time by other financing, usually from revenue which is known as minimum revenue provision (MRP). The Council is required to make annual MRP statement which is included within the annual Treasury Management Strategy report. The project appraisal process ensures that all projects that are not fully funded from secured grants or capital receipts are assumed to be funded from Prudential Borrowing and must demonstrate that any future borrowing requirement is affordable and sustainable within the requirements of the project.

The current MRP budget requirements based on the estimated capital programme above are as follows:

	2017/18	2018/19	2019/20	2020/21	2021/22
	Actual	Estimate	Estimate	Estimate	Estimate
	£ m	£ m	£ m	£ m	£ m
MRP (excluding PFI)	5.8	4.2	4.6	4.8	4.8

9. Approved Capital & Investment Schemes

- 9.1 To date several Expressions of Interest (EoIs) have been submitted to the Senior Project Officer Group (SPOG), considered and scored against an agreed weighting by the SPOG Appraisal Group and appropriate recommendations made to SPOG and subsequently Capital Investment Board.
- 9.2 These schemes and programmes are currently at various stages of approval and are either detailed below as approved capital schemes and so included in the Council's Capital Programme or in Section 10 "Future Capital & Investment Schemes".
- 9.3 Several projects and programmes were approved by the Capital Investment Board to proceed to Outline Business Case (OBC) and / or Full Business Case (FBC) and subsequently approved as investment schemes or programmes by Cabinet and / or Council. A summary of these projects and programmes is detailed below:
- Shrewsbury Shopping Centres.
 - The Tannery Development.
 - Whitchurch Medical Practice.
- 9.4 In future the actual performance (forecast and actual net yield against target) of approved schemes and programmes in delivery will be tracked against both the Council's target yield of 5% and the forecast yield of the schemes and programmes.
- 9.5 Shrewsbury Shopping Centres is currently the sole project in delivery. Both the Tannery Development and Whitchurch Medical Practice have been approved by Council but have yet to commence.
- 9.6 The table below summarises the performance of these schemes and programmes:

Scheme / Programme	Investment	Target Yield	Forecast Yield	Forecast Yield	Actual Yield
	£'000s	5% £'000s	%	£'000s	£'000s
Shrewsbury Shopping Centres	52,732	2,637	5.12%	2,700	2,400
The Tannery	8,020	401	2.00%	56	N/A
Whitchurch Medical Centre	3,778	189	1.99%	75	N/A
Total	64,530	3,227		2,831	2,400

- 9.7 Each scheme and programme will be categorised to one of the nine investment types discussed in Section 5 "Capital & Investment Priorities" and so enable the level of investment in each type to be tracked in relation to the investment fund exposure ranges determined in the same section.

9.8 The table below details the investment categories and types of the currently approved schemes and programmes.

Scheme / Programme	Investment £'000s	Investment Category	Investment Type
Shrewsbury Shopping Centres	52,732	Economic Growth	Economic Growth
The Tannery	2,776	Commercial	Private Commercial
The Tannery	5,244	Commercial	Public Commercial
Whitchurch Medical Centre	3,778	Commercial	Public Commercial

10. Future Capital & Investment Schemes

- 10.1 The main objective for the introduction of the Capital Strategy requirement was in response to the major expansion of local authority investment activity into the purchase of non-financial investments, particularly property. The capital strategy therefore requires local authorities to assess investments over the long-term as opposed to the usual three years that planning has been conducted over.
- 10.2 Section 7 of this strategy details the current approved capital programme for the three years to 2021/22. The projects included within this programme have progressed through the governance process and are deemed to have been assessed fully to ascertain the outcomes of the project against criterion of risk and reward.
- 10.3 In order to comply with the requirement to consider capital expenditure over a medium to long-term period and to determine the financial sustainability of the authority, focusing on the affordability of the capital programme, Shropshire Council has compiled a planned programme of both Capital and Investment Scheme expenditure that is proposed but is yet to complete the full due diligence process.
- 10.4 All projects being considered have been evaluated to establish an estimated cost, delivery timeline and categorisation against investment type to produce a proposed capital programme 2019/20 to 2023/24 which totals £289.9m and is summarised as follows:

Category	2019/20	2020/21	2021/22	2022/23	2023/24	Total
	£m	£m	£m	£m	£m	£m
Commercial						
Private Commercial	3.200	5.000	1.000			9.200
Public Commercial						
Hybrid	1.150	10.000	10.000	2.650		23.800
Private Housing	8.000	13.000				21.000
Transformation						
Non -Property Service Investment						
Assets to Manage Growth	2.210	2.000	4.000	4.000		12.210
Assets to Manage Rationalisation	2.000	12.000	12.000	2.000	2.000	30.000
Economic Growth						
Infrastructure	12.629	15.629	8.628	33.000	33.000	102.886
Economic Growth	5.100	18.584	12.146	15.000	40.000	90.830
Total	34.289	76.213	47.774	56.65	75.000	289.926

- 10.5 All capital expenditure must be financed. Some of the proposed projects above have been identified as securing Government and External Grants to the sum of £58.946m as part of their deliverability and also the utilisation of Developer contributions to those deemed infrastructure requirements as a result of growth to the sum of £22m. There is a remaining requirement for financing by Shropshire Council of £187.002m

from either Capital Receipts or Prudential Borrowing. The planned financing of the proposed expenditure is as follows:

Financing the future capital programme:

	2019/20	2020/21	2021/22	2022/23	2023/24	Total
	£m	£m	£m	£m	£m	£m
Government Grants	1.649	1.649	6.648	33.000	16.000	58.946
External Grants	3.600	11.750	0.688			16.038
Developer Contributions	7.000	7.000	4.000	4.000		22.000
Salix Loan	1.980	1.980	1.980			5.940
Capital Receipts	7.500	25.500	18.000	2.000	19.000	72.000
Prudential Borrowing	12.560	28.334	16.458	17.650	40.000	115.002
Total	34.289	76.213	47.774	56.650	75.000	289.926

10.6 In the above table, financing of the proposed capital programme required several proposed projects to be categorised as funded from either Capital Receipts or from Prudential Borrowing. Those projects considered not to be of an investment nature, and therefore not expected to generate a new income stream or operational savings to finance future debt repayment have been shown as funded from Capital Receipts as the preferred route. This includes infrastructure development or asset management schemes that cannot be funded from other sources. The total of the schemes identified as non-investment activity, and thus requiring Capital Receipt financing, total £72m.

10.7 The current known Capital Receipt position detailed in section 3.5 above highlights a shortfall in funding the current three-year approved capital programme of £1.5m. Adding in a further Capital Receipt funding requirement for the proposed future programme will add to this shortfall that would require the Council to fund through Prudential Borrowing if the gap cannot be addressed over the five-year period.

10.8 An updated forecast Capital Receipt position, taking in the current approved programme and required future programme has been calculated as follows:

Capital receipt position	2019/20	2020/21	2021/22	2022/23	2023/24	Total
	£m	£m	£m	£m	£m	£m
Allocated to capital programme	30.2	28.2	18.0	2.0	19.0	97.4
Capital receipts in hand/projected:	11.5					11.5
Projected Green	4.5	0.5				5.0
Projected Red/Amber	1.0	3.0	3.4			7.4
Further Assets for Disposal		2.0	9.0	9.0	10.0	30.0
Shortfall/(surplus)	13.2	22.7	5.6	(7.0)	9.0	43.5

- 10.9 This demonstrates that the Council could have a potential shortfall in Capital Receipts required to finance the proposed capital programme of £43.5m by the year 2023/24 which could require financing from Prudential Borrowing if not addressed by a review of the Council's Asset Management Strategy. This will require the Council to realise the value of any properties or land that have been declared surplus to requirements, having regard to the prevailing market conditions in a timeframe required to deliver the Capital Strategy.
- 10.10 The remainder of the financing requirement to deliver the proposed capital programme has been identified as funded from Prudential Borrowing. This currently totals £115.002m over the next five years and is linked to projects identified as investment type proposals. This assumption will be given fuller consideration during the due diligence process, with proposed projects having to demonstrate full affordability of any debt financing requirements as part of the Business Case completion.
- 10.11 As Business Cases progress through the governance process put in place, the financing requirement will be reflected both in the capital financing requirement (CFR) calculation and in the future Treasury Management Strategy.
- 10.12 The Council's cumulative outstanding amount of debt finance is measured by the capital financing requirement (CFR). This increases with new-debt financed capital expenditure and reduces with MRP, lease principal repayments and capital receipts used to replace debt. The CFR is expected to increase by £115.002m over the period 2019/20 to 2023/24 if the proposed capital programme progresses. Based on the above figures for expenditure and financing, the Council's estimated CFR will be as follows, which includes HRA CFR.

	2019/20	2020/21	2021/22	2022/23	2023/24
	£m	£m	£m	£m	£m
Total CFR	397	417	423	430	459

- 10.13 Statutory guidance states that debt should remain below the capital financing requirement, except in the short term. The Council's projected level of outstanding debt which includes borrowing to fund the proposed capital programme is shown below, compared with the capital financing requirement. This demonstrates that the Council expects to comply with this in the medium term.

	2019/20	2020/21	2021/22	2022/23	2023/24
	£m	£m	£m	£m	£m
Current debt	308	304	342	342	336
New proposed borrowing		50			50
Total forecast debt	308	354	342	342	386
CFR	397	417	423	430	459

- 10.14 As discussed in Section 9 "Approved Capital & Investment Schemes" proposed investment schemes and programmes are at various stages of approval. The vast majority of investment schemes and programmes are currently progressing through

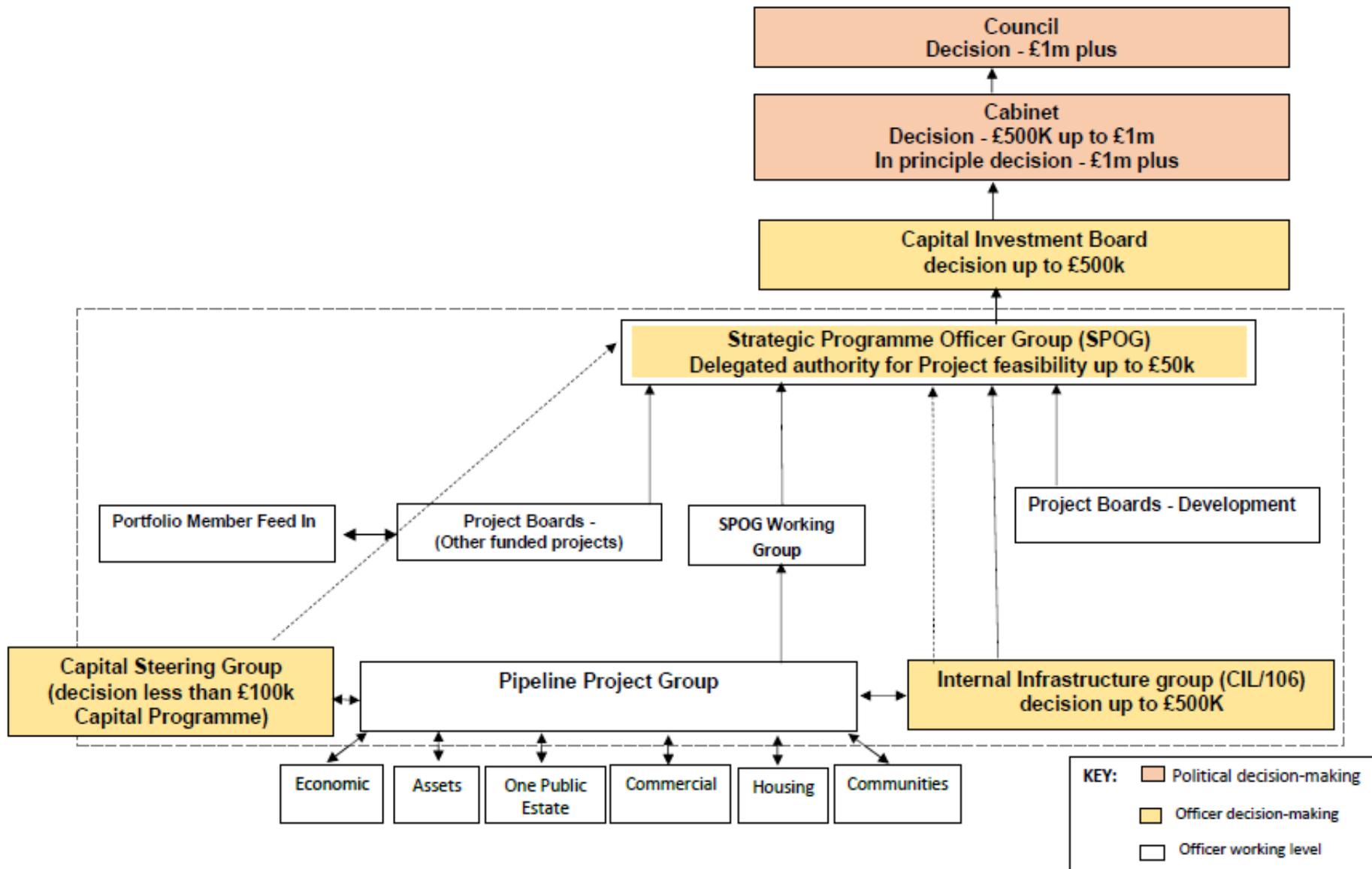
the governance process. Consequently, there are schemes and programmes currently under consideration which may or may not progress to full approval and delivery.

- 10.15 At present, the Council has a portfolio of potential capital and investment schemes and programmes totalling £252m over the period 2019/20 to 2023/24 which are at various stages of the approval process. This includes almost £65m for schemes in the current capital programme, plus a further £187m for proposed schemes, giving a total of £252m, and excludes schemes expected to be funded from grants, loans and contributions. The table below summarises these potential capital and investment schemes by investment category and investment type.

Investment Category / Type	Approved Investments £m	Potential Future Investments £m	Total Projected Investments £m	Investment Fund Exposure %	Investment Fund Exposure Range %	
					Minimum %	Maximum %
Commercial						
- Private Commercial	2.776	9.200	11.976	4.8	6.3	9.3
- Public Commercial	9.022	0.000	9.022	3.6	12.2	15.2
- Hybrid		23.800	23.800	9.5	7.2	10.2
- Private Housing		21.000	21.000	8.3	7.8	10.8
Commercial Total	11.798	54.000	65.798	26.2	34.0	44.0
Transformation						
- Non-Property Service Investment		0.000	0.000	0.0	13.1	17.1
- Assets To Manage Growth		2.210	2.210	0.9	9.2	13.2
- Assets To Manage Rationalisation		30.000	30.000	11.9	14.2	18.2
Transformation Total	0.000	32.210	32.210	12.8	38.0	48.0
Economic Growth						
- Infrastructure		18.000	18.000	7.2	6.3	12.3
- Economic Growth	52.732	82.792	135.524	53.9	5.7	11.7
Economic Growth Total	52.732	100.792	153.524	61.0	13.0	23.0
Total	64.530	187.002	251.532			

- 10.4 With both the currently approved and future potential schemes and programmes, the Council will be significantly overexposed in the Economic Growth investment category and type. In addition, the Council would be relatively under exposed to Public Commercial and Non-Property Service investments. To address this potential variance, the Council could reconsider its risk appetite, assess this exposure at a more granular level, consider risk and reward potential, review timing of investments to take account of developing and maturing risks and/or prioritise or reassess the identified future potential schemes and programmes to redistribute the exposure to risk. This assessment will be undertaken, as set out within this document, ahead of any proposal being added to the Capital Programme.

Programme Governance



Shropshire Council - Capital Programme 2019/20 To 2021/22

Scheme Description	Code	Portfolio Holder	Project Manager	2019/20 Budget £	2020/21 Budget £	2021/22 Budget £
Place & Enterprise						
Infrastructure & Communities						
Leisure						
Shrewsbury Sports Village 3G Pitch Replacement	KCL02	Lezley Picton	P Davis	350,000		
Total				350,000	-	-
Waste Management						
In Vessel Composting Facility	K6WM0	Robert Macey	P Beard	325,000	-	-
Total				325,000	-	-
Highways & Transport - LTP						
Structural Maintenance of Roads						
Structural Maintenance of Principal Roads		Steve Davenport	T Sneddon	1,380,000	1,172,000	-
Structural Maintenance of Secondary Roads		Steve Davenport	T Sneddon	-	-	-
Structural Maintenance of all Roads		Steve Davenport	T Sneddon	11,275,000	13,275,000	13,275,000
Total				12,655,000	14,447,000	13,275,000
Integrated Transport Unallocated						
Countywide						
ITP Countywide - Unallocated	KT000	Steve Davenport	V Merrill	1,126,000	1,442,761	1,626,000
Total				1,126,000	1,442,761	1,626,000
Total Integrated Transport Plan				1,126,000	1,442,761	1,626,000
Total Highways & Transport - LTP				13,781,000	15,889,761	14,901,000
LEP Schemes						
LEP Oxon Relief Road Project	KOX01	Steve Davenport	M Johnson	1,507,927	-	-
LEPSITP - Project Management/Design	KIT01	Steve Davenport	M Johnson	879,079	183,239	-
Total				2,387,006	183,239	-
Flood Defences & Water Management						
Church Stretton - Flood & Water Management	K6FW3	Steve Davenport	T Sneddon	70,000	375,000	-
Shifnal - Flood & Water Management	K6FW4	Steve Davenport	T Sneddon	450,000	-	-
Shropshire Slow the Flow Project	KEF01	Steve Davenport	T Sneddon	185,000	191,000	-
Total				705,000	566,000	-
Environmental Maintenance - Depots						
Depot Redevelopment - Unallocated	K6H03	Steve Davenport	S Brown	93,456	-	-
Depot Redevelopment - Stourbridge Road Bridgnorth - Salt Dome	K6H10	Steve Davenport	S Brown	100,000	-	-
Depot Redevelopment - Manor House Lane Store	K6H11	Steve Davenport	S Brown	50,000	-	-
Total				243,456	-	-
Environmental Maintenance - Car Parks Major Works						
Parking Strategy - Car Park Machines	KEC03	Steve Davenport	Z Mortimer	252,000	-	-
Total				252,000	-	-
Visitor Economy						
Venues & Programmes						
Ludlow Assembly Rooms - Refurbishment Works	KBT00	Lezley Picton	S Law	100,000	-	-
Total				100,000	-	-
Outdoor Partnerships						
Whitchurch Skate Park (S106)	KBR10	Lezley Picton	S McCarthy	1,949	-	-
Severn valley Country Park RPA Extension	KBR11	Lezley Picton	M Blount	62,550	-	-
Total				64,499	-	-
Total Infrastructure & Communities				18,207,961	16,639,000	14,901,000
Economic Development						
Physical Regeneration						
Growth Point						
Flaxmill Project - Implementation	K6FM1	Nicholas Laurens	G Davies	1,000,000	-	-
Total				1,000,000	-	-
Natural & Historical Environment						
Old Rectory, Whitchurch Section 106	KBN01	Robert Macey	A Cooper	150,000	-	-
Total				150,000	-	-
Planning Policy - Affordable Housing						
Affordable Housing - Rolling Fund	K6AHG	Robert Macey	N wood	180,000	-	-
Total				180,000	-	-
Broadband						
Broadband Project - Phase 1 - BT	KB000	Nicholas Laurens	C Taylor	3,000,000	-	-
Broadband Project - Phase 2 - BT	KB004	Nicholas Laurens	C Taylor	1,000,000	-	-

Capital Scheme details 1 of 3

Shropshire Council - Capital Programme 2019/20 To 2021/22

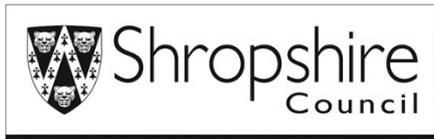
Scheme Description	Code	Portfolio Holder	Project Manager	2019/20 Budget £	2020/21 Budget £	2021/22 Budget £
Broadband Project - Phase 3 - Airband	KB008	Nicholas Laurens	C Taylor	6,758,000	500,000	-
Broadband Project - Phase 5 - TBC	KB010	Nicholas Laurens	C Taylor	1,856,791	-	-
Total				12,614,791	500,000	-
Total Economic Development				13,944,791	500,000	-
Business Enterprise & Commercial Services						
Strategic Asset Services						
Corporate Landlord						
Corporate Landlord Unallocated	KRP00	Nicholas Laurens	S Law	1,000,000	-	-
The Tannery Development	KRP06	Nicholas Laurens	S Law	2,000,000	-	-
Whitchurch Medical Practice	KRP40	Nicholas Laurens	S Law	2,000,000	1,678,000	100,000
Total				5,000,000	1,678,000	100,000
Gypsy Sites						
Boars Den Gypsy Transit Site	K6T06	Joyce Barrow	S Law	100,000	-	-
Total				100,000	-	-
Total Strategic Asset Services				5,100,000	1,678,000	100,000
Total Business Enterprise & Commercial Services				5,100,000	1,678,000	100,000
Total Place & Enterprise				37,252,752	18,817,000	15,001,000
Adult Services						
Housing Health & Wellbeing						
Disabled Facilities Grants - Fast track system	K5P02	Lee Chapman	A Begley	800,000	-	-
Disabled Facilities Grants	K5P03	Lee Chapman	A Begley	1,000,000	-	-
HOLD Project	K5P04	Lee Chapman	A Begley	1,800,000	-	-
Total				3,600,000	-	-
Total Adult Services				3,600,000	-	-
Public Health						
Private Sector Housing						
Whitchurch Area Empty Property Incentive Grant	K5P17	Lee Chapman	K Collier	30,000	-	-
Shropshire County Empty Property Incentive Grant	KPS01	Lee Chapman	K Collier	200,000	-	-
Total				230,000	-	-
Total Public Health				230,000	-	-
Resources & Support						
Customer Involvement						
ICT Digital Transformation						
ICT Digital Transformation - Unallocated	KIC00	Steve Charmley	M Leith	5,000,000	-	-
Total				5,000,000	-	-
Total Resources & Support				5,000,000	-	-
Children's Services						
Children's Safeguarding						
Learning & Skills						
Early Years						
Early Years Unallocated	KLE00	Nicholas Bardsley	N Ward	40,000	-	-
Total				40,000	-	-
Basic Need						
Basic Need Unallocated	KLB00	Nicholas Bardsley	P Wilson	7,994,776	1,697,691	-
Market Drayton Infant - Place Planning	KLB05	Nicholas Bardsley	P Wilson	400,000	-	-
Shifnal St Andrews 2 Class Extension	KLB06	Nicholas Bardsley	P Wilson	500,000	-	-
Market Drayton Junior - Place Planning	KLB08	Nicholas Bardsley	P Wilson	430,000	-	-

Capital Programme 2019/20 To 2021/22

Shropshire Council - Capital Programme 2019/20 To 2021/22

Scheme Description	Code	Portfolio Holder	Project Manager	2019/20 Budget £	2020/21 Budget £	2021/22 Budget £
Whitchurch Infants - 2 x Classroom Reconfiguration	KLB10	Nicholas Bardsley	P Wilson	205,000		
Meole Brace Primary 2 Class Extension	KLB11	Nicholas Bardsley	P Wilson	420,000		
Mereside Primary - 1 x Classbase and Reconfiguration	KLB12	Nicholas Bardsley	P Wilson	400,000		
Baschurch Primary	KLB13	Nicholas Bardsley	P Wilson	235,000		
Hadnall Primary 1 Class Extension	KLB14	Nicholas Bardsley	P Wilson	305,000		
Whitchurch Junior - 2 Class Extension & Refurbishment	KLB15	Nicholas Bardsley	P Wilson	570,000		
Total				11,459,776	1,697,691	-
Suitability						
Norbury Primary- PPA Space	KLS12	Nicholas Bardsley	P Wilson	76,300	-	
Total				76,300	-	-
Condition						
Condition Unallocated	KL000	Nicholas Bardsley	P Wilson	2,390,000	1,500,000	1,000,000
Total				2,390,000	1,500,000	1,000,000
Special Education Needs						
Schools Access Initiative Unallocated	KLD00	Nicholas Bardsley	P Wilson	20,000	-	
Special Provision Funds Allocation	KLD06	Nicholas Bardsley	P Wilson	166,667	166,667	-
Total				186,667	166,667	-
Devolved Formula Capital - Allocated by schools		Nicholas Bardsley	P Wilson	500,000	-	-
Total Learning & Skills				14,652,743	3,364,358	1,000,000
Total Children's Services				14,652,743	3,364,358	1,000,000
Total General Fund Capital Programme				60,735,495	22,181,358	16,001,000
Housing Revenue Account						
Major Repairs Programme - Unallocated						
Housing Major Repairs Programme	K5P01	Lee Chapman	A Begley	3,760,950	-	
Total				3,760,950	-	-
Major Repairs Programme - STAR Housing Contracts						
STaR PSH Adaptations Grant	KSH12	Lee Chapman	A Begley	140,000		
Total				140,000	-	-
New Build Programme						
Housing New Build Programme - Phase 5	KSNB5	Lee Chapman	A Begley	3,700,000	-	-
Total				3,700,000	-	-
Total Housing Revenue Account				7,600,950	-	-
Total Capital Programme				68,336,445	22,181,358	16,001,000

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<u>Committee and Date</u>	<u>Item</u>
Cabinet 13 February 2019	
Council 28 February 2019	
Audit Committee 25 February 2019	
	Public

TREASURY STRATEGY 2019/20

Responsible Officer James Walton
e-mail: james.walton@shropshire.gov.uk

Tel: (01743) 258915

1. Summary

1.1 The report proposes the Treasury Strategy for 2019/20 and recommends Prudential and Treasury Indicators for 2019/20 to 2021/22. The report is technical in nature but the key points to note are:-

- Borrowing is largely driven by the requirements of the approved Capital Programme. From 2011/12 the Council's borrowing requirement has been significantly reduced due to the Government changing the way in which it funds the Council's capital expenditure and providing capital grants rather than supported borrowing approval with on-going (as it was defined at the time) revenue support grant to meet the financing costs of the borrowing. Currently the only approved borrowing requirement identified within the Capital Programme 2019/20 to 2021/22 is self-financing prudential borrowing of £6.030m.
- In late December 2017, CIPFA issued revised Prudential and Treasury Management Codes. As from 2019/20 all local authorities will be required to prepare an additional report, a Capital Strategy report. The Council is developing both the Capital Strategy report and business cases for a number of large schemes linked to proposals set out in the Council's Finance Strategy. Any updates required as a result of future decisions will be reported accordingly.
- The Council's lending continues to be restricted to highly credit rated Banks, three Building Societies, Money Market Funds and Part Nationalised Institutions which meet Link Asset Services creditworthiness policy, other Local Authorities and the UK Government.
- The internal Treasury Team will continue to look for opportunities to make savings by actively managing the cash and debt portfolio in accordance with the Treasury Strategy.
- The bank rate was increased to 0.75% in August 2018, only the second increase since 2009. We are unlikely to see any further action from The

Monetary Policy Committee (MPC) until the uncertainties over Brexit clear. Every 0.25% increase in the bank rate equates to around £250,000 of additional interest receivable per annum on the Council's current average investment balances.

- Long term borrowing rates are expected to be higher than investment rates during 2018/19 therefore long term borrowing may be postponed in order to maximise savings in the short term. Currently the only borrowing requirement identified within the Capital Programme 2018/19 to 2020/21 is self-financing prudential borrowing of £6.030m. Any changes to this requirement as a result of future decisions will be reported accordingly.
- The Council has agreed to offer to lend funds to Shropshire Housing Ltd (which incorporates both South Shropshire Housing Association and the Meres & Mosses Housing Association) and Severnside Housing at an agreed rate. It has previously been agreed to offer to lend up to £10 million to each of these Housing Associations in order to support the building of affordable housing and shared office accommodation in Shropshire. For security purposes, each loan has been secured against existing assets held by or owned by the Housing Association. To date £9,770,000 has been drawn down by Shropshire Housing Ltd and £10,000,000 by Severnside Housing.
- In December 2017, Cabinet & Council approved the purchase of units held in a Jersey Property Unit Trust (JPOT) for the acquisition of 100% of the units for the Shrewsbury Shopping Centres. This has reduced cash balances available for investment in 2018/19 by £52.6m which represents the actual payment made on 23 January 2018. This investment will be classified as a short term capital investment and has been financed from internal cash balances in the short to medium term.

2. Recommendations

2.1. Recommendations to Cabinet

Cabinet recommend that Council:-

- a) Approve, with any comments, the Treasury Strategy for 2019/20.
- b) Approve, with any comments, the Prudential Indicators, set out in Appendix 1, in accordance with the Local Government Act 2003.
- c) Approve, with any comments, the Investment Strategy, set out in Appendix 2 in accordance with the CLG Guidance on Local Government Investments.
- d) Approve, with any comments, the Minimum Revenue Provision (MRP) Policy Statement, set out in Appendix 3.
- e) Authorise the Section 151 Officer to exercise the borrowing powers contained in Section 3 of the Local Government Act 2003 and to manage the Council's debt portfolio in accordance with the Treasury Strategy.
- f) Authorise the Section 151 Officer to use other Foreign Banks which meet Link's creditworthiness policy as required.

2.2. Recommendations to Audit Committee

- g) Audit Committee are asked to consider and endorse, with appropriate comment, the Treasury Strategy 2019/20.

2.3. Recommendations to the Council

- h) Approve, with any comments, the Treasury Strategy for 2019/20.
- i) Approve, with any comments, the Prudential Indicators, set out in Appendix 1, in accordance with the Local Government Act 2003.
- j) Approve, with any comments, the Investment Strategy, set out in Appendix 2 in accordance with the CLG Guidance on Local Government Investments.
- k) Approve, with any comments, the Minimum Revenue Provision (MRP) Policy Statement, set out in Appendix 3.
- l) Authorise the Section 151 Officer to exercise the borrowing powers contained in Section 3 of the Local Government Act 2003 and to manage the Council's debt portfolio in accordance with the Treasury Strategy.
- m) Authorise the Section 151 Officer to use other Foreign Banks which meet Link's creditworthiness policy as required.

REPORT

3. Risk Assessment and Opportunities Appraisal

- 3.1. The recommendations contained in this report are compatible with the provisions of the Human Rights Act 1998.
- 3.2. There are no direct environmental, equalities or climate change consequences arising from this report.
- 3.3. Compliance with the CIPFA Code of Practice on Treasury Management, the Council's Treasury Policy Statement and Treasury Management Practices and the Prudential Code for Capital Finance together with the rigorous internal controls will enable the Council to manage the risk associated with Treasury Management activities and the potential for financial loss.

4. Financial Implications

- 4.1 The financial implications arising from the Treasury Strategy are detailed in this report. The Council makes assumptions about the levels of borrowing and investment income over the financial year. Reduced borrowing as a result of capital receipt generation or delays in delivery of the capital programme will both have a positive impact of the council's cash position. Similarly, higher than

benchmarked returns on available cash will also help the Council's financial position. For monitoring purposes, assumptions are made early in the year about borrowing and returns based on the strategies agreed by Council in the preceding February. Performance outside of these assumptions results in increased or reduced income for the Council.

- 4.2 As at 31 December 2018 the Council held £130 million in investments and borrowing of £312 million at fixed interest rates. The amount held in investments has reduced by £52.6m following the purchase of units held in a Jersey Property Unit Trust (JPUT) for the acquisition of 100% of the units for the Shrewsbury Shopping Centres on 23 January 2018.

5. Background

- 5.1. The Council is required to operate a balanced budget, which broadly means that cash raised during the year will meet cash expenditure. Part of the treasury management operation is to ensure that this cash flow is adequately planned, with cash being available when it is needed. Surplus monies are invested in low risk counterparties or instruments commensurate with the Council's low risk appetite, providing adequate liquidity initially before considering investment return.
- 5.2. The second main function of the treasury management service is the funding of the Council's capital plans. These capital plans provide a guide to the borrowing need of the Council, essentially the longer-term cash flow planning, to ensure that the Council can meet its capital spending obligations. This management of longer-term cash may involve arranging long or short-term loans, or using longer-term cash flow surpluses. On occasion, when it is prudent and economic, any debt previously drawn may be restructured to meet Council risk or cost objectives.
- 5.3. The contribution the treasury management function makes to the authority is critical, as the balance of debt and investment operations ensure liquidity or the ability to meet spending commitments as they fall due, either on day-to-day revenue or for larger capital projects. The treasury operations will see a balance of the interest costs of debt and the investment income arising from cash deposits affecting the available budget. Since cash balances generally result from reserves and balances, it is paramount to ensure adequate security of the sums invested, as a loss of principal will in effect result in a loss to the General Fund Balance.
- 5.4. Whilst any commercial initiatives or loans to third parties will impact on the treasury function, these activities are generally classed as non-treasury activities, (arising usually from capital expenditure), and are separate from the day to day treasury management activities.
- 5.5. The Council defines its treasury management activities as "the management of the authority's borrowing, investments and cash flows, its banking, money market and capital market transactions, the effective control of the risks associated with those activities, and the pursuit of optimum performance consistent with those risks".
- 5.6. Revised reporting is required for the 2019/20 reporting cycle due to revisions of the MHCLG Investment Guidance, the MHCLG Minimum Revenue Provision (MRP) Guidance, the CIPFA Prudential Code and the CIPFA Treasury Management Code. The primary reporting changes include the introduction of a capital strategy, to provide a longer-term focus to the capital plans and greater reporting requirements surrounding any commercial activity undertaken under the Localism Act 2011. The capital strategy is being reported separately.
- 5.7. This strategy statement has been prepared in accordance with CIPFA's revised

Code of Practice on Treasury Management. Accordingly, the Council's Treasury Strategy will be approved annually by full Council and there will also be a mid year review report. In addition, treasury management update reports will be submitted quarterly to Directors and Cabinet. The aim of these reporting arrangements is to ensure that those with ultimate responsibility for the treasury management function appreciate fully the implications of policies and practices, and that those implementing policies and executing transactions have properly fulfilled their responsibilities with regard to delegation and reporting.

5.8. In late December 2017, CIPFA issued a revised Treasury Management Code of Practice and a revised Prudential Code. These revisions particularly focused on non-treasury investments and the requirement for all local authorities to produce a detailed Capital Strategy as from 2019/20. The majority of these requirements are already included in an appendix to the Council's Financial Strategy but this will be included as a separate Capital Strategy report from 2019/20. This report will provide the following:-

- a high-level long term overview of how capital expenditure, capital financing and treasury management activity contribute to the provision of services
- an overview of how the associated risk is managed
- the implications for future financial sustainability

5.9. The aim of this capital strategy is to ensure that all elected members on the full council fully understand the overall long-term policy objectives and resulting capital strategy requirements, governance procedures and risk appetite.

5.10. This capital strategy is reported separately from the Treasury Management Strategy Statement; non-treasury investments will be reported through the former. This ensures the separation of the core treasury function under security, liquidity and yield principles, and the policy and commercialism investments usually driven by expenditure on an asset. The capital strategy will show:

- The corporate governance arrangements for these types of activities;
- Any service objectives relating to the investments;
- The expected income, costs and resulting contribution;
- The debt related to the activity and the associated interest costs;
- The payback period (MRP policy);
- For non-loan type investments, the cost against the current market value;
- The risks associated with each activity.

Where a physical asset is being bought, details of market research, advisers used, (and their monitoring), ongoing costs and investment requirements and any credit information will be disclosed, including the ability to sell the asset and realise the investment cash.

5.11. Attached in appendix 2 is the Council's Annual Investment Strategy which includes a list of additional responsibilities for the Section 151 Officer role following the issue of the revised Treasury Management Code of Practice and Prudential Code.

5.12. The revised codes have clarified CIPFA's position that there is a clear separation between treasury and non-treasury investments and on the role of the treasury management team. Accordingly, periodic reporting by the treasury management team to members will focus solely on treasury investments. If non treasury

investments are considered, such as the acquisition of units in relation to the Shrewsbury Shopping Centres, a separate report will be presented for approval and any changes required to Prudential indicators incorporated within an updated Treasury Strategy if necessary.

5.13. The Council will adopt the following reporting arrangements in accordance with the requirements of the Code:-

Area of Responsibility	Council/Committee/Officer	Frequency
Treasury Management Policy Statement	Full Council/Cabinet	As required
Treasury Strategy/Annual Investment Strategy/MRP Policy	Full Council/Cabinet	Annually before the start of the financial year
Capital Strategy	Full Council/Cabinet	Annually before the start of the financial year
Treasury Strategy/Annual Investment Strategy/MRP Policy – mid year report	Full Council/Cabinet	Mid year
Treasury Strategy/Annual Investment Strategy/MRP Policy – updates or revisions at other times	Full Council/Cabinet	As required
Annual Treasury Report	Full Council/Cabinet	Annually by 30 September after the end of the financial year
Quarterly Treasury Management Update Reports	Directors/Cabinet	Quarterly
Treasury Management Monitoring Reports	Reports prepared by Investment Officer to the Head of Treasury & Pensions who reports to the Section 151 Officer	Monthly
Treasury Management Practices	Section 151 Officer	As required
Scrutiny of Treasury Strategy	Audit Committee	Annually before the start of the financial year
Scrutiny of the treasury management performance	Audit Committee	Half yearly

6. Treasury Strategy 2019/20

6.1. The Local Government Act 2003 and supporting Regulations requires the Council to have regard to the CIPFA Prudential Code and the CIPFA Treasury Management Code of Practice to set Prudential and Treasury Indicators for the next three years to ensure that capital investment plans are affordable, prudent and sustainable. This report incorporates the indicators to which regard should be

given when determining the Council's Treasury Management Strategy for the next financial year.

- 6.2. As the Council is responsible for housing, Prudential Indicators relating to Capital Expenditure, financing costs and the Capital Financing Requirement will be split between the Housing Revenue Account (HRA) and the General Fund.
- 6.3. The Act also requires the Council to set out its Treasury Strategy for borrowing and to prepare an Annual Investment Strategy. This sets out the Council's policies for managing its investments and for giving priority to the security and liquidity of those investments.
- 6.4. The proposed Strategy for 2019/20 in respect of the following aspects of the treasury management function is based upon the Section 151 Officer's view on interest rates, supplemented with leading market forecasts provided by the Council's Treasury Advisor, Link Asset Services.
- 6.5. The proposed strategy will focus on the following areas of treasury activity:-
 - Treasury limits in force which will limit the treasury risk and activities of the Council.
 - The determination of Prudential and Treasury Indicators.
 - The current treasury position.
 - Prospects for interest rates.
 - Capital borrowing strategy.
 - Policy on borrowing in advance of need.
 - Debt rescheduling.
 - Investment strategy.
 - Capital plans.
 - Creditworthiness policy.
 - Policy on use of external service providers.
 - The MRP strategy.
 - Leasing.
- 6.6. It is a statutory requirement under Section 33 of the Local Government Finance Act 1992, for the Council to produce a balanced budget. In particular, Section 32 requires a local authority to calculate its budget requirement for each financial year to include the revenue costs that flow from capital financing decisions. This therefore means that increases in capital expenditure must be limited to a level whereby increases in charges to revenue from:-
 - increases in interest charges caused by increased borrowing to finance additional capital expenditure, and
 - any increase in running costs from new capital projects

are limited to a level which is affordable within the projected income of the Council for the foreseeable future.

7. Treasury Limits for 2019/20 to 2021/22

- 7.1. It is a statutory requirement under Section 3 of the Local Government Act 2003 and supporting Regulations, for the Council to determine and keep under review how much it can afford to borrow. The amount so determined is termed the "Affordable Borrowing Limit". This authorised limit represents the legislative limit specified in section 3 of the Local Government Act 2003.

- 7.2. The Council must have regard to the Prudential Code when setting the Authorised Limit, which essentially requires it to ensure that total capital investment remains within sustainable limits.
- 7.3. Whilst termed an “Affordable Borrowing Limit”, the capital plans to be considered for inclusion incorporate those planned to be financed by both internal/external borrowing and other forms of liability, such as credit arrangements. The Authorised Borrowing Limit is to be set, on a rolling basis, for the forthcoming financial year and two successive financial years and is the limit which the Council must not breach. All of the other Prudential Indicators are estimates only and can be breached temporarily but this is very rarely the case. If this did happen it would be reported to Members outlining the reasons for this temporary breach.
- 7.4. The Council are asked to approve these Prudential Indicators in Appendix 1.

8. Prudential & Treasury Indicators for 2019/20 to 2021/22

- 8.1. The Prudential Code and CIPFA Code of Practice on Treasury Management require the Council to set a number of Prudential and Treasury Indicators. Following the December 2017 publication of the revised CIPFA Treasury Management Code of Practice, there is no longer a requirement to include the prudential indicator showing the incremental impact on the Council tax / Housing rents of Capital Investment decisions so this has been removed. In addition to the specified indicators, we have set further internal indicators for Treasury Management, regarding lower limits on interest rate exposure for both borrowing and investments.
- 8.2. It should be noted that these indicators should not be used for comparison with indicators from other local authorities. Use of them in this way would be likely to be misleading and counter-productive as other authorities Treasury Management policies and practices vary. The most important indicator is prudential indicator number 4 which specifies the authorised limit which cannot be breached under any circumstances. In the event that this indicator was breached a separate report would be brought to Council.
- 8.3. **Prudential Indicator 1** - The ratio of financing costs indicator shows the trend in the cost of financing capital expenditure as a proportion of the Authority’s net revenue. This indicator also shows the ratio of the HRA financing costs to the HRA net revenue stream.

Prudential Indicator No. 1	2018/19 Estimate	2019/20 Estimate	2020/21 Estimate	2021/22 Estimate
	%	%	%	%
Non HRA ratio of financing costs (gross of investment income) to net revenue stream	8.8	9.3	8.9	9.3
Non HRA ratio of financing costs (net of investment income) to net revenue stream	8.2	8.6	8.3	8.8
HRA Ratio of financing costs to HRA net revenue stream	38.8	38.8	37.4	36.1

8.4. **Prudential Indicator 2** - A key indicator of prudence is that gross external borrowing should not, except in the short term, exceed the capital financing requirement (CFR). The capital financing requirement is the maximum we would expect to borrow based on the current capital programme. Compliance with the indicator will mean that this limit has not been breached. Gross borrowing includes debt administered on behalf of Telford and Wrekin Council, Magistrates Courts and Probation Service. It also includes the debt transferred from Oswestry Borough Council and North Shropshire District Council on the 1st April 2009. In accordance with the Code the HRA Capital Financing requirement has been calculated separately and has been updated due to the HRA reform which took place on the 28 March 2012. The 2017/18 Non HRA Capital Financing Requirement includes £53.1 million (which represents the gross capital cost of the acquisition of £52.6m net payment plus £0.5m capitalised rental top ups) in relation to the Shrewsbury Shopping Centres.

Prudential Indicator No. 2	2017/18 Actual	2018/19 Estimate	2019/20 Estimate	2020/21 Estimate	2021/22 Estimate
	£ m	£ m	£ m	£ m	£ m
Net Borrowing & Capital Financing Requirement:					
Non HRA Capital Financing Requirement	287	287	289	280	270
HRA Capital Financing Requirement	84	85	85	85	85
Commercial activities/non-financial investments Capital Financing Requirement	0	6	10	11	11
Total CFR	371	378	384	376	366
Movement in CFR	44	7	6	-8	-10
Movement in CFR represented by					
Net financing need for the year (above)	53.0	6.7	4.3	1.7	0.1
Less MRP/VRP and other financing movements	-9.0	0.3	1.7	-9.7	-10.1
Movement in CFR	44.0	7.0	6.0	-8.0	-10.0
Gross Borrowing including HRA	318	319	312	306	292
Investments	92	100	100	100	100
Net Borrowing	226	219	212	206	192

8.5. **Prudential Indicator 3** - The estimated capital expenditure has been split between Non HRA and HRA and represents commitments from previous years to complete ongoing schemes, the expenditure arising from the proposed new schemes within the capital programme for 2018/19, and the estimated expenditure for 2019/20, 2020/21 and 2021/22. This indicator also includes details on the financing of capital expenditure. In 2017/18 the net financing need for the year includes £53.1m gross cost invested in the acquisition of units in relation to the Shopping Centres. This has been funded in the short to medium term by the use

of cash balances therefore there is no requirement to borrow at the current time but this will be reviewed going forward.

Prudential Indicator No. 3	2017/18 Actual	2018/19 Estimate	2019/20 Estimate	2020/21 Estimate	2021/22 Estimate
	£ m	£ m	£ m	£ m	£ m
Non HRA Capital expenditure	95.4	51.9	56.7	20.5	15.9
HRA Capital expenditure	6.9	8.0	7.6	0.0	0.0
Commercial activities/non-financial investments	0.0	6.0	4.0	1.7	0.1
Total Capital expenditure	102.3	65.9	68.3	22.2	16.0
Financing of capital expenditure					
Capital receipts	4.5	7.3	14.7	0.1	0.0
Capital grants	38.5	41.4	38.3	20.4	15.9
Other Contributions	0.8	3.2	2.9	0.0	0.0
Major Repairs Allowance	1.8	6.4	3.9	0.0	0.0
Revenue	3.7	0.9	4.2	0.0	0.0
Net financing need for the year	53.0	6.7	4.3	1.7	0.1
Commercial activities/non-financial investments	2017/18 Actual	2018/19 Estimate	2019/20 Estimate	2020/21 Estimate	2021/22 Estimate
	£ m	£ m	£ m	£ m	£ m
Capital expenditure	0.0	6.0	4.0	1.7	0.1
Financing Costs	0.0	0.3	0.0	0.0	0.0
Net financing need for the year	0.0	5.7	4.0	1.7	0.1
Percentage of total net financing need	0%	95%	100%	100%	100%

8.6. **Prudential Indicator 4 which must not be breached** - The authorised limit is the borrowing limit set for Shropshire Council and includes the HRA borrowing. This indicator shows the maximum permitted amount of outstanding debt for all purposes. It includes three components:

1. The maximum amount for capital purposes;
2. The maximum amount for short term borrowing to meet possible temporary revenue shortfalls;
3. The maximum permitted for items other than long term borrowing i.e. PFI & leasing.

Prudential Indicator No. 4	2019/20	2020/21	2021/22
External Debt	£ m	£ m	£ m
Authorised Limit for External Debt: Borrowing	442	444	436

Other long term liabilities	101	103	101
Commercial activities/ non-financial investments	4	2	0
Total	547	549	537

8.7. Previously, the Council was limited to a maximum HRA debt limit through the HRA self-financing regime. This limit was as follows:

<i>*Abolition of HRA debt</i>	Prudential Indicator	2018/19	2019/20	2020/21	2021/22
		£ m	£ m	£ m	£ m
	HRA Debt Limit*	96	96	96	96
	HRA CFR	85	85	85	85
	HRA Headroom	11	11	11	11

cap. In October 2018, Prime Minister Theresa May announced a policy change of abolition of the HRA debt cap. The Chancellor announced in the Budget that the applicable date was 29.10.18.

8.8. **Prudential Indicator 5** – The more likely outcome for the level of external debt is shown in the operational boundary which the Council is required to set. This is calculated on the same basis as prudential indicator number 4, however, this is the limit which external debt is not normally expected to exceed.

Prudential Indicator No. 5	2019/20	2020/21	2021/22
External Debt	£ m	£ m	£ m
Operational Boundary:			
Borrowing	400	392	403
Other long term liabilities	101	103	101
Commercial activities/ non-financial investments	4	2	0
Total	505	497	504

8.9. **Prudential Indicator 6** - The estimated external debt is based on the capital programme for 2018/19.

Prudential Indicator No. 6	2017/18 Actual	2018/19 Estimate
Actual External Debt	£ m	£ m
Borrowing	318	312
Other long term liabilities	105	104
Total	423	416

8.10. **Prudential Indicator 6** - Within the above figures the level of debt relating to commercial activities / non-financial investment is £6 million.

Prudential Indicator No. 6	2017/18 Actual	2018/19 Estimate
Actual External Debt	£ m	£ m
Borrowing	318	318
Other long term liabilities	105	104
Total	423	422

8.11. **Prudential Indicator 7** - The Prudential Code requires the Council to set interest rate exposure limits for borrowing and investments.

Prudential Indicator No. 7* Internal Indicator No. 1 ** No. 7^ Internal Indicator No. 2 ^^	2019/20	2020/21	2021/20 22
Borrowing Limits			
	£ m	£ m	£ m
Upper Limit for Fixed Interest Rate Exposure *	446	446	436
Upper Limit for Variable Interest Rate Exposure ^	223	223	218
Lower Limit for Fixed Interest Rate Exposure **	223	223	218
Lower Limit on Variable Interest Rate Exposure ^^	0	0	0

These indicators seek to control the amount of debt exposed to fixed and variable interest rates. Variable rate debt carries the risk of unexpected increases in interest rates and consequently increases in cost. The upper limit for variable rate exposure has been set following advice from Link, however, this limit is never likely to be reached due to authority's objective to have no more than 25% of outstanding debt at variable interest rates.

Upper limit for fixed rate exposure

Calculation:

A maximum of 100% of the Authorised Limit (£446m in 2019/20) exposed to fixed rates is consistent with the Authority's objective to have a long term stable debt portfolio.

Upper limit for variable rate exposure

Calculation:

For efficient management of the debt portfolio it is considered prudent by Link to permit up to 50% (£223m in 2019/20) of the Authorised Limit to be borrowed at variable interest rates.

Lower limit for fixed rate exposure

Calculation:

Upper limit for fixed rate exposure less the maximum permitted borrowing at variable interest rates

Lower limit for variable rate exposure

Calculation:

To be consistent with the Authority's objective to have a long term stable portfolio all of the debt portfolio could be at a fixed rate therefore the lower limit for variable rate exposure should be nil.

Prudential Indicator No. 8* Internal Indicator No. 3 ** No. 8^ Internal Indicator No. 4 ^^	2019/20	2020/21	2021/22

Investment Limits	£ m	£ m	£ m
Upper Limit for Fixed Interest Rate Exposure *	220	220	220
Upper Limit for Variable Interest Rate Exposure ^	220	220	220
Lower Limit for Fixed Interest Rate Exposure **	0	0	0
Lower Limit on Variable Interest Rate Exposure ^^	0	0	0

These indicators seek to control the amount of investments exposed to fixed and variable interest rates. Variable rate investments are subject to changes in interest rates, but have a higher degree of liquidity and action can be taken at short notice in response to interest rate changes.

Upper limit for fixed rate exposure

Calculation: Maximum amount of fixed rate investments in order to maintain a stable investment portfolio.

Upper limit for variable rate exposure

Calculation: For the purposes of efficient portfolio management in response to interest rate conditions a maximum potential exposure to variable rates of £220m in 2019/20 is recommended.

Lower limit for fixed rate exposure

Calculation: A lower limit of zero is locally set so as to enable full advantage to be taken of market conditions.

Lower limit for variable rate exposure

Calculation: A lower limit of zero is locally set so as to enable full advantage to be taken of market conditions.

8.12. **Prudential Indicator 9** - The upper and lower limit for the maturity structure of borrowings is detailed below.

Prudential Indicator No. 9	Upper Limit	Lower Limit
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Maturity Structure of Fixed/Variable Rate Borrowing 2019/20*	%	%
Under 12 months	15	0
12 months & within 24 months	15	0
24 months & within 5 years	45	0
5 years to 10 years	75	0
10 years to 20 years	100	0
20 years to 30 years	100	0
30 years to 40 years	100	0
40 years to 50 years	100	0
50 years and above	100	0

- **The internal limit is to have no more than 15% of total outstanding debt maturing in any one financial year. This is to ensure that the risk of having to replace maturing debt at times of high interest rates is controlled.**

8.13. **Prudential Indicator 10** - The Council is required to set maximum levels for investments over 365 days for both the internal treasury team and an external fund manager if appointed.

Prudential Indicator No. 10	2019/20	2020/21	2022/22
Investment Limits			
	£m	£m	£m
Upper Limit for Total Principal Sums Invested for over 365 days:			
Externally Managed (if appointed)	30	30	30
Internally Managed	50	50	50
Shrewsbury Shopping Centres	70	70	70

Rationale: The limit for the external cash fund manager has been set at £30 million in the event that an external manager is appointed. The limit for the internal treasury team has been set in order for the authority to potentially take advantage of more stable returns going forward. This includes the lending to date to local housing associations. A separate limit of £70 million is included for the investment in units held within the JPUT for the Shrewsbury Shopping Centres. This limit is higher than the gross capital investment cost of £53.1m as it includes headroom for any future capital investment requirements.

9. Current Treasury Position

9.1. The Council's treasury position at 31 December 2018 is set out below:-

Outstanding debt for capital purposes	Actual £m
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Long-term fixed rate PWLB	262.8
Long term fixed rate – Market	49.2
Total	312.0

Investments	£m
Internally managed - long term (1 Year)	18.0
- short term cash flow	112.0
Total	130.0

10. Prospects for Interest Rates

10.1. The Council retains the services of Link Asset Services as adviser on treasury matters and part of the service provided is to help the Council to formulate a view on interest rates. The following table gives the latest Link central view:-

Link’s interest rate forecast as at December 2018

Link Asset Services Interest Rate View													
	Mar-19	Jun-19	Sep-19	Dec-19	Mar-20	Jun-20	Sep-20	Dec-20	Mar-21	Jun-21	Sep-21	Dec-21	Mar-22
Bank Rate View	0.75%	1.00%	1.00%	1.00%	1.25%	1.25%	1.25%	1.50%	1.50%	1.75%	1.75%	1.75%	2.00%
3 Month LIBID	0.90%	1.00%	1.10%	1.20%	1.30%	1.40%	1.50%	1.50%	1.60%	1.70%	1.80%	1.90%	2.00%
6 Month LIBID	1.00%	1.20%	1.30%	1.40%	1.50%	1.60%	1.70%	1.70%	1.80%	1.90%	2.00%	2.10%	2.20%
12 Month LIBID	1.20%	1.30%	1.40%	1.50%	1.60%	1.70%	1.80%	1.90%	2.00%	2.10%	2.20%	2.30%	2.40%
5yr PWLB Rate	2.10%	2.20%	2.20%	2.30%	2.30%	2.40%	2.50%	2.50%	2.60%	2.60%	2.70%	2.80%	2.80%
10yr PWLB Rate	2.50%	2.60%	2.60%	2.70%	2.80%	2.90%	2.90%	3.00%	3.00%	3.10%	3.10%	3.20%	3.20%
25yr PWLB Rate	2.90%	3.00%	3.10%	3.10%	3.20%	3.30%	3.30%	3.40%	3.40%	3.50%	3.50%	3.60%	3.60%
50yr PWLB Rate	2.70%	2.80%	2.90%	2.90%	3.00%	3.10%	3.10%	3.20%	3.20%	3.30%	3.30%	3.40%	3.40%

Link’s current interest rate view is that Bank Rate will: -

- remain at its current level of 0.75% until June 2019 when it is expected to rise to 1.00%.
- reach 1.25% by March 2020 and 1.50% by December 2020.

The effect on interest rates for the UK is expected to be as follows:-

Short-term interest rates (investments)

10.2. The flow of generally positive economic statistics after the quarter ended 30 June meant that it came as no surprise that the MPC came to a decision on 2 August to make the first increase in Bank Rate above 0.5% since the financial crash, from 0.5% to 0.75%. Growth became increasingly strong during 2018 until slowing significantly during the last quarter. At their November meeting, the MPC left Bank Rate unchanged, but expressed some concern at the Chancellor’s fiscal stimulus in his Budget, which could increase inflationary pressures. However, it is unlikely that the MPC would increase Bank Rate in February 2019, ahead of the deadline in March for Brexit. On a major assumption that Parliament and the EU agree a Brexit deal in the first quarter of 2019, then the next increase in Bank Rate is forecast to be in May 2019, followed by increases in February and November 2020, before ending up at 2.0% in February 2022.

Long-term interest rates (borrowing)

10.3. The 50 year PWLB rate is expected to rise gradually to reach 3.0% by the end of March 2020. It is expected to continue rising gradually to reach 3.4% by the end of December 2021. There is scope for it to move around the central forecast by + or – 0.25%. The 25 year PWLB rate is also expected to rise slightly to reach 3.2% by the end of March 2020 and 3.6% by the end of December 2020. The 10 year PWLB rate is expected to rise gradually to 2.8% by the end of March 2020. Again further gradual rises are expected in 2020/21 & 2021/22. The 5 year PWLB rate is also expected to rise gradually from 2.0% to 2.3% by the end of March 2020 and to 2.8% by the end of December 2021. The PWLB rates and forecasts shown above take into account the 0.2% certainty rate reduction effective as of the 1 November 2012.

11. Borrowing Strategy

11.1. The Council is currently maintaining an under-borrowed position. This means that the capital borrowing need (the Capital Financing Requirement), has not been fully funded with loan debt as cash supporting the Council's reserves, balances and cash flow has been used as a temporary measure. This strategy is prudent as investment returns are low and counterparty risk is still an issue that needs to be considered.

11.2. The only approved external borrowing requirement for 2019/20 to 2021/22 within the Capital Programme is £6.030m self-financing prudential borrowing. The Council will adopt a pragmatic approach to changing circumstances when considering new borrowing if required in the future. Consideration will be given to the following:-

- i) As long term borrowing rates are expected to be higher than investment rates and look likely to be for the next couple of years or so all new external borrowing may be deferred in order to maximise savings in the short term. The running down of investments also has the added benefit of reducing exposure to interest rate and credit risk. However, in view of the overall forecast for long term borrowing rates to increase over the next few years, consideration will also be given to weighing up the short term advantage of internal borrowing against potential long term costs if the opportunity is missed for taking loans at long term rates which will be higher in future years.
- ii) Temporary borrowing from the money markets or other local authorities.
- iii) PWLB variable rate loans for up to 10 years.
- iv) Long term fixed rate market loans (including loans offered by the Municipal Bond Agency) at rates below PWLB rates for the equivalent maturity period.
- v) Short term PWLB rates are expected to be cheaper than longer term borrowing therefore borrowing could be undertaken in the under 10 year period early on in the financial year when rates are expected to be at their lowest. This will also have the added benefit of spreading debt maturities away from a concentration in longer dated debt.
- vi) If it was felt that there was a significant risk in a sharp fall in long and short term rates then long term borrowings will be postponed. If it was felt there was a significant risk of a sharp rise in long and short term rates then the

portfolio position would be re-appraised with the likely action that fixed rate funding will be drawn whilst interest rates were still relatively cheap.

- 11.3. Delegated authority is sought for the Section 151 Officer to exercise the borrowing powers contained in the Local Government Act 2003 to manage the debt portfolio.

12. External versus internal borrowing

- 12.1. The Prudential Code requires the Council to explain its policy on gross and net debt. The Council currently has gross debt of £312 million and net debt (after deducting cash balances) of £182 million. The next financial year is expected to see the Bank Rate increase by 0.5% to reach 1.25%. As borrowing rates are expected to be higher than investment rates this would indicate that value could best be obtained by avoiding new external borrowing and using internal cash balances to finance new capital expenditure. The policy of avoiding new borrowing by running down spare cash balances has served well over the last few years. This is referred to as internal borrowing and maximises short term savings. This is subject to change as the Brexit negotiations are yet to be finalised.
- 12.2. However, this needs to be carefully reviewed to avoid incurring higher borrowing costs in the future when authorities may not be able to avoid new borrowing to finance capital expenditure and/or the refinancing of maturing debt.
- 12.3. The Council has examined the potential for undertaking early repayment of some external debt in order to reduce the difference between its gross and net debt positions. However, the introduction by the PWLB of significantly lower rates for repayments than for new borrowing means that large premiums would be incurred and such levels of premiums cannot be justified on value for money grounds.
- 12.4. Against this background caution will be adopted with the 2019/20 treasury operations. The Section 151 Officer will monitor the interest rate market and adopt a pragmatic approach to changing circumstances, reporting any decisions to Members at the next available opportunity.

13. Policy on borrowing in advance of need

- 13.1. The Council will not borrow more than or in advance of its needs purely in order to profit from the investment of the extra sums borrowed. Any decision to borrow in advance will be within forward approved Capital Financing Requirement estimates, and will be considered carefully to ensure value for money can be demonstrated and that the Council can ensure the security of such funds.
- 13.2. In determining whether borrowing will be undertaken in advance of need the Council will:-
- Ensure that there is a clear link between the capital programme and maturity profile of the existing debt portfolio which supports the need to take funding in advance of need.
 - Ensure the ongoing revenue liabilities created, and the implications for the future plans and budgets have been considered.
 - Evaluate the economic and market factors that might influence the manner and timing of any decision to borrow.
 - Consider the merits and demerits of alternative forms of funding.
 - Consider the alternative interest rate bases available, the most appropriate periods to fund and repayment profiles to use.

- Consider the impact of borrowing in advance on temporarily (until required to finance capital expenditure) increasing investment cash balance and the consequent increase in exposure to counterparty risk, and other risks, and the level of such risks given the controls in place to minimise them.

14. Debt Rescheduling

14.1. Consideration will be given to the potential for making savings by running down investment balances to repay debt prematurely as short term rates on investments are likely to be lower than rates currently paid on debt. However, this will need careful consideration in the light of premiums that may be incurred by such a course of action. The proposals for debt rescheduling are a continuation of the existing policy and such transactions will only be undertaken:-

- in order to generate cash savings at minimum risk.
- to help fulfil the strategy set out above.
- in order to enhance the balance of the long term portfolio by amending the maturity profile and/or volatility of the portfolio.

15. Investment Strategy

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

15.2. The Council is required, under CIPFA's Treasury Management Code of Practice, to formulate an Annual Investment Strategy (Appendix 2). This outlines the Council's approach to:-

- Security of capital
- Creditworthiness policy
- Monitoring of credit ratings
- Specified and Non Specified Investments
- Temporary Investments

15.3. The Council's investment priorities are the security of capital and the liquidity of its investments. The Council will also aim to achieve the optimum return on its investments commensurate with proper levels of security and liquidity. The above guidance from the MHCLG and CIPFA place a high priority on the management of risk. This authority has adopted a prudent approach to managing risk as outlined in the Annual Investment Strategy.

15.4. The Council are asked to approve the Investment Strategy set out in Appendix 2.

16. Minimum Revenue Provision (MRP) Statement

16.1 The Council is required to pay off an element of the accumulated general fund capital spend each year (the CFR) through a revenue charge (the Minimum Revenue Provision - MRP) although it is also allowed to undertake additional voluntary payments if required. MHCLG regulations have been issued which require the full Council to approve an MRP Statement in advance of each year.

Council are asked to approve the Minimum Revenue Provision Statement set out in Appendix 3.

17. Leasing

- 17.1. In the past the Council has used operating leases to finance the purchase of vehicles and equipment. The Section 151 Officer will assess the relative merits of operating and finance leases on a case by case basis and enter into the most advantageous. Schools I.T equipment will continue to be internally financed by borrowing against a small fund set against school balances with schools repaying their borrowing over a period of 3 years.

18. Lending to Housing Associations

- 18.1. As previously approved by full Council, the Council has offered to lend funds to Shropshire Housing Ltd (which incorporates South Shropshire Housing Association and the Meres & Mosses Housing Association) and Severnside Housing at an agreed rate.
- 18.2. It has been agreed that the interest rate charged will depend on the period over which the loan is to be taken and that it will be linked to the applicable PWLB rate plus an administration fee. It has been agreed to offer to lend up to £10 million to each of these Housing Associations in order to support the building of affordable housing and shared office accommodation in Shropshire. For security purposes, each loan has been secured against existing assets held by or owned by the Housing Association.
- 18.3. Officers have sought advice from Wragge & Co who have confirmed that the Council has the power to lend funds to Housing Associations under the Housing Act 1996 and have drawn up the legal documentation relating to the loan agreement. To date £9,770,000 has been drawn down by Shropshire Housing Ltd and £10,000,000 by Severnside Housing.

List of Background Papers (This MUST be completed for all reports, but does not include items containing exempt or confidential information)

Treasury Management Practices

Treasury Strategy 2018/19 (Council 22 February 2018)

Treasury Strategy 2018/19 Mid-Year Review (Council 13 December 2018)

Financial Strategy Report 2019/20 to 2021/22 (Cabinet 13 February 2019)

Shrewsbury Shopping Centres Report (Council 14 December 2017)

Cabinet Member : David Minnery, Portfolio Holder for Finance

Local Member

N/A

Appendices:

- 1 – Prudential Indicators
- 2 – Council’s Annual Investment Strategy
- 3 – Minimum Revenue Provision Policy Statement

Prudential Indicators

Prudential Indicator	2018/19 Estimate	2019/20 Estimate	2020/21 Estimate	2021/22 Estimate
	%	%	%	%
Non HRA ratio of financing costs to net revenue stream	8.8	9.3	8.9	9.3
HRA ratio of financing costs to HRA net revenue stream	38.8	38.8	37.4	36.1

Prudential Indicator	2018/19 Estimate	2019/20 Estimate	2020/21 Estimate	2021/22 Estimate
	%	%	%	%
Non HRA ratio of financing costs (net of investment income) to net revenue stream	8.2	8.6	8.3	8.8

Prudential Indicator	2017/18 Actual	2018/19 Estimate	2019/20 Estimate	2020/21 Estimate	2021/22 Estimate
Net Borrowing & Capital Financing Requirement:	£ m	£ m	£ m	£ m	£ m
Non HRA Capital Financing Requirement	287	287	289	280	270
HRA Capital Financing Requirement	84	85	85	85	85
Commercial activities/non-financial investments Capital Financing Requirement	0	6	10	11	11
Total CFR	371	378	384	376	366
Movement in CFR	44	7	6	-8	-10
Movement in CFR represented by					
Net financing need for the year (above)	53.0	6.7	4.3	1.7	0.1
Less MRP/VRP and other financing movements	-9.0	0.3	1.7	-9.7	-10.1
Movement in CFR	44.0	7.0	6.0	-8.0	-10.0
Gross Borrowing (including HRA)	318	319	312	306	292
Investments	92	100	100	100	100
Net Borrowing	226	219	212	206	192

Prudential Indicator	2017/18 Actual	2018/19 Estimate	2019/20 Estimate	2020/21 Estimate	2021/22 Estimate
	£ m	£ m	£ m	£ m	£ m
Non HRA Capital expenditure	95.4	51.9	56.7	20.5	15.9
HRA Capital expenditure	6.9	8.0	7.6	0.0	0.0
Commercial activities/non-financial investments	0.0	6.0	4.0	1.7	0.1
Total Capital expenditure	102.3	65.9	68.3	22.2	16.0
Financing of capital expenditure					
Capital receipts	4.5	7.3	14.7	0.1	0.0
Capital grants	38.5	41.4	38.3	20.4	15.9
Other Contributions	0.8	3.2	2.9	0.0	0.0
Major Repairs Allowance	1.8	6.4	3.9	0.0	0.0
Revenue	3.7	0.9	4.2	0.0	0.0
Net financing need for the year	53.0	6.7	4.3	1.7	0.1
Commercial activities/non-financial investments					
	2017/18 Actual	2018/19 Estimate	2019/20 Estimate	2020/21 Estimate	2021/22 Estimate
	£ m	£ m	£ m	£ m	£ m
Capital expenditure	0.0	6.0	4.0	1.7	0.1
Financing Costs	0.0	0.3	0.0	0.0	0.0
Net financing need for the year	0.0	5.7	4.0	1.7	0.1
Percentage of total net financing need	0%	95%	100%	100%	100%

Prudential Indicator	2019/20	2020/21	2021/22
External Debt	£ m	£ m	£ m
Authorised Limit for External Debt:			
Borrowing	442	444	436
Other long term liabilities (PFI)	101	103	101
Commercial activities/ non-financial investments	4	2	0
Total	547	549	537

Prudential Indicator	2018/19	2019/20	2020/21	2021/22
	£ m	£ m	£ m	£ m
HRA Debt Limit*	96	96	96	96
HRA CFR	85	85	85	85
HRA Headroom	11	11	11	11

**Abolition of HRA debt cap. In October 2018, Prime Minister Theresa May announced a policy change of abolition of the HRA debt cap. The Chancellor announced in the Budget that the applicable date was 29.10.18*

Prudential Indicator	2019/20	2020/21	2021/22
External Debt	£ m	£ m	£ m
Operational Boundary:			
Borrowing	400	392	403
Other long term liabilities (PFI)	101	103	101
Commercial activities/ non-financial investments	4	2	0
Total	505	497	504

Prudential Indicator	2017/18 Actual	2018/19 Estimate
External Debt	£ m	£ m
Borrowing	318	312
Other long term liabilities (PFI)	105	104
Total	423	416

Within the above figures the level of debt relating to commercial activities / non-financial investment is £6 million.

Prudential Indicator	2017/18 Actual	2018/19 Estimate
External Debt	£ m	£ m
Borrowing	318	318
Other long term liabilities (PFI)	105	104
Total	423	422

Prudential Indicator	2019/20	2020/21	2021/22
Borrowing Limits	£ m	£ m	£ m
Upper Limit for Fixed Interest Rate Exposure	446	446	436
Upper Limit for Variable Interest Rate Exposure	223	223	218
Lower Limit for Fixed Interest Rate Exposure	223	223	218
Lower Limit on Variable Interest Rate Exposure	0	0	0

Prudential Indicator	2019/20	2020/21	2021/22
Investment Limits	£ m	£ m	£ m
Upper Limit for Fixed Interest Rate Exposure	220	220	220
Upper Limit for Variable Interest Rate Exposure	220	220	220
Lower Limit for Fixed Interest Rate Exposure	0	0	0
Lower Limit on Variable Interest Rate Exposure	0	0	0

Prudential Indicator	Upper Limit	Lower Limit
Maturity Structure of Fixed/Variable Rate Borrowing During 2019/20 **	%	%
Under 12 months	15	0
12 months & within 24 months	15	0
24 months & within 5 years	45	0
5 years & within 10 years	75	0
10 years & within 20 years	100	0
20 years & within 30 years	100	0
30 years & within 40 years	100	0
40 years & within 50 years	100	0
50 years and above	100	0

**** Internal limit is to have no more than 15% of total outstanding debt maturing in any one financial year.**

Prudential Indicator	2018/19	2019/20	2020/21
Investment Limits			
	£m	£m	£m
Upper Limit for Total Principal Sums Invested for over 365 days:			
Externally Managed (if appointed)	30	30	30
Internally Managed	50	50	50
Shrewsbury Shopping Centres	70	70	70

The Council's Annual Investment Strategy

The Council's investment policy has regard to the MHCLG Guidance on Local Government Investments and the CIPFA Treasury Management Code of Practice which requires the Council to formulate a strategy each year regarding the investment of its revenue funds and capital receipts. Authorities are required to take the guidance into account under the terms of section 12 of the Local Government Act 2003.

In accordance with the above guidance from the MHCLG and CIPFA, and in order to minimise the risk to investments, the Council applies minimum acceptable credit criteria in order to generate a list of highly creditworthy counterparties which also enables diversification and thus avoidance of concentration risk. The key ratings used to monitor counterparties are the Short Term and Long Term ratings.

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

The income and expenditure flow of the Council is such that funds are temporarily available for investment. Under the Annual Investment Strategy the Council may use, for the prudent management of its treasury balances, any of the investments highlighted under the headings of **Specified Investments** and **Non-Specified Investments** as detailed on the attached table (Appendix 2A).

Creditworthiness Policy

The Council uses the creditworthiness service provided by its treasury advisor, Link Asset Services. This service employs a sophisticated modelling approach utilising credit ratings from the three main credit rating agencies Fitch, Moody's and Standard and Poor's. In addition, in line with the Treasury Management Code of Practice, it does not rely solely on the current credit ratings of counterparties but also uses the following overlays:-

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

This modelling approach combines credit ratings, credit watches and credit outlooks in a weighted scoring system which is then combined with an overlay of CDS spreads for which the end product is a series of colour coded bands which indicate the relative creditworthiness of counterparties. These colour codes are used by the Council to determine the duration of investments and are therefore referred to as durational bands. The Council is satisfied that this service gives the required level of security for its investments. It is also a service which the Council would not be able to replicate using in house resources.

The selection of counterparties with a high level of creditworthiness will be achieved by a selection of institutions down to a minimum durational band with Link's weekly credit list of worldwide potential counterparties. The Council will therefore use counterparties within the following durational bands:-

- Yellow – 5yrs e.g. AAA rated Government debt, UK Gilts, Collateralised Deposits
- Dark Pink – 5 years for Ultra-Short Dated Bond Funds or Enhanced Money Market Funds with a credit score of 1.25 (Not currently used)
- Light Pink - 5 years for Ultra-Short Dated Bond Funds or Enhance Money Market Funds with a credit score of 1.5 (Not currently used)
- Purple - 2yrs (Council currently has maximum of 1 year)
- Blue - 1 year (only applies to nationalised or part nationalised UK Banks)
- Orange - 1 year
- Red - 6 months
- Green – 100 days
- No colour – not to be used

The Link Asset Services creditworthiness service uses ratings from all three agencies and uses a wider array of information than just primary credit ratings to determine creditworthy counterparties. By using this approach and applying it to a risk weighted scoring system, it does not give undue over reliance to just one agency's ratings.

Monitoring of Credit Ratings

All credit ratings will continue to be monitored continuously and formally updated monthly if any changes are required. The Council is alerted to interim changes in ratings from all three agencies by Link Asset Services.

If a counterparty's or investment scheme's rating is downgraded with the result that it no longer meets the Council's minimum criteria, the further use of that counterparty will be withdrawn immediately. If a counterparty is upgraded so that it fulfils the Council's criteria, its inclusion will be considered for approval by the S151 Officer.

In addition to credit ratings the Council will be advised of information in movements in CDS against the iTraxx benchmark and other market data on a daily basis via the Passport website. Extreme market movements may result in the downgrade of an institution or the removal from the Council's lending list.

Sole reliance will not be placed on the use of this external service. In addition the Council will monitor the financial press and also use other market data and information e.g. information on external support for banks.

UK banks – ring fencing

The largest UK banks, (those with more than £25bn of retail / Small and Medium-sized Enterprise (SME) deposits), are required, by UK law, to separate core retail banking services from their investment and international banking activities by 1st January 2019. This is known as "ring-fencing". Whilst smaller banks with less than £25bn in deposits are exempt, they can choose to opt up. Several banks are very close to the threshold already and so may come into scope in the future regardless.

Ring-fencing is a regulatory initiative created in response to the global financial crisis. It mandates the separation of retail and SME deposits from investment banking, in order to improve the resilience and resolvability of banks by changing their structure. In general, simpler, activities offered from within a ring-fenced bank, (RFB), will be

focused on lower risk, day-to-day core transactions, whilst more complex and “riskier” activities are required to be housed in a separate entity, a non-ring-fenced bank, (NRFB). This is intended to ensure that an entity’s core activities are not adversely affected by the acts or omissions of other members of its group.

While the structure of the banks included within this process may have changed, the fundamentals of credit assessment have not. The Council will continue to assess the new-formed entities in the same way that it does others and those with sufficiently high ratings, (and any other metrics considered), will be considered for investment purposes.

The Council currently has investments with HSBC, Barclays & Lloyds. HSBC and Lloyds are classified as ring fenced banks and Barclays as non ring fenced. All these institutions appear on Link Asset Services approved lending list and meet the council’s creditworthiness criteria.

Country Limits

It is recommended that the Council will only use approved counterparties from the UK and from other countries with a minimum sovereign credit rating of AA- from Fitch Ratings (or equivalent from other agencies). Following the problems with Icelandic Banks lending is currently restricted to the UK which currently has a sovereign credit rating of AA and Sweden which has the highest possible sovereign rating of AAA. The S151 Officer has delegated authority to revert back to placing investments in countries with a minimum sovereign credit rating of AA- in line with Link’s revised creditworthiness policy if required.

Security of Capital

The Council’s current policy is to not place investments with any Foreign banks. The only exception to this is a call account set up with the Swedish bank, Handelsbanken, but this is a highly credit rated institution and the sovereign rating of Sweden is AAA as stated above. Funds are also repayable immediately if required. Following approval of the S151 Officer, lending to AAA rated Money Market Funds has also recommenced. Lending to other Foreign banks which comply with Link’s creditworthiness policy may be considered again but only with the express approval of the S151 Officer.

In addition, in order not to solely rely on an institution’s credit ratings there have also been a number of other developments which require separate consideration and approval for use:

Nationalised and Part Nationalised banks in the UK effectively take on the creditworthiness of the Government itself i.e. deposits made with them are effectively being made to the Government. This is because the Government owns significant stakes in the banks and this ownership is set to continue. Link are still supportive of the Council using these institutions with a maximum 12 month duration. For this reason Royal Bank of Scotland (RBS) and National Westminster Bank which are part of the RBS Group are included on the approved counterparty list.

Local Authorities are not credit rated but where the investment is a straightforward cash loan, statute suggests that the credit risk attached to local authorities is an acceptable one (Local Government Act 2003 s13). Local Authorities are therefore included on the approved list.

The total permitted investment in any one organisation at any one time varies with the strength of the individual credit rating. For the highest rated and Part

Nationalised Institutions the maximum amount is currently limited to £20m. Any changes to the maximum limit must be approved by the S151 Officer.

MHCLG Investment Guidance

Guidance from the MHCLG requires Councils to give priority to the security and portfolio liquidity of investments over yield whilst still aiming to provide good returns. This is in line with the Council's current practice and it is recommended that the policy should be reaffirmed.

The guidance also requires Councils to categorise their investments as either "specified" or "non-specified" investments.

(i) Specified Investments

Specified investments are deemed as "safer" investments and must meet certain conditions, ie they must :-

- be denominated in sterling
- have less than 12 months duration
- not constitute the acquisition of share or loan capital

- either: be invested in the UK government or a local authority
 or a body or investment scheme with a "high" credit quality.

The Council is required to specify its creditworthiness policy and how frequently credit ratings should be monitored. It must also specify the minimum level of such investments.

Of the investments currently authorised by the Council, deposits in the Debt Management Office Account and with other Local Authorities automatically qualify as specified investments as they are of less than 12 months duration and are denominated in sterling.

The classification of the other investments is dependent on the counterparty having high credit quality in line with Link's creditworthiness policy. The Council is alerted to any changes in an institutions credit rating by Link Asset Services.

(ii) Non Specified Investments

These are any investments which do not meet the specified investment criteria outlined above. The Council is required to look at non-specified investments in more detail. It must set out:

- procedures for determining which categories of non-specified investments should be used
- the categories deemed to be prudent
- the maximum amount to be held in each category

The Strategy must also set out procedures for determining the maximum period for committing funds.

It is recommended that the following procedure be adopted for determining which categories of non-specified investments should be used:

- the Cabinet/Council should approve categories on an annual basis
- advice should be provided by the S151 Officer

- priority should be given to security and portfolio liquidity ahead of yield

It is recommended that for specified investments the range of maximum limits is set between £5m and £20m for the internal treasury team. For non specified investments it is recommended that the limit for the internal treasury team should be restricted to £50m of the total investment portfolio (excluding the Shrewsbury Shopping Centre acquisition). Any changes to the maximum limits must be approved by the S151 Officer.

Temporary Investment Strategy

The Monetary Policy Committee (MPC) delivered a 0.25% increase in Bank rate to 0.75% in August 2018. It is felt that the bank rate will remain at its current level of 0.75% until June 2019 when it is expected to rise to 1.00%. The Bank rate is then expected to rise to 1.5% by December 2020 and 2.00% by March 2022. This view is based on the latest forecasts obtained by the Authority's treasury advisor, Link Asset Services.

If an external fund manager is appointed in 2019/20 they would also have to adhere to the authorised specified and non-specified investments on the attached table. They would also have to comply with the Council's Annual Investment Strategy and their agreement must stipulate guidelines and other limits in order to contain and control risk.

The market is continually monitored for opportunities to lock in to higher, longer term rates in order to bring some stability to the returns going forward and add value. However, based on the interest rate assumptions outlined above, we do not expect to lock into longer term deals unless exceptionally attractive rates are available which make longer term deals worthwhile.

For the cash flow generated balances, we will seek to utilise instant access accounts, Money Market Funds and short dated deposits (1-3 months) in order to benefit from the compounding of interest.

The present strategy is to diversify investments so as to spread risk over a range of investment types and periods and provide the opportunity to enhance returns. Due to the current lending restrictions in place diversification has been somewhat reduced due to the reduction in the number of institutions which we can lend to, however, by taking this course of action the credit risk has been reduced. The portfolio as at 31 December 2018 is set out in paragraph 9.1 of the Treasury Strategy 2019/20 report. The amount held in investments has reduced by £52.6m following the purchase of units held in a Jersey Property Unit Trust (JPUT) for the acquisition of 100% of the units for the Shrewsbury Shopping Centres on 23 January 2018. Performance of the in-house operation will continue to be monitored on a monthly basis by your officers in conjunction with the treasury advisor.

All investments will continue to be made in accordance with the Local Government Act 2003, and with those institutions on the authorised lending list. The credit status of institutions on the approved list is monitored continuously.

At the end of the financial year, the Council will report on its investment activity as part of its Annual Treasury Report.

Policy on the use of external service providers

The Council currently uses Link Asset Services, as its external treasury management advisers. The Council recognises that the responsibility for treasury management decisions remains with the Council at all times and will ensure that undue reliance is not placed upon our external service providers. The Council also recognises that there is value in employing external providers of treasury management services in order to acquire access to specialist skills and resources. The Council will ensure that the terms of their appointment and the methods by which their value will be assessed are properly agreed and documented and subjected to review.

Scheme of Delegation

Full Council

- Approval of Treasury Strategy.
- Receiving and reviewing reports on treasury management policies, practices and activities including the Annual Treasury Report and Mid-Year Strategy Report.
- Budget consideration and approval

Cabinet

- Receiving & reviewing Treasury Strategy, Mid-Year Strategy Report, Annual Treasury Report and Quarterly Treasury Management Update Reports

Audit Committee

- Reviewing the treasury management policy and procedures and making recommendations to the responsible body.
- Receiving & reviewing Treasury Strategy, Mid Year Report, Annual Treasury Report.

Role of the Section 151 Officer

The role of the S151 Officer in relation to treasury management is as follows:-

- Recommending clauses, treasury management policy/practices for approval, reviewing the same regularly and monitoring compliance.
- Approval of segregation of responsibilities.
- Approval of the Treasury Policy Statement and Treasury Management Practices.
- Submitting regular treasury management policy reports.
- Submitting budgets and budget variations.
- Receiving and reviewing management information reports.
- Reviewing the performance of the treasury management function.
- Ensuring the adequacy of treasury management resources and skills and the effective division of responsibilities within the treasury management function.
- Ensuring the adequacy of internal audit and liaising with external audit.
- Recommending the appointment of external service providers.

The above list of specific responsibilities of the s151 Officer in the 2017 Treasury Management Code has not changed. However, implicit in the changes in both Codes, is a major extension of the functions of this role, especially in respect of non-financial investments:-

- preparation of a capital strategy to include capital expenditure, capital financing, non-financial investments and treasury management, with a long term timeframe.
- ensuring that the capital strategy is prudent, sustainable, affordable and prudent in the long term and provides value for money
- ensuring that due diligence has been carried out on all treasury and non-financial investments and is in accordance with the risk appetite of the authority

- ensure that the authority has appropriate legal powers to undertake expenditure on non-financial assets and their financing
- ensuring the proportionality of all investments so that the authority does not undertake a level of investing which exposes the authority to an excessive level of risk compared to its financial resources
- ensuring that an adequate governance process is in place for the approval, monitoring and ongoing risk management of all non-financial investments and long term liabilities
- provision to members of a schedule of all non-treasury investments including material investments in subsidiaries, joint ventures, loans and financial guarantees
- ensuring that members are adequately informed and understand the risk exposures taken on by an authority
- ensuring that the authority has adequate expertise, either in house or externally provided, to carry out the above
- creation of Treasury Management Practices which specifically deal with how non treasury investments will be carried out and managed, to include the following: -
 - *Risk management (TMP1 and schedules), including investment and risk management criteria for any material non-treasury investment portfolios;*
 - *Performance measurement and management (TMP2 and schedules), including methodology and criteria for assessing the performance and success of non-treasury investments;*
 - *Decision making, governance and organisation (TMP5 and schedules), including a statement of the governance requirements for decision making in relation to non-treasury investments; and arrangements to ensure that appropriate professional due diligence is carried out to support decision making;*
 - *Reporting and management information (TMP6 and schedules), including where and how often monitoring reports are taken;*
 - *Training and qualifications (TMP10 and schedules), including how the relevant knowledge and skills in relation to non-treasury investments will be arranged.*

Pension Fund Cash

The Council complies with the requirements of the Local Government Pension Scheme (Management and Investment of Funds) Regulations 2009 and does not pool pension fund cash with its own balances for investment purposes.

LOCAL GOVERNMENT INVESTMENTS (England)**SPECIFIED INVESTMENTS**

All investments listed below must be sterling-denominated.

Investment	Share/ Loan Capital?	Repayable/ Redeemable within 12 months?	Security / Minimum Credit Criteria	Capital Expenditure?	Circumstance of use	Maximum period
Term deposits with the UK government (e.g. DMO Account) or with local authorities (i.e. local authorities as defined under Section 23 of the 2003 Act) with maturities up to 1 year	No	Yes	High security although LAs not credit rated.	No	In-house and by external fund manager	1 year
Term deposits with credit-rated deposit takers (banks and building societies), including callable deposits, with maturities up to 1 year	No	Yes	Yes – Minimum colour band green	No	In-house and by external fund manager	1 year
Certificates of Deposit issued by credit-rated deposit takers (banks and building societies) up to 1 year. <i>Custodial arrangement required prior to purchase</i>	No	Yes	Yes – Minimum colour band green	No	In house buy and hold and External fund managers	1 year
Banks nationalised by high credit rated (sovereign rating) countries – non UK	No	Yes	Minimum Sovereign Rating AA-	No	In house and external fund managers	1 year

Investment	Share/ Loan Capital?	Repayable/ Redeemable within 12 months?	Security / 'High' Credit Rating criteria	Capital Expenditure?	Circumstance of use	Maximum period
UK Nationalised & Part Nationalised banks	No	Yes	Yes – Minimum colour band green	No	In House and external managers	1 year
Government guarantee (explicit) on all deposits by high credit rated (sovereign rating) countries	No	Yes	Yes – Minimum Sovereign Rating AA- / UK Sovereign Rating	No	In house and external fund managers	1 year
Bonds issued by multilateral development banks (Euro Sterling Bonds as defined in SI 2004 No 534) Bond issuance issued by a financial institution which is explicitly guaranteed by the UK Government e.g. National Rail	No	Yes	AAA	No	In-House on a buy and hold basis after consultation/advice from Link also for use by External fund manager	1 year
<i>Custodial arrangement required prior to purchase</i>						
Gilt Funds and Bond Funds (including Ultra-Short Dated Bond Funds)	No	Yes	UK sovereign rating	No	In House and by external fund managers	1 year
Gilts : up to 1 year	No	Yes	Govt-backed UK Sovereign Rating	No	In House on a buy and hold basis and for trading by external fund manager subject to the guidelines and parameters agreed with them	1 year
<i>Custodial arrangement required prior to purchase</i>						

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Investment	Share/ Loan Capital?	Repayable/ Redeemable within 12 months?	Security / 'High' Credit Rating criteria	Capital Expenditure?	Circumstance of use	Maximum period
Money Market Funds (CNAV), Enhanced Money Market Funds (LVNAV & VNAV) & Government Liquidity Funds (including CCLA Fund)	No	Yes	Yes AAA rated & UK sovereign rating. Enhanced MMFs minimum colour Dark Pink/Light Pink & AAA rated	No	In-house and by external fund managers subject to the guidelines and parameters agreed with them	the period of investment may not be determined at the outset but would be subject to cash flow and liquidity requirements. Deposits are repayable at call.
Treasury bills <i>[Government debt security with a maturity less than one year and issued through a competitive bidding process at a discount to par value]</i> Custodial arrangement required prior to purchase	No	Yes	Govt-backed UK Sovereign Rating	No	In House or external fund managers subject to the guidelines and parameters agreed with them	1 year

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Monitoring of credit ratings:

All credit ratings will be monitored continuously and formally updated on a monthly basis if required. If a counterparty or investment scheme is downgraded with the result that it no longer meets the Council's minimum credit criteria, the use of that counterparty / investment scheme will be withdrawn.

Any intra-month credit rating downgrade which the Council has identified that affects the Council's pre-set criteria will also be similarly dealt with.

LOCAL GOVERNMENT INVESTMENT (England)

NON-SPECIFIED INVESTMENTS

All investments listed below must be sterling-denominated (with the exception of the WME US dollar account).

<u>Investment</u>	<u>(A) Why use it?</u> <u>(B) Associated risks?</u>	<u>Share/ Loan Capital?</u>	<u>Repayable/ Redeemable within 12 months?</u>	<u>Security / Minimum credit rating</u>	<u>Capital Expen- diture?</u>	<u>Circumstance of use</u>	<u>Max % of overall investments</u>	<u>Maximum maturity of investment</u>
Certificates of Deposit with credit rated deposit takers (banks and building societies) with maturities greater than 1 year <i>Custodial arrangement required prior to purchase</i>	(A) tradable more liquid than fixed term deposits (B) (i) 'Market or interest rate risk' : Yield subject to movement during life of CD which could negatively impact on price of the CD. (ii) Although in theory tradable, are relatively illiquid.	No	Yes	UK Sovereign rating	No	In house on a buy and hold basis after consultation/advice from Link & external cash fund manager(s) subject to the guidelines and parameters agreed with them.	50%	<i>Suggested limit :</i> Average duration in the portfolio not to exceed 5 years
Collateralised deposit	Deposits are backed by collateral of AAA rated local authority	No	Yes	UK Sovereign rating	No	In house & External Manager	25%	<i>5 years</i>
UK government gilts with maturities in excess of 1 year <i>Custodial arrangement required prior to purchase</i>	(A)((i) Excellent credit quality. (ii)Very Liquid). (iii) If held to maturity, known yield (rate of return) per annum ~ aids forward planning. (iv) If traded, potential for capital gain through appreciation in value (i.e. sold before maturity) (v) No currency risk (B) (i) 'Market or interest rate risk' : Yield subject to movement during life of sovereign bond which could negatively impact on price of the bond i.e. potential for capital loss.	No	Yes	UK Sovereign rating	NO	In house on a buy & hold basis following advice from Link and for trading by external cash fund manager subject to the guidelines and parameters agreed with them	50%	<i>Suggested limit :</i> Average duration in the portfolio not to exceed 5 years

Investment	(A) Why use it? (B) Associated risks?	Share/ Loan Capital?	Repayable/ Redeemable within 12 months?	Security / Minimum credit rating **	Capital Expen- diture?	Circumstance of use	Max % of overall investment s	Maximum maturity of investment
Term deposits with UK government, other Local Authorities, and credit rated deposit takers (banks and building societies) including callable deposits with maturities greater than 1 year	(A)(i) Certainty of rate of return over period invested. (ii) No movement in capital value of deposit despite changes in interest rate environment. (B) (i) Illiquid : as a general rule, cannot be traded or repaid prior to maturity. (ii) Return will be lower if interest rates rise after making the investment. (iii) Credit risk : potential for greater deterioration in credit quality over longer period	No	No	Minimum colour band purple	NO	In-House For trading by external cash fund manager subject to the guidelines and parameters agreed with them	£40 million 50%	<i>Suggested limit:</i> 3 years
Sovereign bond issues ex UK Government Gilts: any maturity	(A) (i) Excellent credit quality. (ii) Liquid. (iii) If held to maturity, known yield (rate of return) per annum – aids forward planning. (iv) If traded, potential for capital gain through appreciation in value (i.e. sold before maturity) (v) No currency risk (B) (i) “Market or interest rate risk” : Yield subject to movement during life of sovereign bond which could negatively impact on price of the bond i.e. potential for capital loss	No	Yes	AAA	No	For trading by external cash fund manager only subject to the guidelines and parameters agreed with them	50%	<i>Suggested limit:</i> 5 years
Bonds issued by multilateral development banks (Euro-Sterling Bonds) or issued by a financial institution guaranteed by UK government Custodial arrangement required prior to purchase	(A) (i) Excellent credit quality. (ii) Liquid. (iii) If held to maturity, known yield (rate of return) per annum – aids forward planning. (iv) If traded, potential for capital gain through appreciation in value (i.e. sold before maturity) (v) No currency risk (B) (i) “Market or interest rate risk” : Yield subject to movement during life of bond which could negatively impact on price of the bond i.e. potential for capital loss	Yes	Yes	AAA	No	In house on a buy and hold basis after consultation/advice from Link. Also for use by external fund managers	10% 50%	5 years

Investment	(A) Why use it? (B) Associated risks?	Share/ Loan Capital?	Repayable/ Redeemable within 12 months?	Security / Minimum credit rating **	Capital Expen- diture?	Circumstance of use	Max % of overall investment s	Maximum maturity of investment
Corporate Bonds & Corporate Bond funds (the use of these investments would constitute capital expenditure although this is currently under review)	(A)(i) Excellent credit quality. (ii) Liquid. (iii) If held to maturity, known yield (rate of return) per annum – aids forward planning. (iv) If traded, potential for capital gain through appreciation in value (i.e. sold before maturity) (v) No currency risk (B)(i) "Market or interest rate risk" : Yield subject to movement during life of sovereign bond which could negatively impact on price of the bond i.e. potential for capital loss	Yes	Yes	Minimum Sovereign rating AA-	Yes	To be used by external fund managers only	50%	<i>Suggested limit:</i> 5 years
Jersey Property Unit Trust (JPUT)	Required to facilitate the acquisition of the Shrewsbury Shopping Centres via a Jersey based Property Unit Trust – required only subject to full Council approval of the acquisition method on 14 th December 2017.	No	No	No Minimum Credit rating – assets held within the fund to undergo annual valuation to determine value of Units within the Trust.	Yes	In House use following specialist technical and legal advice.	£60m	5 years
Pooled property funds including CCLA Local Authorities Property Fund	Enhanced return but increased risk, only to be used following advice from Link	No	Yes	No Minimum Credit rating need to assess underlying assets within fund following advice taken from Link	No	In House Use & External Fund managers following advice from Link	20%	5 years
Floating Rate notes	(A)(i) Rate of return tied to some measure of current interest rates, so when interest rates are expected to go up they offer protection to investors against such rises (ii) In some circumstances may have access to banks which meet minimum credit criteria but generally don't take small fixed term deposit cash amounts (B)(i) Credit quality : if financial health of issuer deteriorates, investors will demand a greater yield and the price of the bond will fall	Yes	Yes	Minimum Colour band green	No	In House Use & External Fund managers following advice from Link	10%	3 years
US Dollar Deposits (WME Only)	US dollar account to be utilised as a part of West Mercia Energy prudent management of income and expenditure, ensuring that ongoing US dollar commitments can be hedged, thus extinguishing any adverse risk of	No	Yes	Minimum Colour band green	No	West Mercia Energy Only	N/A	3 Months

	exposure to movements in the exchange rate and guaranteeing a known cashflow for West Mercia Energy. The account is only to be used for this purpose and not for the purpose of speculative or trading transactions.							
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Appendix 3

The Council's Annual Minimum Revenue Provision Statement

Statutory Requirements

The Council is required by statute to set aside a minimum revenue provision (MRP) to repay external debt. The calculation of the minimum revenue provision (MRP) is as per the *Local Authority (Capital Finance and Accounting) (England) (Amendment) Regulations 2008 [SI 2008/414]*. In regulation 28, detailed rules were replaced with a simple duty for an authority to make an amount of MRP which it considers to be "prudent".

The broad aim of a prudent provision 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. The guidance includes four options (and there are two alternatives under Option three) for the calculation of a prudent provision.

There is no requirement to charge MRP where the Capital Financing Requirement (CFR) is nil or negative at the end of the preceding financial years. There is also no requirement to charge MRP on the Housing Revenue Account share of the CFR.

The legislation recommends that before the start of each financial year the Council prepares a statement of its policy on making MRP in respect of that financial year and submits it to the Full Council for approval.

Policy for calculation of Prudent Provision

The options for the calculation of a Prudent Provision are detailed in appendix 3(a) to this report. Authorities must always have regard for the guidance and the decision on what is prudent is for the authority to conclude, taking into account detailed local circumstances, including specific project timetables and revenue-earning profiles.

Following a review of the MRP policy from 2018/19 the prudent provision for Supported Borrowing has been calculated on the basis of the expected useful life of the asset on an annuity calculation basis.

Option 3a - Asset life method (Unsupported Borrowing)– equal instalment method will continue to be used for unsupported borrowing agreed prior to 2018/19 and specific treatment for PFI Assets and assets held under Finance Leases and long term capital loans. For any approved unsupported borrowing from 2018/19 the prudent provision will be calculated on an annuity basis linked to the expected useful life of the asset for consistency with the Supported Borrowing calculation, Option 3b.

Supported Borrowing

From 2016/17 the approach for calculating the MRP was on a straight line (equal instalments) calculation basis on the remaining asset life of the assets linked to the borrowing. An analysis of the average remaining asset life of the assets financed from

previous supported borrowing, determined the average remaining life to be around 45 years and this was used as the basis of calculation.

From 2018/19 Council approved to adopt the annuity calculation method for supported borrowing whilst retaining the link to the average remaining useful life of the assets it was used to finance. The annuity calculation method results in lower MRP payments in the early years, but higher payments in later years. This method has the advantage of linking MRP to the flow of benefits from an asset where these are expected to increase in later years.

CIPFA puts forward the following reasons for using the annuity method in CIPFA's "The Practitioner's Guide to Capital Finance in Local Government" (2008) which states:

- The annuity method provides a fairer charge than equal instalments as it takes account of the time value of money, whereby paying £100 in 10 year's time, is less of a burden than paying £100 now.
- The schedule of charges produced by the annuity method results in a consistent charge over an asset's life, taking into account the real value of the amounts when they fall due.
- The annuity method is a prudent basis for providing for assets that provide a steady flow of benefits over their useful life.

For 2018/19 and onwards the Council has adopted the annuity based calculation on a 45 year basis.

Unsupported Borrowing – Asset Life method

For new borrowing under the Prudential system for which no Government support is being given and is therefore self-financed (unsupported borrowing) the MRP has been calculated in accordance with Option 3 Asset Life Method. Option 3 is to make provision over the estimated life of the asset for which the borrowing is undertaken.

Freehold land cannot properly have a life attributed to it, so for the purposes of Option 3 it should be treated as equal to a maximum of 50 years. But if there is a structure on the land which the authority considers to have a life longer than 50 years, that same life estimate may be used for the land.

To the extent that expenditure is not on the creation of an asset and is of a type that is subject to estimated life periods that are referred to in the guidance, these periods will generally be adopted by the Council. However, the Council reserves the right to determine useful life periods and prudent MRP in exceptional circumstances where the recommendations of the guidance would not be appropriate. For energy efficiency schemes the payback period of scheme is used as the basis for calculating the period over which MRP is calculated.

This method is a straight forward calculation of MRP for unsupported borrowing which calculates MRP based on asset life.

Provision for debt under Option 3 will normally commence in the financial year following the one in which the expenditure is incurred. But the guidance highlights an important exception to the rule. In the case of a new asset, MRP would not have to be charged until the asset came into service and would begin in the financial year following the one in which the asset became operational. This “MRP holiday” would be perhaps two or three years in the case of major projects, or possibly longer for some complex infrastructure schemes, and could make them more affordable.

Prior to 2018/19 the Council adopted the Option 3a Straight Line calculation for unsupported borrowing. From 2018/19 Council approved to adopt the Option 3b annuity calculation method for new unsupported borrowing whilst retaining the link to the average remaining useful life of the assets it was used to finance. The annuity calculation method results in lower MRP payments in the early years, but higher payments in later years. This method has the advantage of linking MRP to the flow of benefits from an asset where these are expected to increase in later years.

The authority can still make voluntary extra provision for MRP in any year.

Adjustment A

This is an accounting adjustment to the MRP calculation that ensures consistency with previous capital regulations. Once calculated, the amount remains constant within the MRP calculations.

Between 2016/17 and 2017/18 the adjustment A was not included in the MRP calculation but continues to be a legitimate part of the calculation under the 2003 Regulations (Regulation 28) and can therefore continue to be used to reduce the supported borrowing CFR for MRP purposes. It has been considered to be prudent to include the Adjustment A value from 2018/19 onwards to calculate the CFR value. For Shropshire the fixed Adjustment A calculation is £4,446,483.75

PFI Assets and assets held under Finance Leases

For assets under on-balance sheet PFI contracts and finance leases, the annual principal payment amount in the PFI or finance lease model is used as the MRP payment amount, with no additional charges above those within the contract.

Long Term Capital Loans

The Council has made available a small number of capital loans to Housing Associations and Village Halls, financed from the Councils balances. The annual repayments of principal amounts are treated as capital receipts and set aside in the Capital Adjustment Account in place of a revenue MRP charge.

Housing Revenue Account MRP

As at 31/03/19 the HRA CFR is £84.8m, this includes the £83.35m transferred to the Council as part of housing self-financing. In managing the HRA debt and considering the HRA business plan there is no mandatory requirement to make provision in the HRA for annual MRP payments. However, the Council will make annual voluntary provision for debt repayment in the HRA based on affordable levels in the HRA

against the need for investment and delivering services in the HRA. The annual level of provision will be determined annually as part of the closure of the HRA.

2019/20 Annual MRP Statement

Appendix 3(b) provides the MRP statement for the 2019/20 financial year.

Capital Receipts set aside

The current regulations, Local Authority (Capital Finance and Accounting) (England) (Amendment) Regulations 2008 [SI 2008/414] state that the minimum revenue provision is calculated using the previous year's closing Capital Financing Requirement for supported borrowing.

In 2009/10 Shropshire Council got DCLG approval to allow the new council to voluntarily set aside capital receipts as at 1st April 2009 to reduce the CFR and consequently reduce the MRP charge for 2009/10. This approach was discussed with our Treasury Advisors and External Auditors and was approved by Members in a report to Council in December 2009.

As the extent of new borrowing is not subject to any limitation the sum of capital receipts set aside are still available to support capital expenditure in future years. This will increase the CFR to its previous level and the MRP charge in future years will increase, but not beyond the level had the saving not been generated in 2009/10. Thus the saving in MRP is therefore temporary, albeit very helpful to the short-term financial position.

As the full level of capital receipts set aside were not required to finance capital expenditure between 2009/10 and 2017/18, a balance was retained as set aside as at the end of each financial year to enable a further MRP savings in the following financial years. In the 2019/20 MRP Statement it has been assumed all the capital receipts retained as set aside as at 31 March 2019 to reduce the CFR will be offset by an increase in the CFR in 2019/20 from capital expenditure incurred in 2019/20. In the event that the level of capital expenditure in 2019/20 to be financed from the capital receipts set aside is below the level of capital receipts set aside, it is proposed to retain the balance in capital receipts as set aside in order to achieve a further MRP saving in 2020/21. This will be reported for approval as part of the Capital Outturn report 2018/19.

Appendix 3(a): Options for Prudent Provision

Option 1: Regulatory Method (Supported borrowing)

MRP is equal to the amount determined in accordance with the former regulations 28 and 29 of the 2003 Regulations, as if they had not been revoked by the 2008 Regulations. For the purposes of that calculation, the Adjustment A should normally continue to have the value attributed to it by the authority in the financial year 2004-05. However, it would be reasonable for authorities to correct any perceived errors in Adjustment A, if the correction would be in their favour.

Option 2: CFR Method (Supported borrowing)

MRP is equal to 4% of the non-housing CFR at the end of the preceding financial year without any adjustment for Adjustment A, or certain other factors which were brought into account under the previous statutory MRP calculation.

Option 3: Asset Life Method (Unsupported borrowing)

Where capital expenditure on an asset is financed wholly or partly by borrowing or credit arrangements, MRP is to be determined by reference to the life of the asset. There are two main methods by which this can be achieved, as described below. Under both variations, authorities may in any year make additional voluntary revenue provision, in which case they may make an appropriate reduction in later years' levels of MRP.

(a) Equal instalment method

MRP is the amount given by the following formula:

$$\frac{A - B}{C}$$

Where:

A is the amount of the capital expenditure in respect of the asset financed by borrowing or credit arrangements

B is the total provision made before the current financial year in respect of that expenditure

C is the inclusive number of financial years from the current year to that in which the estimated life of the asset expires.

For the purpose of the above formula in the initial year of making the MRP the variable "C" should be given the maximum values set out in the following table:

Expenditure Type	Maximum value of "C" in initial year
Expenditure capitalised by virtue of a direction under s16(2)(b)	"C" equals 20 years
Regulation 25(1)(a) Expenditure on computer programs	"C" equals the value it would have for computer hardware
Regulation 25(1)(b) Loans and grants towards capital expenditure by third parties	"C" equals the estimated life of the assets in relation to which the third party expenditure is incurred
Regulation 25(1)(c) Repayment of grants and loans for capital expenditure	"C" equals 25 years, or the period of the loan, if longer
Regulation 25(1)(d) Acquisition of share or loan capital	"C" equals 20 years
Regulation 25(1)(e)	"C" equals the estimated life of the assets

--

Expenditure on works to assets not owned by the authority	
Regulation 25(1)(ea) Expenditure on assets for use by others	“C” equals the estimated life of the assets
Regulation 25(1)(f) Payment of levy on Large Scale Voluntary Transfers (LSVTs) of dwellings	“C” equals 25 years

(b) Annuity method

MRP is the principal element for the year of the annuity required to repay over the asset life the amount of capital expenditure financed by borrowing or credit arrangements. The authority should use an appropriate interest rate to calculate the amount. Adjustments to the calculation to take account of repayment by other methods during the repayment period (e.g. by the application of capital receipts) should be made as necessary.

Option 4: Depreciation Method (Unsupported borrowing)

MRP is to be equal to the provision required in accordance with depreciation accounting in respect of the asset on which expenditure has been financed by borrowing or credit arrangements. This should include any amount for impairment chargeable to the Income and Expenditure Account.

For this purpose standard depreciation accounting procedures should be followed, except in the following respects.

- (a) MRP should continue to be made annually until the cumulative amount of such provision is equal to the expenditure originally financed by borrowing or credit arrangements. Thereafter the authority may cease to make MRP.
- (b) On disposal of the asset, the charge should continue in accordance with the depreciation schedule as if the disposal had not taken place. But this does not affect the ability to apply capital receipts or other funding sources at any time to repay all or part of the outstanding debt.
- (c) Where the percentage of the expenditure on the asset financed by borrowing or credit arrangements is less than 100%, MRP should be equal to the same percentage of the provision required under depreciation accounting.

Appendix 3(b): Minimum Revenue Provision Statement 2019/20

	£
<u>Supported Borrowing – Asset Life (45 years)</u>	
General Fund	
Closing CFR 2017/18	196,207,645
Proposed use of capital receipts voluntarily set aside to be applied in 2018/19	9,420,712
Adjustment A	(4,446,484)
Less transfer of asset from GF to HRA	(210,000)
	200,971,873
Less LGR (98) Debt	(119,671)
	200,852,202
Less MRP 2018/19	(2,490,631)
CFR for Supported Borrowing MRP Calculation	198,361,571
Add back LGR (98) Debt	119,671
Closing CFR 31/03/19 – Supported Borrowing (GF)	198,481,242
Housing Revenue Account	
Closing CFR 2017/18	84,594,619
Add transfer of asset from GF to HRA	210,000
Less MRP 2016/17 (none budgeted as per HRA MRP policy)	0
	84,804,619
Closing CFR 31/03/19 – Supported Borrowing (GF&HRA)	283,285,861
<u>Unsupported Supported Borrowing – Asset Life (based on individual assets)</u>	
Unsupported Borrowing brought forward	71,838,398
Add profiled prudential borrowing 2018/19	6,710,761
Less MRP – 2018/19	(1,717,376)
Closing CFR 31/03/19 – Unsupported Supported Borrowing	76,831,783
Closing CFR (GF&HRA) 31/03/19 – Borrowing Requirement	360,117,644
Additional items included:	
Village Hall Loans	291,406
Housing Association Loans	17,858,687



378,267,737

Summary MRP

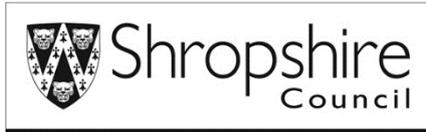
MRP 2019/20 at on Annuity Basis at 45 year
life from 2018/19 2,613,724

LGR (98) Debt MRP 32,012

Prudential Borrowing MRP 1,908,154

Total MRP 2019/20 4,553,890

N.B. The above excludes
the CFR and MRP charges
in relation to the on-balance
sheet PFI schemes and
finance leases.



<u>Committee and date</u>	<u>Item</u>
Council	
28 th February 2019	<u>Public</u>

FINANCIAL RULES UPDATE

Responsible Officer James Walton

Email: James.walton@shropshire.gov.uk

Tel: 01743 258915

1. Summary

- 1.1 This report proposes refinement of and revisions to the Council's Financial Rules located in Part 4 of the Constitution. The Rules have been reviewed and updated to reflect the Council's change to the financial processes involved with the implementation of the new Enterprise Resource Planning (ERP) system, the introduction of the Capital Strategy and other minor changes to key job titles.

2. Recommendations

- 2.1 Members are asked to consider and endorse, with appropriate comment, the proposed adjustments to the current Financial Rules as set out in Appendix A of this report.

REPORT

3. Risk Assessment and Opportunities Appraisal

- 3.1 In order to reflect the most efficient and practical methods of managing the Council's finances, it is important that the Financial Rules provide the necessary clarity for their application for both member and officer interactions.
- 3.2 The recommendations contained in this report are compatible with the provisions of the Human Rights Act 1998 and the Accounts and Audit Regulations 2015. There are no direct environmental, equalities, consultation or climate change consequences of this proposal.

4. Financial Implications

4.1 There are no direct financial implications.

5. Background

- 5.1. The Financial Rules, which are found in Part 4 of the Council's constitution, provide the framework for managing the authority's financial affairs. They apply to every member and officer of the council and anyone acting on behalf of the council. The rules apply equally, where officers are undertaking work in partnership for external organisations.
- 5.2. The financial rules are periodically reviewed for robustness and appropriateness in our ever-changing work environment. However due to the implementation of the ERP system which is planned for 1st April 2019, it is necessary to amend the rules to ensure that the rules reflect the new automated processes that will be embedded within the new system. This review has therefore reflected these amendments and also reflected other minor amendments to reflect changing financial requirements.
- 5.3. The paragraphs that follow discuss the main changes to the document.
- 5.4. **Capital Strategy** – the Council is now required to publish a Capital Strategy annually and so reference to the document is now included within the Financial Planning section of Financial Rules.
- 5.5. **Removal of requirement for physical signatures for authorisation** – as processes for authorising expense claims and invoices has previously included authorising paper documents, it has been necessary for physical signatures to be held of authorising officers within the Finance and HR departments to confirm that documents have been authorised appropriately. This process is now built into the ERP system with electronic workflow approvals set against specific individuals, therefore the rules have been updated to remove the need to hold specimen signatures.
- 5.6. **Authorisation at point of Requisitions and Order** – the update recognises that the ERP system will now move all authorisation of expenditure to the point of requisition and order, and invoices will be paid automatically within the system as long as the details match the authorised order and the goods received.
- 5.7. **Invoices to detail official purchase order number** – all invoices received for payment will need to specify the Shropshire Council generated official order number in so that the invoice can be processed through the system

and matched to the authorised order. Suppliers will be advised that if they fail to provide an order number within their invoices then the Council will send these back for amendment before payment can be processed.

- 5.8. Following approval of these changes, it is intended that Council wide communications are circulated to inform staff of these changes as they are pertinent to ensuring the ERP system works effectively and our suppliers are paid as efficiently as possible. Alongside this, it is intended that online training modules are developed to assist staff in understanding the rules.

List of Background Papers (This MUST be completed for all reports, but does not include items containing exempt or confidential information)

Cabinet Member (Portfolio Holder)

David Minnery, Finance

Local Member

Appendices

Appendix 1 – Financial Rules

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SHROPSHIRE COUNCIL

FINANCIAL RULES

**REVISION DATE:
February 2019**

Summary of Revisions
References to Capital Strategy throughout the document
Amended Capital Monitoring reporting deadlines to quarterly (B.2.38)
Removal of need for specimen signatures for authorisation of expenses and invoices (D.1.14 and D.3.11)
Amended to show the authorisation of expenditure at point of order rather than at invoice (D.4.13)
Inclusion of need for invoices to detail purchase order numbers in future for payment (D.4.25)

Part 4 – Financial Rules

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ACKNOWLEDGEMENTS This document is based on the CIPFA document 'Financial Regulations. A Good Practice Guide for an English Modern Council.

1. INTRODUCTION Financial Rules

- 1.1. To conduct its business efficiently, a local council needs to ensure that it has sound financial management policies in place and that they are strictly adhered to. This demonstrates to the public that proper safeguards and controls exist in relation to managing public money and assets. These Financial Rules including appendices provide the governance framework for managing the Council's financial affairs.
- 1.2. There are five areas covered by Financial Rules:
 - Financial management and control.
 - Financial planning.
 - Risk management and control of resources.
 - Systems and procedures.
 - External arrangements.
- 1.3. Financial Rules link with other internal regulatory documents forming part of the Council's Constitution. Detailed financial procedures and processes are also available on the Intranet and are an integral part of ensuring a high standard of financial management and control is maintained.

2. STATUS OF FINANCIAL RULES

- 2.1. Financial Rules apply to every member and officer of the Council and anyone acting on behalf of the Council. The rules apply equally where officers are undertaking work in partnership for external organisations.

The rules identify the financial responsibilities of the Full Council, Cabinet and Scrutiny Members, directors, managers,¹ the Head of Paid Service; the Director of Legal and Democratic Services in their capacity as Monitoring Officer; and the Director of Finance, Governance and Assurance². A written record will be maintained where these responsibilities have been delegated to members of staff, including seconded staff. Where responsibilities have been delegated or devolved to other responsible officers, such as the Chief Executive and school governors, references to the directors in the rules should be read as referring to them.

- 2.2. All members and staff have a personal responsibility for taking reasonable action to provide for the security of the assets under their control, and for ensuring that the use of these resources is legal, properly authorised, provides value for money and achieves best value. This should be done whilst acting in accordance with these rules.
- 2.3. The Section 151 Officer is responsible for maintaining a continuous review of the Financial Rules and advising the Council of any additions or changes necessary. The Section 151 Officer is also responsible for reporting, where appropriate, breaches of the Financial Rules to the Council and/or to Cabinet Members.
- 2.4. All dispensations from financial rules must be authorised in writing by the Section 151 Officer after consulting with the Leader of the Council. Any dispensation requested from financial rules must be supported by a briefing note detailing the dispensation required, the business case for doing so and outlining all implications arising from this action for the Council.
- 2.5. Directors and managers are responsible for ensuring that all staff in their service areas are aware of the Financial Rules and other internal regulatory documents and that they comply with them.
- 2.6. The Section 151 Officer is responsible for issuing advice and guidance to underpin the Financial Rules which members, officers and others acting on behalf of the Council are required to follow.

¹ Manager is the collective term used which incorporates heads of service and managers.

² Please note that the Director of Finance, Governance and Assurance, the Section 151 Officer and the Chief Finance Officer are the same role.

3. FINANCIAL RULE 1 – FINANCIAL MANAGEMENT AND CONTROL

3.1. PRINCIPLES

- 3.1.1. A transparent framework of financial management responsibilities and decision making is essential to the effective management of the Council's financial affairs.
- 3.1.2. All members and officers have a common duty to abide by the highest standards of integrity and propriety when making decisions about the use of public monies.

The Full Council

3.2. Is responsible for:

- a) Approving the budget and policy framework within which Cabinet operates;
- b) Approving and monitoring compliance with the Council's overall framework of accountability and control as set out in the Constitution;
- c) Monitoring compliance with policies and related Cabinet decisions;
- d) Agreeing procedures for virement of expenditure between budget headings
- e) Agreeing procedures for carrying forward under and overspending on year end budget headings;
- f) Approving the annual Statement of Accounts.

Cabinet

- 3.3. Is responsible for proposing the policy framework and budget to the Full Council and for discharging Cabinet functions in accordance with the policy framework and budget.
- 3.4. Cabinet decisions can be delegated to a Committee of Cabinet, an individual Cabinet Member, a Joint Committee or an officer within the rules set out in the Delegation to Officers
- 3.5. Together with the Council, Cabinet is responsible for monitoring compliance with policies, Cabinet decisions and the framework of accountability and control.

Committees of Cabinet

Scrutiny Committees

- 3.6. Are responsible for scrutinising Cabinet or individual decisions before or after they have been implemented and for holding Cabinet to account. These Committees are responsible for making recommendations on future policy options and reviewing the general policy and service delivery of the Council.

Performance Management Scrutiny Committee

- 3.7. Is an independent advisory body and reports to the Full Council. It has right of access to all the information it considers necessary and can consult directly with internal and external auditors.

Audit Committee

- 3.8. Is responsible for providing those charged with governance independent assurance on the adequacy of the risk management framework, the internal control environment and the integrity of the financial reporting and annual governance processes. It will review and monitor the robustness of the treasury management arrangements in accordance with the CIPFA Treasury Management Code of Practice.

Standards Committee

- 3.9. Is established by the Full Council and is responsible for promoting and maintaining high standards of conduct amongst members. In particular, it is responsible for advising the Full Council on the adoption and revision of the code of conduct and for monitoring the operation of the code.

Pensions Committee

- 3.10. Is responsible for approving matters relating to the Shropshire County Pension Fund and reports into Full Council via the Chair / Vice Chair of the Pensions Committee.

Other Regulatory Committees

- 3.11. Planning, conservation and licensing are not Cabinet functions but are exercised through the multi-party Planning Committee which reports to the Full Council.

The Statutory Officers

Head of Paid Service

- 3.12. The Chief Executive is responsible for the corporate and overall strategic management of the council as a whole. The Head of Paid Service must report to and provide information for Cabinet, the Full Council, the Overview and Scrutiny Panels and other Committees. The Head of Paid Service is responsible for establishing a framework for management direction, style and standards and for monitoring the performance of the organisation. The Head of Paid Service is also responsible, together with the Monitoring Officer, for the system of record keeping in relation to the Full Council's decisions.

Monitoring Officer

- 3.13. Is the Director of Legal and Democratic Services and is responsible for promoting and maintaining high standards of financial conduct and therefore provides support to the Standards Committee. The Monitoring Officer is responsible for reporting any actual or potential breaches of the law or maladministration to the Council and/or to Cabinet and for ensuring that procedures for recording and reporting key decisions are operating effectively.

- 3.14. The Monitoring Officer is responsible for

- a) Ensuring that reports encompass the statutory obligations with regard to their legal and financial content;

- b) Ensuring that Cabinet decisions and the reasons for them are made public. They must also ensure that Council members are aware of decisions made by Cabinet and of those made by officers who have delegated Cabinet responsibility.
- c) Advising all members and officers about who has authority to take a particular decision.
- d) Advising Cabinet or Full Council about whether a decision is likely to be considered contrary or not wholly in accordance with the policy framework.
- e) Maintaining an up to date Constitution.

3.15. The Monitoring Officer together with the Section 151 Officer is responsible for advising Cabinet or Full Council about whether a decision is likely to be considered contrary or not wholly in accordance with the budget. Actions that may be 'contrary to the budget' include:

- a) Initiating a new policy;
- b) Committing expenditure 'in-year' above the revenue or capital budget level. Any proposal for expenditure in excess of the current year's budget requires the agreement of Full Council;
- c) Committing expenditure in future years to above the budget level;
- d) Incurring interdepartmental transfers above the virement limits.

3.16. It is recommended that approval is sought from the relevant Finance Business Partner in respect of all reports being put before Cabinet or Full Council.

The Chief Finance Officer

3.17. Is the Section 151 Officer. The Section 151 Officer³ has statutory duties in relation to the financial administration and stewardship of the council. This statutory responsibility cannot be overridden. The statutory duties arise from:

- a) Section 151 of the Local Government Act 1972.
- b) Local Government Finance Act 1988.
- c) The Local Government and Housing Act 1989.
- d) The Local Government Act 2003.
- e) The Accounts and Audit Regulations 2015.

3.18. There are five principles that are critical to the achievement of the Section 151 Officer' statutory responsibilities:

- a) Is a key member of the Leadership Team, helping it to develop and implement strategy and to resource and deliver the council's strategic objectives sustainably and in the public interest;
- b) Is actively involved in, and able to bring influence to bear on, all material business decisions to ensure immediate and longer term implications, opportunities and risks are fully considered, and alignment with the council's overall financial strategy;
- c) Leads the promotion and delivery by the whole council of good financial management so that public money is safeguarded at all times and used appropriately, economically, efficiently and effectively;
- d) Must lead and direct a finance function that is resourced to be fit for purpose;
- e) Must be professionally qualified and suitably experienced.

³ See "Statement on the Role of the Director of Finance in Local Government" (CIPFA 2010) and Application Note to Delivering Good Governance in Local Government: Framework (CIPFA/SOLACE 2010)

- 3.19. If different organisational arrangements are adopted, reasons should be explained publicly in the organisation's annual governance report, together with how these deliver the same impact ('comply or explain').
- 3.20. Section 114 of the Local Government Finance Act 1988 requires the Section 151 Officer to report to the Full Council and Cabinet and the external auditor of the council where the Council:
- a) Has made, or is about to make, a decision which involves incurring unlawful expenditure.
 - b) Has taken, or is about to take, an unlawful action which has resulted or would result in a loss or deficiency to the council.
 - c) Is about to make an unlawful entry in the Council's accounts.
- 3.21. Section 114 of the 1988 Act also requires
- a) The Section 151 Officer to nominate a properly qualified member of staff to deputise should he or she be unable to perform the duties under Section 114 personally.
 - b) The council to provide the Section 151 Officer with sufficient staff, accommodation and other resources – including legal advice where this is necessary – to carry out the duties under Section 114.
- 3.22. Section 25 of the Local Government Act 2003 requires the Section 151 Officer to report to members on the robustness of estimates and the adequacy of reserves.
- 3.23. **Accounting Policies:** The Section 151 Officer is responsible for selecting accounting policies and ensuring that they are applied consistently.
- 3.24. **Accounting Records and Returns:** The Section 151 Officer in consultation with directors and managers is responsible for determining the accounting procedures and records for the council. The Council is committed to maximise the benefits available from the introduction of e-commerce and the use of the Internet. Therefore all reference to documents and procedures for their use should be taken to allow for the use of electronic facilities instead of printed matter where appropriate and where approval has been given by the Section 151 Officer in advance.
- 3.25. **The Annual Statement of Accounts:** The Section 151 Officer is responsible for ensuring that the annual Statement of Accounts is prepared in accordance with the 'Code of Practice on Local Authority Accounting in the United Kingdom issued by the Chartered Institute of Public Finance and Accountancy (CIPFA) which is reviewed and updated annually'.

Directors and Managers

- 3.26. It is the responsibility of the above to:
- a) Ensure that all Cabinet Members are advised of the financial implications of all proposals and that they are agreed by the Section 151 Officer;
 - b) Authorise which staff can sign contracts on behalf of the Council up to a contract value of £140,000;

- c) Consult with the Section 151 Officer and seek approval on any matter liable to affect the Council's finances materially, before any commitments are incurred;
- d) Agreeing in-year virements within delegated limits. Any virement between budget heads should only be made in order to cover any unavoidable overspending elsewhere and must be notified and agreed in advance with the Section 151 Officer. Full details are set out in Appendix A;
- e) Adhere to the accounting policies and guidelines approved by the Section 151 Officer.

4. FINANCIAL RULE 2 – FINANCIAL PLANNING

4.1. PRINCIPLES

- 4.1.1. The purpose of financial planning is to set out and communicate the Council's objectives, resource allocations and related performance targets, and to provide an agreed basis for subsequent management control, accountability and reporting.
 - 4.1.2. Budgets are needed so that the Council can plan, authorise, monitor and control the way money is allocated and spent. It is unlawful for the Council to budget for a deficit.
 - 4.1.3. The Council's budget sets agreed parameters around the annual activities and functions of services and is constructed within the context of a financial strategy which reflects the priorities of the Council.
 - 4.1.4. The Capital Strategy ensures that capital expenditure plans are affordable, prudent and sustainable and is approved by Full Council. It gives a high-level overview of how capital expenditure; capital financing and treasury management activity contributes to the provision of services. Capital expenditure involves acquiring or enhancing fixed assets with a long term value to the organisation, such as land, buildings, major items of plant, equipment of vehicles.
 - 4.1.5. To enable members to make informed decisions, all Cabinet and Committee reports must incorporate a separate section on 'financial implications'. Reports must show the costs or savings of proposals together with any approved budget provision, future commitments, potential risks, tax implications and any other financial consequences which may arise from the options and recommendations.
- 4.2. The Full Council is responsible for agreeing the council's policy framework and budget, which will be proposed by Cabinet. In terms of financial planning, the key elements are:
- a) The Corporate Plan;
 - b) The Revenue Budget, for both the General Fund and the Housing Revenue Account;
 - c) The robustness of estimates and the adequacy of reserves;
 - d) The Tax Base and Collection Fund;
 - e) The Capital Strategy;
 - f) Prudential Indicators and Treasury Management Strategy;
 - g) The Financial Strategy.
- 4.3. In terms of the policy framework, it comprises of a number of statutory plans and strategies and each service area will also have their own.

The Full Council is also responsible for approving procedures for agreeing variations to approved budgets, plans and strategies forming the policy framework and for determining the circumstances in which a decision will be deemed to be contrary to the budget or policy framework. Decisions should be referred to the Full Council by the Monitoring Officer.

- 4.4. The Full Council is responsible for setting the level at which Cabinet may reallocate budget funds from one service to another. Cabinet is responsible for taking in-year decisions on resources and priorities in order to deliver the budget policy framework within the financial limits set by the Council.

Preparation of the Corporate Plan

- 4.5. The Head of Paid Service is responsible for proposing the Corporate Plan to Cabinet for consideration before its submission to the Full Council for approval.

Budget Guidelines

- 4.6. Guidelines on budget preparation are issued to members, directors, managers and budget holders by Cabinet following advice from the Section 151 Officer. The guidelines will take account of:

- a) Legal requirements;
- b) Medium term planning prospects;
- c) Forecasts of available resources externally;
- d) Forecasts of internal resources available;
- e) Spending pressures;
- f) Best value and other relevant Government guidelines;
- g) Cross cutting issues (where relevant);
- h) Impact assessments;
- i) Risk factors;
- j) Consultation with residents and businesses.

Budget Format

- 4.7. The general format of the budget will be approved by the Full Council and proposed by Cabinet on the advice of the Section 151 Officer. The draft budget should include allocations to different services and projects, forecasts of funding from central government, proposed taxation levels and contingency funds and the robustness of estimates and the adequacy of levels of reserves.

Budget Preparation

- 4.8. The Section 151 Officer is responsible for:
- a) Ensuring that a robust revenue budget is prepared on an annual basis for consideration by Cabinet, before submission to the Council. The Council may amend the budget or ask Cabinet to reconsider it before approving it;
 - b) Ensuring that a capital programme and Treasury Management plan are prepared on an annual basis for consideration by Cabinet, before submission to the Council;
 - c) Establishing the tax base for the council on an annual basis for the consideration by Cabinet and Council between 1 December and 31 January.
- 4.9. Cabinet is responsible for issuing guidance on cash limits and the general content of the budget on advice from the Section 151 Officer.
- 4.10. It is the responsibility of directors and managers to ensure that budget estimates reflecting agreed service plans and within the notified cash limits, are submitted to Cabinet.

Budget Monitoring and Control

4.11. The Section 151 Officer:

- a) is responsible for providing appropriate financial information to enable budgets to be monitored effectively;
- b) must monitor and control expenditure against budget allocations and report to Cabinet on the overall position on a regular basis, at least quarterly during the financial year.

4.12. It is the responsibility of directors and managers to control income and expenditure within their area and to monitor performance, taking account of financial information provided by the Section 151 Officer. They should report on variances within their own areas. They should also take any action necessary to avoid exceeding their budget allocation and alert the Section 151 Officer to any problems.

Financial Strategy (FS)

4.13. The Section 151 Officer shall ensure the FS is agreed annually at Full Council, at the same time the budget is agreed. The FS should:

- a) Build on all the aspects of budget compilation;
- b) Be at least three years in duration;
- c) Take account of the Government's Spending Review and settlement for local government;
- d) Consider consultation with and take account of changes in the Shires demographics, underlying drivers and changes in policy;
- e) Consider the impact of measures to improve efficiency and value for money;
- f) Consider Government legislation plans;
- g) Consider the Administration's long term goals, priorities and approved policies;
- h) Consider the direction of the economy.

5. FINANCIAL RULE 3 – RISK MANAGEMENT AND CONTROL OF RESOURCES

5.1. PRINCIPLES

- 5.1.1. Sound systems of internal control are essential to the proper economic, efficient and effective use of resources, the achievement of objectives, and the safeguarding of public funds.
- 5.1.2. Legislation requires that the Council provides for both internal and external audit. External audit provides an independent assessment of the Council's financial statements and the adequacy of its arrangements for securing value for money. Internal audit objectively examine, evaluate and report on the adequacy of the control environment as a contribution to the proper economic, efficient and effective use of resources for the Council and their external clients.
- 5.1.3. There is a basic expectation that members and all officers will act with integrity and with due regard to matters of probity and propriety, and comply with all relevant rules, regulations, procedures and codes of conduct, including those in relation to receipt of gifts and hospitality and declaration of conflicts of interest.
- 5.1.4. The Council will not tolerate fraud or corruption in the administration of its responsibilities, whether perpetrated by members, officers, customers of its services, third party organisations contracting with it, or other agencies or individuals with which it has any business dealings.
- 5.1.5. Risk management is an integral part of effective management and planning. It is concerned with identifying and managing key obstacles to the achievement of objectives.

Risk Management

- 5.2. Cabinet is responsible for approving the council's opportunity risk management strategy and for reviewing the effectiveness of risk management. This includes the adequacy of provisions, reserves and balances. Cabinet is responsible for ensuring that proper insurance exists where appropriate on the advice of the Director of Finance, Governance and Assurance.
- 5.3. The Director of Finance, Governance and Assurance is responsible for preparing the Council's Opportunity Risk Management Strategy and for promoting it throughout the council and for advising Cabinet on proper insurance cover where appropriate.

Internal Control

- 5.4. Internal control refers to the systems of control devised by management to help ensure the council's objectives are achieved in a manner that promotes economical, efficient and effective use of resources and that the council's assets and interests are safeguarded.
- 5.5. The Section 151 Officer, in conjunction with the Head of Audit, is responsible for advising on effective systems of internal control. These arrangements need to ensure compliance with all applicable statutes and regulations and other relevant

statements of best practice. They should ensure that public funds are properly safeguarded and used economically, efficiently, and in accordance with the statutory and other authorities that govern their use.

- 5.6. It is the responsibility of directors and managers to establish sound arrangements for planning, appraising, authorising and controlling their operations in order to achieve continuous improvement, economy, efficiency and effectiveness and for achieving their financial performance targets.

Audit Requirements

- 5.7. The Accounts and Audit Regulations 2015 require every local council to undertake an effective internal audit to evaluate the effectiveness of its risk management, control and governance processes, taking into account public sector internal auditing standards and guidance.
- 5.8. The Local Government Association (Public Sector Appointments Ltd) is currently responsible for appointing external auditors to each Local Council. The basic duties of the external auditor are governed by the Local Audit and Accountability Act 2014 and the National Audit Office's Code of Audit Practice.
- 5.9. The council may, from time to time, be subject to audit, inspection or investigation by external bodies such as HM Revenue and Customs who have statutory rights of access.

Preventing Fraud and Corruption

- 5.10. The Section 151 Officer is responsible for the development and maintenance of a counter-fraud, bribery and anti-corruption policy.

Assets

- 5.11. Directors and managers should ensure that records and assets are properly maintained and securely held. They should also ensure that contingency plans for the security of assets and continuity of service in the event of disaster or system failure are in place.

Treasury Management and the Pension Fund

- 5.12. This Council will create and maintain,
- a) A treasury management policy statement, stating the policies, objectives and approach to risk management of its treasury management activities.
 - b) Suitable treasury management practices (TMPs), setting out the manner in which the organisation will seek to achieve those policies and objectives, and prescribing how it will manage and control those activities.
- 5.13. The content of the policy statement and TMPs will follow the recommendations contained in Sections 6 and 7 of the CIPFA Code for Treasury Management, subject only to amendment where necessary to reflect the particular circumstances of the Council. Such amendments will not result in the Council materially deviating from the Code's key principles.

- 5.14. Full Council will receive reports on treasury management policies, practices and activities, including as a minimum, an annual strategy and plan in advance of the year, a mid-year review and an annual report after its close, in the form prescribed in the TMPs.
- 5.15. The Full Council is responsible for the implementation and regular monitoring of the treasury management policies and practices. The execution and administration of treasury management decisions is delegated to Section 151 Officer.
- 5.16. All money in the hands of the council is controlled by the officer designated for the purposes of Section 151 of the Local Government Act 1972 (the Section 151 Officer).
- 5.17. The Section 151 Officer is responsible for reporting to Cabinet a proposed treasury management strategy for the coming financial year at or before the start of each financial year, mid-year review and an annual review by 30th September of the succeeding financial year.
- 5.18. The Section 151 Officer is responsible for reporting to Cabinet not less than four times in each financial year on the performance of the treasury management operation.
- 5.19. The Council acts as Administering Authority for the Shropshire County Pension Fund. The Section 151 Officer is the designated Scheme Administrator for the Fund.
- 5.20. The Section 151 Officer (Scheme Administrator) is responsible for administering the Shropshire County Pension Fund in accordance with overriding pensions regulations and:
- a) Local Government Pension Scheme (Benefits, membership and contributions) Regulations 2007 (as amended).
 - b) Local Government Pension Scheme (Transitional provisions) Regulations 2008 (as amended).
 - c) Local Government Pension Scheme (Administration) Regulations 2008 (as amended).
 - d) Local Government Pension Scheme Regulations 1997.
 - e) Local Government Pension Scheme (Transitional provision) Regulations 1997 (as amended).
 - f) Local Government Pension Scheme Regulations 1995 (as amended).
 - g) Local Government Pension Scheme (Management and Investment of funds) Regulations 2009 (as amended).
 - h) Local Government Pension Scheme Regulations 2013 (as amended)
 - i) Local Government Pension Scheme (Transitional Provisions, Savings and Amendment) Regulations 2014.
 - j) Public Service Pensions Act 2014
 - k) Disclosure Regulations 2013
 - l) The Pension Regulator Code of Practice 2015.
 - m) Any other overriding Pensions Legislation.
- 5.21. The Section 151 Officer (Scheme Administrator) is responsible for producing and maintaining a Governance Compliance Statement, Funding Strategy Statement,

Statement of Investment Principles, Communications Policy and Administration Strategy for the Fund.

- 5.22. The Pensions Committee is responsible for approving matters relating to the Shropshire County Pension Fund and reports into Full Council via the Chair / Vice Chair of the Pensions Committee.
- 5.23. The Pension Board is responsible for the oversight of these matters and assisting the Administering Authority (Shropshire Council) to secure compliance with requirements imposed in relation to the Local Government Pension Scheme by the Pensions Regulator and to ensure the effective and efficient governance and administration of the Fund.
- 5.24. The Section 151 Officer is responsible for ensuring employers within the Fund are aware of their responsibility in respect of the local government pension scheme regulations.

Staffing

- 5.25. The Council is responsible for determining how officer support for non-Cabinet roles within the Council will be organised.
- 5.26. The Head of Paid Service is responsible for providing overall management to staff. He/she is also responsible for ensuring that there is proper use of the evaluation or other agreed systems for determining the remuneration of a job.
- 5.27. Directors and managers are responsible for controlling total staff numbers by:
- a) Ensuring that an approved post exists and that budget provision has been made to cover the cost of filling the post for the period contemplated before commencing the recruitment process.
 - b) Advising Cabinet on the budget necessary in any given year to cover estimated staffing levels.
 - c) Adjusting the staffing numbers to that which can be funded within approved budget provision, varying the provision as necessary within that constraint in order to meet changing operational needs.
 - d) The proper use of appointment procedures.

6. FINANCIAL RULE 4 – SYSTEMS AND PROCEDURES

6.1. PRINCIPLES

6.1.1. Good systems and procedures are essential to the effective management and administration of the Council's financial affairs. This includes:

- a) **Accounting** The main accounting system provides the prime source of financial data for management accounts, statutory accounts and government returns. It is essential that this system complies with legislation and proper accounting practice and that all information is recorded accurately, completely and in a timely manner, and that any errors detected promptly and rectified.
- b) **Income** Effective systems are necessary to ensure that all income due is collected, receipted, recorded and banked properly. Where possible income should be collected in advance to improve cash flow and avoid costs of debt collection. Debts should only be written off once all reasonable avenues have been exhausted or where it would prove uneconomical to pursue.
- c) **Expenditure** May only be incurred where budgetary provision is available and must comply with the Council's contract procedure rules and approved payment processes. Purchase orders must be raised to ensure that the expenditure is recorded as a commitment in the Council's main accounting system.
- d) **Banking** All transactions through the Council's bank accounts must be properly processed, recorded and reconciled.
- e) **Treasury management and the Pension Fund** Effective strategies must be maintained for the investment of cash balances and for borrowing to fund the Capital Programme.
- f) **Taxation** Effective systems must be in place to ensure that all tax liabilities and obligations are properly reported and accounted for and that losses, fines and penalties are avoided.
- g) **Asset management** The Council's assets must be properly recorded, safeguarded from loss/harm and utilised effectively, and any disposals undertaken in a controlled manner.
- h) **Insurance** Appropriate insurance cover is necessary to protect the Council from financial claims arising from unforeseen events such as damage to property or injury to employees or to the public.
- i) **Recharges and internal trading accounts** The Council is required to allocate all of its back-office costs to service areas in compliance with accounting codes of practice.

General

6.2. The Section 151 Officer is responsible for the operation of the council's accounting systems, the form of accounts and the supporting financial records. Any changes made by directors and managers to the existing financial systems or the establishment of new systems must be approved by the Section 151 Officer. However, directors and managers are responsible for the proper operation of financial processes in their own directorates.

6.3. Any changes to agreed procedures by directors and managers to meet their own specific service needs shall be agreed in advance with the Section 151 Officer.

- 6.4. Directors and managers should ensure that their staff receive relevant financial training.

Income and Expenditure

- 6.5. It is the responsibility of the directors and managers to ensure that a proper scheme of delegation has been established and is operating effectively. It should identify staff authorised to act on behalf of directors and managers or that of Cabinet, in respect of
- a) Placing orders together with the limits of their authority, within the precepts of good procurement practices and budgetary provision;
 - b) Payments for goods received;
 - c) The raising of income;
 - d) The collection of income and the annual writing off of bad debts.

The Council is responsible for approving procedures for the writing off debts as part of its overall control framework of accountability and control.

Taxation

- 6.6. The Section 151 Officer is responsible for advising on all taxation issues that affect the council maintaining the council's tax records, making all tax payments, receiving tax credits and submitting tax returns by their due date.

7. FINANCIAL RULE 5 – EXTERNAL ARRANGEMENTS

7.1. PRINCIPLES

- 7.1.1. The Council provides a distinctive leadership role for the community and brings together the contributions of the various stakeholders. It must also act to achieve the promotion or improvement of the economic, social or environmental well-being of its area.
 - 7.1.2. All partnerships and joint working arrangements with outside bodies must be properly evaluated for risk before they are entered into, and be supported by clear governance, accounting and audit arrangements.
 - 7.1.3. External funding can prove an important source of income but funding conditions must be carefully examined before any agreement is entered into to ensure they are compatible with the aims and objectives of Council.
 - 7.1.4. Legislation enables the Council to trade and provide services to third parties. All such work must be within the legal powers of the council (intra vires) and the respective risks and financial benefits associated with such work must be properly considered and a business case approved before any trading activities take place.
- 7.2. Cabinet is responsible for approving delegations, including frameworks for partnerships. Cabinet is the focus for forming partnerships with other local public, private, voluntary and community sector organisations to address local needs. It is responsible for approving the contractual arrangements for any work for third parties or external bodies.
 - 7.3. The Section 151 Officer is responsible for ensuring that all funding notified by external bodies is accepted (or refused), received and properly recorded in the council's accounts.
 - 7.4. Cabinet can delegate functions, including those relating to partnerships to officers. They are set out in the Scheme of Delegation that forms part of the Council's Constitution. Where functions are delegated, Cabinet remains accountable for them to the Full Council.
 - 7.5. The Head of Paid Service or an officer nominated by him represents the council on partnership and external bodies in accordance with the Scheme of Delegation.
 - 7.6. The Monitoring Officer is responsible for promoting and maintaining the same high standards of conduct with regard to financial affairs in partnerships that apply throughout the council.
 - 7.7. The Section 151 Officer must ensure that the accounting and auditing arrangements to be adopted relating to partnerships, joint ventures and accountable bodies are satisfactory. They must also consider the overall corporate governance arrangements when arranging contracts with external bodies. They must ensure that the risks have been fully appraised before agreements are entered into with external bodies.

- 7.8. Directors and managers are responsible for ensuring that appropriate approvals are obtained before any negotiations are concluded in relation to work with external bodies.

APPENDIX A: FINANCIAL MANAGEMENT

In this Appendix:

- A1 Financial Management Standards.
- A2 Managing and Controlling Spending.
 - a) Revenue budget.
 - b) Scheme of virement.
 - c) Treatment of year end balances.
- A3 Accounting Policies.
- A4 Accounting Records and Returns.
- A5 Format of the Accounts.

A.1. FINANCIAL MANAGEMENT STANDARDS

Why is this important?

A.1.1. All staff and members have a duty to abide by the highest standards of probity in dealing with financial issues. This is achieved in part by ensuring that everyone is clear about the standards to which they are working, and the controls which are in place to ensure that these standards are met.

Key controls

A.1.2. The key controls for financial management standards are:

- a) Their promotion throughout the Council
- b) Having in place a monitoring system to review compliance with financial standards, and that regular comparisons of performance indicators and benchmark standards are reported to Cabinet and Full Council.

Responsibilities of Section 151 Officer

A.1.3. To ensure the proper administration of the financial affairs of the Council.

A.1.4. To set the financial management standards, and to monitor compliance with them.

A.1.5. To ensure proper professional practices are adhered to, and to act as head of profession in relation to the standards, performance and development of finance staff throughout the Council.

A.1.6. To advise on the key strategic controls necessary to secure sound financial management.

A.1.7. To ensure that financial information is available to enable accurate and timely reporting of comparisons of financial performance indicators.

Responsibilities of Directors and Managers

- A.1.8. To promote the financial management standards set by the Section 151 Officer in their service areas and to monitor adherence to those standards and practices.
- A.1.9. To promote sound financial practices in relation to the standards performance and development of staff in their service areas.

Key controls

A.2. MANAGING AND CONTROLLING SPENDING AND INCOME

a) Revenue Budget

Why is this important?

- A.2.1. Budget management ensures that resources allocated by members are used for their intended purposes and that these resources are properly accounted for. Budgetary control is a continual process enabling the Council to review and adjust its budget targets during the financial year. It also provides the mechanism to call to account managers responsible for defined elements of the budget.
- A.2.2. By identifying and explaining variances against budgetary targets, the Council can identify changes in trends and resource requirements at the earliest opportunity. The Council itself operates within an annual cash limit, approved in setting the overall budget. To ensure that the Council in total does not overspend, each service is required to manage its own expenditure within the cash limited budget allocated to it.
- A.2.3. For the purposes of budgetary control by managers, a budget head will normally be a cost centre. However, it may be at a more detailed level in the standard coding structure if this is required by the directors or managers scheme of delegation.

Key controls

- A.2.4. The key controls for managing and controlling the revenue budget are:
 - a) Budget holders should be responsible only for expenditure and income which they can influence.
 - b) Each "£" of budgeted expenditure is allocated to a named budget holder.
 - c) Budget holders accept accountability for their budgets and the level of service to be delivered.
 - d) Budget holders follow an approved certification process for all expenditure.
 - e) Income and expenditure is properly recorded and accounted for.
 - f) Performance levels/levels of service are monitored in conjunction with the budget and necessary action taken to align service outputs and budget.

Responsibilities of Section 151 Officer

- A.2.5. These responsibilities are carried out through the Finance Officers reporting to the Section 151 Officer. To establish an appropriate framework of budgetary management and control this ensures that:
- a) Budget management is exercised within the annual cash limits agreed by Council.
 - b) Each director and manager has available timely information on income and expenditure on each budget heading, to enable budget holders to fulfil their budgetary responsibilities.
 - c) Expenditure is committed only against an approved budget.
 - d) All officers responsible for committing expenditure comply with relevant guidance, including Financial Rules.
 - e) Each budget has a single named manager, determined by the director and managers. As a general principle, budget responsibility should be aligned as closely as possible to the decision-making which commits expenditure.
 - f) Significant variances from approved budgets are investigated and reported by managers regularly.
 - g) Procedures are in place for corrective action to be taken to manage significant variances.
- A.2.6. To administer the Council's scheme of virement.
- A.2.7. To submit regular reports to Cabinet and to Council, in consultation with the directors or managers, where a director or manager is unable to balance expenditure and resources within existing approved budgets under his or her control.
- A.2.8. To prepare and submit regular budget monitoring reports on the Council's projected expenditure compared with the budget.

Responsibilities of directors and managers

- A.2.9. To maintain budgetary control within the Service, in adherence to the principles in A.2.5 and to ensure that all income and expenditure is properly recorded and accounted for.
- A.2.10. To ensure that a single accountable budget officer is identified for each item of expenditure under the control of the director or managers. As a general principle, budget responsibility should be aligned as closely as possible to the decision-making who commits expenditure.
- A.2.11. To ensure that spending remains within the service's overall cash limit, and that individual budgets are not overspent, by monitoring the budget and, where it appears that areas of the budget are likely to be over or underspent, taking appropriate corrective action.
- A.2.12. To ensure that a monitoring process is in place to review performance levels/levels of service in conjunction with the budget and that any necessary action is taken.

- A.2.13. To prepare and submit to Cabinet reports on the service's projected expenditure compared with its budget, in consultation with the Section 151 Officer.
- A.2.14. To advise the Section 151 Officer immediately where it is clear that they are unable to balance expenditure or income (when a loss of income arises) within existing approved budgets under their control.
- A.2.15. To ensure prior approval by the Council for new proposals⁴, of whatever amount, which:
- a) Creates financial commitments in future years.
 - b) Initiates new policy or ceases existing policies.
 - c) Materially extends or reduces the Council's services.
- A.2.16. To ensure compliance with the Council's scheme of virement.
- A.2.17. To consult with the relevant director or managers and Section 151 Officer where it appears that a budget proposal, including a virement proposal, may impact materially on another service, directors or managers level of service activity.

b) Scheme of virement

Why is this important?

- A.2.18. The scheme of virement is intended to enable directors, managers and their staff to manage budgets with a degree of flexibility within the overall policy framework determined by the Council, whilst maintaining a corporate system of overview to ensure best use of resources.

Key Controls

- A.2.19. Key controls for the scheme of virement are:
- a) That it is administered by the Section 151 Officer within guidelines set by Council. Any variation from this scheme requires the approval of Council.
 - b) That the overall budget is agreed by Cabinet and approved by Council. Directors, managers and budget holders are therefore authorised to incur expenditure in accordance with those estimates. The rules below cover virement that is switching resources between budget heads. For the purposes of these Rules a budget head is considered to be a line in the Council's budget book which, as a minimum, is at an equivalent level to the standard service sub-division as defined by CIPFA. The scheme applies equally to a reduction in income as to an increase in expenditure.
- A.2.20. Directors and managers are expected to exercise their discretion in managing their budgets responsibly and prudently. For example, they should avoid supporting recurring expenditure from one-off sources of

⁴ A report on new proposals should explain the full financial implications, after consultation with the Section 151 Officer. Unless the Council has agreed otherwise, directors and managers must plan to contain the financial implications of such proposals within their cash limit.

savings or additional income, or creating future commitments, including full-year effects of decisions made part way through a year, for which they have not identified future resources. Directors and managers must plan to fund such commitments from within their own budgets.

Responsibilities of Section 151 Officer

A.2.21. To prepare jointly with the appropriate manager and/or director a report to the Council where virements in excess of £1,000,000 are proposed. To report to Cabinet where virements:

- a) In excess of £500,000 and below £1,000,000 are proposed.
- b) From salaries budgets are proposed.

A.2.22. To maintain a register of all virements.

A.2.23. To report all virements over £140,000 and below £500,000 to Cabinet for information.

Responsibilities of directors and all managers

A.2.24. A manager or director, with the approval of the Section 151 Officer, may exercise virements on budgets within or outside of their own area for amounts below £500,000. There shall be full agreement between the manager(s) and, or director(s) with responsibility for the policy area.

A.2.25. No virement relating to a specific financial year should be made after 31 March in that year.

A.2.26. Any virements undertaken in housing must not have any overall effect on the HRA.

A.2.27. No virement should occur from salaries budgets to non-salary budgets without prior approval of the Section 151 Officer and Cabinet.

A.2.28. A school's governing body may transfer budget provision between heads of expenditure within the delegated schools' budgets.

A.2.29. Where an approved budget heading is a contingent sum intended for allocation during the year, its allocation will not be treated as a virement, provided that:

- a) The amount is used in accordance with the purposes for which it has been established.
- b) Cabinet has approved the basis and the terms, including financial limits, on which it will be allocated. Individual allocations in excess of the financial limits should be reported to Cabinet.

c) Treatment of year end balances

Why is this important?

A.2.30. The rules below cover arrangements for the transfer of resources between accounting years i.e. a 'carry forward'. For the purposes of this scheme a budget heading is a line in the Council's budget book.

Key controls

A.2.31. Appropriate accounting procedures are in operation to ensure that carried forward totals are correct.

Responsibilities of Section 151 Officer

A.2.32. To approve 'carry forward' schemes and administer the scheme of 'carry forward' within the guidelines set by Council.

A.2.33. To report the extent of overspending and underspending on service estimates carried forward to Cabinet and to Council.

Responsibilities of directors and managers

A.2.34. Any overspending on service estimates in total on budgets under the control of the director or managers must be carried forward to the following year, unless it falls into an exception category as defined by the Section 151 Officer and will constitute the first call on service estimates in the following year.

A.2.35. Net underspending on service estimates, under the control of the director or managers, may be carried forward, subject to the annual report to Cabinet on the source of underspending or additional income and the proposed application of those resources. For example, if the underspend is a result of a project slipping the funds may be carried forward any general underspend which have no future commitment will be transferred into balances.

A.2.36. All internal business unit surpluses shall be retained for the benefit of the Council and their application shall require the approval of Cabinet (or other locally determined rules).

A.2.37. Schools' balances shall be available for carry forward to support the expenditure of the school concerned. Any school wishing to operate a licensed deficit shall notify the Council of its intent by 1st February preceding the start of the first financial year to which the deficit would apply. The Director of Children's Services, the Director of Finance, Governance and Assurance or their representative will meet with the finance committee of the governing body, to agree the basis of the licensed deficit.

A.2.38. The maximum length over which schools may repay the deficit shall be five years. A school operating a licensed deficit will be required to report to the Director of Finance, Governance and Assurance on an annual basis as to the position in relation to the agreed staging for repaying the deficit. Failure to keep to the agreed plan, or negotiate variations to it with the Council, may lead to the withdrawal of delegation.

A.3. ACCOUNTING POLICIES

Why is this important?

A.3.1. The Section 151 Officer is responsible for the preparation of the Council's statement of accounts in the format required by the CIPFA Code of Practice on Local Authority Accounting in United Kingdom (a statement of recommended practice), for the financial year ending 31 March.

Key controls

A.3.2. The key controls for accounting policies are:

- a) Suitable accounting policies are selected and applied consistently.
- b) Judgements are made and estimates prepared which are reasonable and prudent.
- c) Statutory and other professional requirements are observed to maintain proper accounting records.
- d) All reasonable steps have been taken for the prevention and detection of fraud and other irregularities.

Responsibilities of Section 151 Officer

A.3.3. To adopt suitable accounting policies and to ensure that they are applied consistently. The accounting policies will be set out in the statement of accounts which is prepared at 31 March each year.

Responsibilities of directors and managers

A.3.4. To adhere to the accounting policies approved by the Section 151 Officer.

A.4. ACCOUNTING RECORDS AND RETURNS

Why is this important?

A.4.1. Proper accounting records are one of the ways in which the Council discharges its responsibility for stewardship of public resources. The Council has statutory responsibility to prepare its annual accounts to present a true and fair view of the financial position and the Council's operations during the year. These are subject to external audit. This provides assurance that the accounts are properly prepared and proper accounting practices have been followed and that arrangements have been made for securing economy, efficiency and effectiveness in the use of the council's resource.

Key controls

A.4.2. The key controls for accounting records and returns are:

- a) All Cabinet Members, finance staff and budget holders operate within the required accounting standards of the Council.

- b) All the council's transactions, material commitments and contracts and other essential accounting information have been recorded completely, accurately and on a timely basis.
- c) Procedures are in place to enable accounting records to be reconstituted in the event of failure.
- d) Balances and reconciliation procedures are carried out to ensure transactions are correctly recorded.

Responsibilities of Section 151 Officer

- A.4.3. To determine the accounting procedures and records for the Council. Where these are maintained in a Directorate other than that of the Section 151 Officer, they shall, before making any determination, consult the Director of Adult Services, Children's Services, Place, Public Health, Legal and Democratic Services, Workforce and Transformation.
- A.4.4. To compile all accounts and accounting records or ensure they are compiled under his/her direction.
- A.4.5. To comply with the following principles when allocating accounting duties:
 - a) Separating the duties of providing information about sums due to or from the Council and calculating, checking and recording these sums, from the duty of collecting or disbursing them.
 - b) Employees with the duty of examining or checking the accounts of cash transactions shall not themselves be engaged in these transactions.
- A.4.6. To make proper arrangements for the audit of the Council's accounts in accordance with the Accounts and Audit Regulations.
- A.4.7. To prepare and publish the audited accounts of the Council, with no qualifications, for each financial year, and with the requirement for the Council to approve the audited Statement of Accounts and to publish this document in accordance with the statutory timetable.
- A.4.8. To administer the Council's arrangements for under and overspending to be carried forward to the following financial year.
- A.4.9. To ensure the proper retention of financial documents. The periods for which documents are to be retained will be specified separately to these financial procedures in the Corporate Retention Schedule.
- A.4.10. To complete all statutory financial returns to government departments.

Responsibilities of directors and managers

- A.4.11. To consult and obtain the approval of the Section 151 Officer before making any changes to accounting records and procedures.
- A.4.12. To comply with the principles outlined in paragraph A.4.5 when allocating accounting duties.

- A.4.13. To maintain adequate records to provide an audit trail leading from the source of income/expenditure through to the accounting statements.
- A.4.14. To supply information required to enable the Statement of Accounts to be completed, in accordance with guidelines issued by the Section 151 Officer.
- A.4.15. To observe such accounting instructions as may be made from time to time.
- A.4.16. To maintain the corporate register of specific grants supported by detailed records to support claims submitted.
- A.4.17. To supply information required to enable all statutory financial returns to be submitted within timescales.

A.5. FORMAT OF THE ACCOUNTS

Why is this important?

- A.5.1. The format of the budget will determine the level of detail on which financial control and management will be exercised. The format will shape how the rules around virement will operate, the operation of cash limits and set the level at which funds may be re-allocated within budgets.

Key controls

- A.5.2. The key controls for the budget format are:
 - a) The format complies with all legal requirements.
 - b) The format complies with CIPFA Code of Practice on Local Authority Accounting in the United Kingdom (a statement of recommended practice).
 - c) The format meets the requirements of Service Reporting Code of Practice issued by CIPFA.

Responsibilities of Section 151 Officer

- A.5.3. To advise Council on the format of the budget.

Responsibilities of directors and managers

- A.5.4. To comply with accounting guidance provided by the Section 151 Officer.

APPENDIX B: FINANCIAL PLANNING

In this Appendix:

- B1 Strategic Plans.
- B2 Budgeting.
 - a) Format of the budget
 - b) Revenue Budget Preparation, Monitoring and Control
 - c) Resource allocation.
 - d) Capital programmes
 - e) Preparing revenue budgets and medium term planning
- B3 Use of Reserves.

B.1. STRATEGIC PLANS

Why is this important?

B.1.1. Each local council has a statutory responsibility to publish various strategic plans.

Key controls

B.1.2. The key controls for strategic plans are:

- a) To ensure that all relevant plans are produced and that they are consistent with each other;
- b) To produce plans in accordance with statutory requirements;
- c) To meet the timetables set.

Responsibilities of the Section 151 Officer

- a) To advise the Council and supply the financial information that needs to be included in strategic plans in accordance with statutory requirements and agreed timetables;
- b) To contribute to the development of corporate and service targets and objectives and performance information.

Responsibilities of the directors and managers

- a) To contribute to the development of strategic plans in line with statutory requirements;
- b) To contribute to the development of corporate and service targets and objectives and performance information.

B.2. BUDGETING

a) Format of the Budget

Why is this important?

B.2.1. The format of the budget determines the level of detail to which financial control and management will be exercised. The format shapes how the

rules around virement operate, the operation of cash limits and sets the level at which funds may be reallocated within budgets.

Key controls

B.2.2. The key controls for the budget format are:

- a) The format complies with all legal requirements;
- b) The format complies with CIPFA's "Reporting Code of Practice";
- c) The format reflects the accountabilities of service delivery.

Responsibilities of Section 151 Officer

B.2.3. To advise Cabinet on the format of the budget that is approved by the Full Council.

Responsibilities of directors, managers and budget holders

B.2.4. To comply with accounting guidance provided by the Section 151 Officer.

b) Revenue Budget Preparation, Monitoring and Control

Why is this important

B.2.5. Budget management ensures that once the budget has been approved by the Full Council, resources allocated are used for their intended purposes and are properly accounted for. Budgetary control is a continuous process, enabling the council to review and adjust its budget targets during the financial year. It also provides the mechanism that calls to account managers responsible for defined elements of the budget.

B.2.6. By continuously identifying and explaining variances against budgetary targets, the council can identify changes in trends and resource requirements at the earliest opportunity. The council itself operates within an annual cash limit, approved when setting the overall budget. To ensure that the Council in total does not overspend, each service is required to manage its own expenditure within the cash-limited budget allocated to it.

B.2.7. For the purposes of budgetary control by managers, a budget will normally be the planned income and expenditure for a service area or cost centre. However, budgetary control may take place at a more detailed level if this is required.

Key controls

B.2.8. The key controls for managing and controlling the revenue budget are:

- a) Budget holders should be responsible only for income and expenditure that they can influence.
- b) There is a nominated Budget holder for each cost centre heading.
- c) Budget holders accept accountability for their budgets and the level of service to be delivered and understand their financial responsibilities.

- d) Budget holders shall order in accordance with these Financial Rules and Contract Procedure Rules.
- e) Budget holders follow an approved certification process for all expenditure.
- f) Income and expenditure are properly recorded and accounted for.
- g) Performance levels and levels of service are monitored in conjunction with the budget and necessary action is taken to align service outputs and budget.

Responsibilities of Section 151 Officer

B.2.9. To establish an appropriate framework of budgetary management and control to ensure that:

- a) Budget management is exercised within annual cash limits unless the Full Council agrees otherwise.
- b) Each director or manager has available timely information on receipts and payments on each budget which is sufficiently detailed to enable managers to fulfil their budgetary responsibilities.
- c) Expenditure is committed only against an approved budget head.
- d) All officers responsible for committing expenditure comply with relevant guidance, and the Financial Rules.
- e) Each cost centre has a single named manager, determined by the relevant director or manager. As a general principle, budget responsibility should be aligned as closely as possible to the decision-making processes that commits expenditure.
- f) Significant variances from approved budgets are investigated and reported by budget holders regularly.

B.2.10. To administer the council's scheme of virement.

B.2.11. To submit reports to Cabinet and to the Full Council, in consultation with the relevant director or managers, where a director or manager is unable to balance expenditure and resources within existing approved budgets under his or her control.

B.2.12. To prepare and submit reports on the council's projected income and expenditure compared with the budget on a quarterly basis to Cabinet.

Responsibilities of Directors and Managers

B.2.13. To maintain budgetary control within their Service Area in adherence to the principles in B.2.9 and to ensure that all income and expenditure are properly recorded and accounted for.

B.2.14. To ensure that an accountable budget holder is identified for each item of income and expenditure under the control of the director or managers (grouped together in a series of cost centres). As a general principle, budget responsibilities should be aligned as closely as possible to the decision-making that commits expenditure.

B.2.15. To use accredited suppliers in the purchase of goods, supplies and services.

- B.2.16. To ensure that spending remains within the service's overall cash limit, and that individual budget heads are not overspent, by monitoring the budget and taking appropriate corrective action where significant variations from the approved budget are forecast.
- B.2.17. To ensure that a monitoring process is in place to review performance levels and levels of service in conjunction with the budget and is operating effectively.
- B.2.18. To prepare and submit to Cabinet reports on the service's projected expenditure compared with its budget, in consultation with the Section 151 Officer.
- B.2.19. To ensure prior approval by the Full Council or Cabinet (as appropriate) for new proposals of whatever amount, that:
- a) Create financial commitments in future years.
 - b) Change existing policies, initiate new policies or cease existing policies.
 - c) Materially extend or reduce the council's services.
- B.2.20. To ensure compliance with the scheme of virement.
- B.2.21. To agree with the relevant director or manager where it appears that a budget proposal, including a virement proposal, may impact materially on another service area.

c) Resource Allocation

Why is this important?

- B.2.22. A report on new proposals should explain the full financial implications, following consultation with the Section 151 Officer. Unless the Full Council or Cabinet has agreed otherwise, director and managers must plan to contain the financial implications of such proposals within their cash limit.
- B.2.23. A mismatch often exists between available resources and required resources.
- B.2.24. A common scenario is that available resources are not adequate to fulfil need and desire. It is therefore imperative that resource allocation is carefully prioritised and that resources are fairly allocated, in order to fulfil all legal responsibilities. Resources may include staff, money, equipment, goods and materials.

Key controls

- B.2.25. The key controls for resource allocation are:
- a) Budget holders obtain appropriate resources for the specified level of service delivery.
 - b) Resources are acquired using an approved authorisation process.

- c) Resources are only used for the purpose intended by the Council, to achieve the approved policies and objectives, and are properly accounted for.
- d) Resources are secured for use when required.
- e) Resources are used with the minimum level of waste, inefficiency or loss for other reasons.

Responsibilities of Section 151 Officer

- B.2.26. To advise on methods available for the funding of resources, such as grants from central government and borrowing requirements.
- B.2.27. To prepare a Financial Strategy which is reviewed annually to identify new service pressures, developments and likely levels of resource available. To assist in the allocation of resources to managers.

Responsibilities of directors, managers and budget holders

- B.2.28. To work within budget limits and to utilise resources allocated and further allocate resources in the most efficient, effective and economic way.
- B.2.29. To identify opportunities to minimise or eliminate resource requirement or consumption without a detrimental effect on service delivery.

d) Capital Programmes

Why is this important?

- B.2.30. Capital expenditure involves acquiring or enhancing fixed assets with a long-term value to the council, such as land, buildings and major items of plant and equipment or vehicles. Capital assets shape the way services are delivered for the long-term and create financial commitments for the future in the form of financing costs and revenue running costs. They may also generate income.
- B.2.31. The Government places strict controls on the financing capacity of the Council. This means that capital expenditure should form part of an investment strategy and should be carefully prioritised in order to maximise the benefit of scarce resources.
- B.2.32. The Council wishes to minimise prudential borrowing unless it is self-funding and maximise its capital receipts.

Key controls

- B.2.33. The key controls for capital programmes are:
 - a) Specific approval by the Full Council for the programme of capital expenditure and its funding streams.
 - b) Expenditure on capital schemes is subject to the approval of the Section 151 Officer.
 - c) A scheme appraisal, including project plan, progress targets and associated revenue expenditure is prepared for each capital project, for approval by Cabinet.

- d) Proposals for improvements and alterations to buildings must be approved by the appropriate director or managers
- e) Schedules for individual schemes within the overall budget approved by the Full Council must be submitted to Cabinet for approval (for example, minor works), or under other arrangements approved by the Full Council.
- f) The development and implementation of asset management plans.
- g) Accountability for each proposal is accepted by a named manager.
- h) Monitoring of progress in conjunction with expenditure and comparison with approved budget.

Responsibilities of Section 151 Officer

- B.2.34. To prepare capital estimates jointly with directors and managers and to report them to Cabinet for approval at the same time as the revenue budget is agreed and approved. Cabinet will make recommendations on the capital estimates and on any associated financing requirements to the Council. Cabinet Member approval is required where a director or manager proposes to bid for or exercise additional borrowing approval not anticipated in the capital programme. This is because the extra borrowing may create future commitments to financing costs.
- B.2.35. To prepare and submit reports to the Council on the projected expenditure and resources compared with the approved estimates.
- B.2.36. To issue guidance concerning capital schemes and controls for example on project appraisal techniques. The definition of 'capital' will be determined by the Section 151 Officer, having regard to Government rules and accounting requirements.
- B.2.37. To obtain authorisation by Cabinet for individual schemes where the proposed expenditure exceeds the capital programme provision by more than 5% of the scheme budget or £5,000 whichever is the greater.
- B.2.38. To prepare and submit quarterly monitoring reports to Cabinet comparing expenditure to estimates, clearly identifying variances plus or minus, with explanations for the variances and recommendations for any actions to be taken.
- B.2.39. To report to Cabinet on capital expenditure compared to estimates, including all contracts where the final expenditure exceeds the approved estimate by more than the prescribed amount of 5% of the scheme budget or £5,000 whichever is the greater.
- B.2.40. The Chief Officers' Capital Steering Group has overall responsibility for monitoring the capital programme in conjunction with Council Management Team. The Section 151 Officer is responsible for agreeing and approving variations up to £500,000 and jointly with the appropriate director or manager reporting; variations in excess of £500,000 and below £1,000,000 to Cabinet for approval; variations in excess of £1,000,000 to Full Council for approval.
- B.2.41. To maintain a register of all virements and report all those over £140,000 and below £500,000 to Cabinet for information.

Responsibilities of directors, managers and budget holders

- B.2.42. To comply with guidance concerning capital schemes and controls issued by the Section 151 Officer.
- B.2.43. To ensure that all capital proposals have undergone a project appraisal in accordance with guidance issued by the Section 151 Officer.
- B.2.44. To prepare regular reports reviewing the capital programme provisions for their services and to prepare a monthly return of estimated final cost of schemes in the approved capital programme for submission to the Section 151 Officer.
- B.2.45. To ensure that adequate records are maintained in respect of all capital contracts.
- B.2.46. To proceed with projects only when there is adequate provision in the capital programme, and with the agreement of the Section 151 Officer where required.
- B.2.47. To ensure that any variation that results in a revenue increase has a funding source identified and is approved by the Section 151 Officer and Cabinet.
- B.2.48. A manager or director, with the approval of the Section 151 Officer, may approve variations on the capital programme within or outside of their own area for amounts up to and including £500,000 on any one project area during the year where they have agreed the variation with the other manager(s) or director(s) with responsibility for the area to be impacted upon.
- B.2.49. To prepare and submit quarterly monitoring reports, jointly with the Section 151 Officer, to Cabinet and of any variation in contract costs greater than the approved limits. Cabinet will consider all variations in excess of 5% of the current scheme budget or £5,000, whichever is greater.
- B.2.50. To prepare and submit reports, jointly with the Section 151 Officer, to Cabinet, on completion of all contracts where the final expenditure exceeds the approved contract sum by more than 5% of the current scheme budget of £5,000, whichever is the greater.
- B.2.51. To ensure that they do not enter into credit arrangements, such as leasing agreements, without the prior approval of the Section 151 Officer and, if applicable, approval of the scheme through the capital programme.
- B.2.52. To consult with the Section 151 Officer and to seek Cabinet approval where the director or managers proposes to bid for additional borrowing approvals to be issued by Government departments to support expenditure which has not been included in the current year's capital programme.

b) Preparing revenue budgets and medium term planning

Why is this important?

- B.2.53. The Council is a complex organisation responsible for delivering a wide variety of services. It needs to plan effectively and to develop systems to enable scarce resources to be allocated in accordance with carefully weighed priorities. The budget is the financial expression of the Council's plans and policies.
- B.2.54. The revenue budget must be constructed so as to ensure that resource allocation properly reflects the spending plans and priorities of the Council. Budgets (spending plans), are needed so that the Council can plan, authorise, monitor and control the way money is allocated and spent.
- B.2.55. Medium term planning (or a three to five year planning system) involves a planning cycle in which each manager develops their own plans. As each year passes, another future year will be added to the medium term plan. Medium term planning ensures that the Council is always preparing for events in advance.

Key controls

- B.2.56. The key controls for budget preparation are:
- a) Specific budget approval for all expenditure.
 - b) Budget holders accept accountability within delegations set by Cabinet for their budgets and the level of service to be delivered.
 - c) A monitoring process is in place to review regularly the effectiveness and operation of budget preparation and that any corrective action is taken.
 - d) Proper accounting practices and policies are adhered to.

Responsibilities of Section 151 Officer

- B.2.57. To prepare and submit reports and provide advice on budget strategy for Cabinet, including base budget build up and resource constraints set by the Government. Reports should take account of medium term prospects, where appropriate.
- B.2.58. To determine the detailed form of revenue estimates, consistent with the general directions of the Council, and after consultation with Cabinet and Directors and Managers.
- B.2.59. To prepare and submit reports to Cabinet on the aggregate spending plans of Directorates and on the resources available to fund them, identifying, where appropriate, the implications for the level of Council Tax to be levied.
- B.2.60. To advise on the medium term implications of Government statements on public spending and distribution of central government resources.

- B.2.61. To encourage best use of resources and value for money by working with directors and managers to identify opportunities to improve economy, efficiency and effectiveness, and by encouraging good practice in conducting financial appraisals of development or savings options, and in developing financial aspects of service planning.
- B.2.62. To advise Council on Cabinet proposals in accordance with his or her responsibilities under Section 151 of the Local Government Act 1972.

Responsibilities of directors, managers and budget holders

- B.2.63. To prepare estimates of income and expenditure, in consultation with the Section 151 Officer, to be submitted to Cabinet.
- B.2.64. To prepare budgets which are consistent with any relevant cash limits, with the Council's annual budget cycle and with guidelines issued by Cabinet. The format should be prescribed by the Section 151 Officer in accordance with the Council's general directions.
- B.2.65. To integrate financial and budget plans into service planning, so that budget plans can be supported by financial and non-financial performance measures.
- B.2.66. To consult with Cabinet Members and relevant directors and managers, where it appears that a budget proposal is likely to impact on another service or level of service activity.
- B.2.67. In consultation with the Section 151 Officer and in accordance with the laid down guidance and timetable to prepare detailed draft revenue and capital budgets for consideration by Cabinet and Full Council.
- B.2.68. To have regard to:
- a) Spending patterns and pressures revealed through the budget monitoring process.
 - b) Legal requirements.
 - c) Policy requirements as defined by the Council.
 - d) Initiatives already underway when drawing up draft budget requirements.

B.3. USE OF RESERVES

Why is this important?

- B.3.1. Reserves are maintained as a matter of prudence.

Key controls

- B.3.2. To maintain reserves on a risk basis over a three year period and in accordance with the CIPFA Code of Practice on Local Authority Accounting in the United Kingdom and agreed accounting policies.

Responsibilities of Section 151 Officer

B.3.3. To advise on prudent levels of reserves for the Council, and to act on the advice of external audit in this matter.

APPENDIX C: RISK MANAGEMENT AND CONTROL OF RESOURCES

In this Appendix:

- C1 Internal Controls
- C2 Audit Requirements.
 - a) Internal audit
 - b) External audit
 - c) Preventing financial irregularities.
- C3 Resource: Land, Buildings, Fixed Plant and Machinery
 - a) Security
 - b) Inventories
 - c) Stocks and stores
 - d) Intellectual property
- C4 Asset Disposal
- C5 Risk Management and Banking
- C6 Treasury Management and Banking
- C7 Investments and Borrowing
- C8 Unofficial and Voluntary Funds and Funds held for Third Parties
 - a) General
 - b) Court of Protection and Guardian ad Litem Administration
 - c) Imprest Accounts
- C9 Staffing; including Gifts and Hospitality

C.1. INTERNAL CONTROLS

Why is this important?

- C.1.1. The Council is complex and beyond the direct control of individuals. It therefore requires internal controls to:
 - a) facilitate the effective exercise of its functions and the achievement of its aims and objectives;
 - b) ensure that the financial and operational management of the council is effective; and
 - c) include effective arrangements for the management of risk.
- C.1.2. The Council has statutory obligations to meet and requires internal controls to identify, meet and monitor compliance with these obligations.
- C.1.3. The Council faces a wide range of financial, administrative and commercial risks, both from internal and external factors, which threaten the achievement of their objectives. Internal controls are necessary to identify, evaluate and control these risks.
- C.1.4. The system of internal controls is established in order to provide measurable occurrence of:
 - a) Efficient and effective operations.
 - b) Reliable financial information and reporting.
 - c) Compliance with laws and rules.

Key controls

- C.1.5. Effective review on a regular basis and at least annually.
- C.1.6. Managerial control systems, including defining policies, setting objectives and plans, monitoring financial and other performance, and taking appropriate anticipatory and remedial action. The key objective of these systems is to promote ownership of the control environment by defining roles and responsibilities.
- C.1.7. Financial and operational control systems and procedures, which include physical safeguards for assets, segregation of duties, authorisation and approval procedures and information systems.
- C.1.8. An effective internal audit function which operates in accordance with the principles embodied in CIPFA's Code of Practice for Internal Audit in Local Government in the United Kingdom, and with any other statutory obligations and rules.

Responsibilities of S151 Officer

- C.1.9. Assist the Council to put in place an appropriate control environment and effective internal controls which provide reasonable assurance of effective and efficient operations, internal financial controls and compliance with laws and rules.
- C.1.10. Ensure that the Council puts in place effective internal financial controls covering codified guidance, budgetary systems, supervisions, management review and monitoring, physical safeguards, segregation of duties, accounting procedures, information systems and authorisation and approval processes.

Responsibilities of directors, managers and budget holders

- C.1.11. To ensure they have adequate internal control systems in place covering all aspects of their operations, both financial and non-financial.
- C.1.12. To manage processes to check that established controls are being adhered to, and to evaluate their effectiveness, in order to be confident in the proper use of resources.
- C.1.13. To provide an annual assurance statement to the Section 151 Officer in respect of the adequacy and effectiveness of the internal control environment within their areas of operations, and to identify any material weaknesses and how these are being addressed. This annual assurance statement will form part of the evidence to support the Annual Governance Statement
- C.1.14. To up-date existing controls and establish and implement new ones and keep the Section 151 Officer informed of all changes.
- C.1.15. To ensure staff have a clear understanding of the consequences of a lack of control in the areas within which they work and the consequences of these not being followed.

C.2. AUDIT REQUIREMENTS

a) Internal Audit

Why is this important?

- C.2.1. The Section 151 Officer has a statutory responsibility for the overall financial administration of the Council's affairs and is responsible for maintaining an adequate and effective continuous internal audit.
- C.2.2. Internal audit is an independent objective assurance and consulting activity designed to add value and improve the Council's operations. It helps the Council accomplish its objectives by bringing a systematic, disciplined approach to evaluate and improve the effectiveness of risk management, control and governance processes. (Public Sector Internal Audit Standards (PSIAS) 2013).
- C.2.3. Internal Audit has a key role to play in independently reviewing the effectiveness of the Council's entire internal control environment in respect to the processes for governance, risk management and control. It contributes an objective opinion to the council's Annual Governance Statement

Key controls

- C.2.4. The key controls for internal audit are:
- a) The Head of Audit is the Council's Chief Audit Executive as defined under the Standards and is the Chief Internal Auditor as defined in CIPFA's Statement on the Role of the Chief Internal Auditor who reports to the Section 151 Officer and ensures that Internal Audit remains independent in its planning and operation.
 - b) The Head of Audit has direct access to the Head of Paid Service, all levels of management and to elected members including the Council's Audit Committee.
 - c) Internal auditors comply with the Public Sector Internal Audit Standards (PSIAS) including the Definition of Internal Auditing and the Code of Ethics, and other relevant guidance as set out in the Internal Audit Charter.
 - d) The Head of Audit is responsible for maintaining periodic audit plans which have due regard to the key priorities and associated risks of the council, the objectives and risks for each service areas in delivering their services and the requirements of the external auditor.
 - e) The Head of Audit must report to the s151 Officer or the Audit Committee if there are insufficient resources or limitations in the scope of their work to provide reasonable assurance or a service consistent with the definition of Internal Audit.

Responsibilities of Section 151 Officer

- C.2.5. The Section 151 Officer has been delegated with maintaining an adequate and effective system of internal audit. He or she must ensure that internal auditors have the authority to:

- a) Access at reasonable times, premises or land used by the Council.
- b) Access all Council and partner assets, records, documents, correspondence and control systems except for those from which they are statutorily prevented.
- c) Require and receive any information and explanation considered necessary concerning any matter under consideration from any employee, member, partner or third party.
- d) Require any employee of the Council or any partner/ third party to account for cash, stores or any other Council property under their control and produce for inspection if required.
- e) Access records belonging to third parties, such as contractors, when required.
- f) Report directly to the Head of Paid Service, all levels of management and to elected members including the Council's Audit Committee.
- g) Evaluate the adequacy effectiveness of internal controls in responding to risks within the organisations governance operations and information systems designed to secure assets and data to assist management in preventing and deferring fraud.

C.2.6. The Head of Audit should maintain an Internal Audit Charter and annual risk based audit plan in conjunction with the Section 151 Officer which takes account of the characteristics and relative risks of the activities involved. He/she should liaise with the Head of Paid Service and Managers on the audit plans and cover required. In addition to the statutory requirement, this takes account of the need to seek added value, effective use of resources, improved performance and cost-effective controls.

C.2.7. Where an appropriate response to audit recommendations has not been made within a reasonable period, the S151 Officer and, or the Head of Audit may refer the matter to the Head of Paid Service and, or the Audit Committee.

C.2.8. Internal Audit has specific fraud related responsibilities which are set out in the Counter Fraud, Bribery and Anti-Corruption Strategy. To investigate promptly any fraud or irregularity of which they become aware of and to report to the Head of Paid Service who will consider any legal proceedings and disciplinary action in consultation with the appropriate director or manager.

C.2.9. To report annually to the Head of Paid Service and to the Audit Committee on the main issues raised by Internal Audit during the year.

C.2.10. Internal Audit will define and manage consultancy assignments as set out in the PSIAS.

Responsibilities of directors and managers

C.2.11. To ensure that internal and external auditors are given access at all reasonable times to premises, personnel, documents and assets which the auditors consider necessary for the purposes of their work.

- C.2.12. To ensure that auditors are provided promptly with any information and explanations which they seek in the course of their work.
- C.2.13. To consider and respond promptly to recommendations in audit reports.
- C.2.14. To ensure that any agreed actions arising from audit recommendations are carried out in a timely and efficient fashion.
- C.2.15. To notify the Section 151 Officer immediately of any suspected fraud, theft, irregularity, improper use or misappropriation of the Council's property or resources. Pending investigation and reporting, the Director or Managers should take all necessary steps to prevent further loss and to secure records and documentation against removal, destruction or alteration.
- C.2.16. To ensure that new systems for maintaining financial records, or records of assets, or changes to such systems, are discussed with and agreed by the Head of Audit prior to implementation.
- C.2.17. To ensure that all employees within their services are aware of the Council's 'Speaking up about Wrongdoing Policy' and the Counter Fraud, Bribery and Anti-Corruption Policy.

b) External Audit

Why is this important?

- C.2.18. The Local Government Association (Public Sector Appointments Ltd) is responsible for appointing external auditors to each local council. The Section 151 Officer is responsible for working with the external auditor and for advising the Council, Cabinet, directors and managers on their responsibilities in relation to external audit. The external auditor has the same rights of access as the internal auditor to all documents which are necessary for audit purposes.
- C.2.19. The basic duties of the external auditor are governed by the Local Audit and Accountability Act 2014, under which auditors need to satisfy themselves that:
 - a) The accounts are prepared in accordance with rules made under Section 23 of the 1982 Act and comply with the requirements of all statutory provisions applicable to the accounts.
 - b) Proper practice has been observed in compilation of accounts.
 - c) The Council has made proper arrangements for securing economy, efficiency and effectiveness in its use of resources.
- C.2.20. The Council's accounts are scrutinised by external auditors, appointed by the Local Government Association (Public Sector Appointments Ltd), who must be satisfied that the statement of accounts present 'a true and fair view' of the financial position of the Council and its income and expenditure for the year in question and complies with the legal requirements.

Key controls

C.2.21. External auditors are appointed by the Local Government Association (Public Sector Appointments Ltd) normally for a minimum period of five years. The National Audit Office prepares guidelines which the external auditors follow when auditing the Council's statement of accounts. Under ISA (UK and I 265 (Communicating Deficiencies in Internal Control to those charged with Governance and Management)). External Audit can identify and report significant deficiencies in any internal controls directly to the Audit Committee and those charged with governance.

Responsibilities of Section 151 Officer

- C.2.22. To draw up the timetable and issue guidance for final accounts purposes and to advise staff and external auditors accordingly.
- C.2.23. To ensure that external auditors are given access at all reasonable times to premises, personnel, documents and assets which the external auditors consider necessary for the purposes of their work.
- C.2.24. To ensure there is effective liaison between internal and external audit services.

Responsibilities of directors and managers

- C.2.25. To ensure that external auditors are given access at all reasonable times to premises, personnel, documents and assets which the external auditors consider necessary for the purpose of their work.
- C.2.26. To ensure that all paperwork and systems are up-to-date and available for inspection.

c) Preventing Financial Irregularities

Why is this important?

- C.2.27. The Council will not tolerate fraud and corruption in the administration of its responsibilities whether from inside or outside the Council.
- C.2.28. The Council's expectation of propriety and accountability is that members and staff at all levels will lead by example in ensuring adherence to legal requirements, rules, procedures and practices.
- C.2.29. The Council also expects that individuals and organisations (e.g. suppliers, contractors, service providers) that it comes into contact with, will act towards the Council with integrity and without thought or actions involving fraud and corruption.

Key controls

- C.2.30. The key controls regarding the prevention of financial irregularities are:
- a) The Council's Counter Fraud, Bribery and Anti-Corruption Strategy.

- b) The culture and tone of the council is one of honesty and opposition to fraud and corruption.
- c) That all members and staff act with integrity, and lead by example
- d) That all individuals and organisations associated in any way with the Council will act with integrity.
- e) That senior managers are required to deal swiftly and firmly with those who defraud the Council or who are corrupt.

Responsibilities of Section 151 Officer

- C.2.31. To maintain adequate and effective internal and external audit arrangements for the Council.
- C.2.32. To ensure that financial irregularities are reported to the Head of Paid Service, Cabinet and the Council's Audit Committee.
- C.2.33. To determine, in conjunction with the Head of Audit the scope of any internal enquiries or investigations, subject to consultation with the appropriate director or managers.
- C.2.34. To decide, in consultation with the appropriate director or manager, whether any matter under investigation should be referred for police investigation and take recovery action as appropriate on such matters.
- C.2.35. To keep the Head of Paid Service informed if a suspected irregularity occurs involving staff who are the responsibility of the Section 151 Officer.
- C.2.36. To ensure in conjunction with the appropriate directors or managers, that the council's disciplinary procedures are followed where the outcome of an audit or other investigation indicates fraud or irregularity

Responsibilities of directors and managers

- C.2.37. To ensure that all suspected irregularities are reported to the Section 151 Officer and Head of Audit.
- C.2.38. To instigate the Council's disciplinary procedures where the outcome of an audit investigation indicates improper behaviour.

C.3. RESOURCES: LAND, BUILDINGS, ICT, FIXED PLANT AND MACHINERY

a) Security

Why is this important?

- C.3.1. The Council holds assets in the form of property, vehicles, equipment, and other items worth many millions of pounds. It is important that assets should be safeguarded and used efficiently in the delivery of services and that there should be arrangements for the security of both assets and service operations.

Key controls

- C.3.2. The key controls for the security of resources, such as land, buildings, fixed plant, ICT and machinery are:
- a) Budget holders obtain appropriate resources for the specified level of service delivery.
 - b) Resources are acquired using an approved procurement process.
 - c) Resources are used only for the purposes of the Council and properly accounted for.
 - d) Resources are secured to be available for use when required.
 - e) Resources no longer required are disposed of in accordance with the law and the rules of the Council so as to maximise benefits.

Responsibilities of Section 151 Officer

- C.3.3. The S151 Officer shall keep an Asset Register which shall record all of the material capital assets owned by the Council together with their values. Assets shall be valued in accordance with the 'Code of Practice on Local Authority Accounting in the United Kingdom (published by CIPFA). The Asset Register shall be kept up to date and in accordance with the requirements of the S151 Officer. Directors shall supply any information required in order to maintain the Register.
- C.3.4. The S151 Officer shall maintain an up to date terrier of all land owned, leased or licensed by the Council and of land sold or leased off. The terrier must:
- a) record the purpose for which the land is held and;
 - b) record the location, extent and plan reference of the land.
- C.3.5. Directors shall supply any information required in order to maintain the Register.
- C.3.6. To receive information from each budget holder required for accounting, costing and financial records.
- C.3.7. To assist and advise, in consultation with the appropriate budget holder, the records to be maintained to ensure proper security and control of premises, stocks, stores, equipment, cash and other items of significant value

Responsibilities of directors, managers and budget holders

- C.3.8. The Head of Business Enterprise and Commercial Services shall maintain a property database for all properties. Any use of property by a budget holder other than for direct service delivery should be supported by documentation identifying terms, responsibilities and duration of the use.
- C.3.9. To ensure that lessees and other prospective occupiers of Council land are not allowed to take possession or enter the land until a lease or agreement, in a form approved by the Head of Business Enterprise and Commercial Services, in consultation with the Section 151 Officer and

Director of Legal and Democratic Services, has been established as appropriate.

- C.3.10. To ensure the proper security of all buildings and other assets under their control.
- C.3.11. To periodically review land and buildings in order to identify any that may be surplus to business requirements.
- C.3.12. Where land or buildings are identified as surplus to requirements, a recommendation for the sale of land should be the subject of a report by the appropriate Director following advice from legal and financial services.
- C.3.13. Asset sales are required to follow the Disposals Protocol adopted by Property Services. Should a disposal of an asset not follow this standardised process, any request for disposal should be referred to the Section 151 Officer.
- C.3.14. Where the use of buildings or land is subject to appropriation between services, to refer the appropriation for approval by Cabinet, taking into account the alternative possible uses of the land.
- C.3.15. To pass the deeds to the Director of Legal and Democratic Services, who is responsible for custody of all title deeds.
- C.3.16. To ensure that no Council asset is subject to third party or personal use by an employee without proper authority.
- C.3.17. To ensure that the safe custody of vehicles, equipment, stock, stores and other property belonging to the Council.
- C.3.18. To ensure that the Directorate maintains a register of moveable assets in accordance with arrangements defined by the Section 151 Officer.
- C.3.19. To ensure that assets are identified, their location recorded and that they are appropriately security marked and insured.
- C.3.20. To consult the Section 151 Officer in any case where security is thought to be defective or where it is considered that special security arrangements may be needed.
- C.3.21. To ensure cash holdings on premises are kept to a minimum and do not exceed insurance limits, and to advise the Section 151 Officer where there may be an exception to this case.
- C.3.22. The disposal of all surplus equipment, stocks or stores expected to realise in excess of £5,000 should normally be by competitive tender or public auction unless, following consultation with the Section 151 Officer, Cabinet agrees otherwise. A record of all such disposals should be maintained.
- C.3.23. To arrange for the valuation of assets for accounting purposes to meet requirements specified by the Section 151 Officer.

C.3.24. To arrange for the valuation of assets for accounting purposes to meet requirements specified by the Section 151 Officer.

C.3.25. To ensure that all their employees are aware that they have a personal responsibility with regard to the protection and confidentiality of information, whether held in manual or computerised records. Information may be sensitive or privileged, or may possess some intrinsic value, and its disclosure or loss could result in a cost to the Council in some way.

b) Inventories

Why is this important?

C.3.26. The Council holds many different assets. It is important that these assets should be safeguarded and used efficiently in the delivery of services and that there should be arrangements for the security of both assets and service operations. Material capital assets shall be recorded in the asset register other significant assets shall be subject to inventory.

Key Controls

C.3.27. The key controls for the inventory of resources, such as land, buildings, fixed plant, ICT and machinery are:

- a) Inventories are maintained to record all significant resources that are not recorded in appropriate registers elsewhere.
- b) Inventories are regularly reviewed and updated.

Responsibilities of Section 151 Officer

C.3.28. To advise on the form, layout and content of inventory records to be maintained by the Council.

Responsibilities of directors, managers and budget holders

C.3.29. To maintain inventories in a form approved by the Section 151 Officer to adequately record and describe fittings and equipment, plant and machinery under their control.

C.3.30. To carry out an annual check of all items on the inventory in order to take action in relation to surpluses or deficiencies, annotating the inventory accordingly and reporting any material discrepancies to the Section 151 Officer.

C.3.31. Attractive and portable items, such as computers, cameras and video recorders, should be identified with security markings as belonging to the Council and appropriately controlled and secured.

C.3.32. To make sure that property is only used in the course of the Council's business unless the director or manager concerned has given permission otherwise.

C.3.33. To seek Cabinet approval to the write-off of redundant equipment where individual items are valued in excess of £100,000.

c) Stocks and Stores

Why is this important?

C.3.34. The Council holds stocks and stores of goods in various locations throughout the authority. These stocks and stores are assets of the council which must be appropriately safeguarded from theft and spoiling.

Key Controls

C.3.35. The key controls for the stocks and stores of resources are:

- a) Stocks and stores are held in environments appropriate to their value and type
- b) Stocks and stores should be held at reasonable levels
- c) Stocks and stores should be subject to independent checks, at least annually, and any discrepancies investigated.

Responsibilities of Section 151 Officer

C.3.36. To advise on the arrangements for the care and custody of stocks and stores.

Responsibilities of directors, managers and budget holders

C.3.37. To make arrangements for the care and custody of stocks and stores in their areas.

C.3.38. To ensure stocks are maintained at reasonable levels and subject to a regular independent physical check. All discrepancies should be investigated and pursued to a satisfactory conclusion.

C.3.39. To write-off discrepancies of up to £5,000.

C.3.40. To authorise or write-off disposal of redundant stocks and equipment. Procedures for disposal of such stocks and stores should be by competitive quotations or auction unless, following consultation with the Section 151 Officer, Cabinet decides otherwise in a particular case.

C.3.41. To seek advice from Internal Audit on discrepancies above £5,000.

C.3.42. A manager or director, with the agreement of the Section 151 Officer, can write off redundant stocks and stores between £5,001 and £100,000. Write off's over £100,000 require approval by Cabinet.

d) Intellectual Property

Why is this important?

C.3.43. Intellectual property is a generic term that includes inventions and writings. If these are created by the employee during the course of

employment, then as a general rule they belong to the employer, not the employee. Various Acts of Parliament cover different types of intellectual property.

C.3.44. Certain activities undertaken within the Council may give rise to items which may be patentable. These are collectively known as intellectual property.

Key controls

C.3.45. In the event that the Council decides to become involved in the commercial exploitation of inventions, the matter should proceed in accordance with the Council's intellectual property procedures.

Responsibilities of Section 151 Officer

C.3.46. To develop and disseminate good practice through the Council's intellectual property procedures.

Responsibilities of all managers

C.3.47. To ensure that there are no conflicts concerning staff conducting private work in Council time.

C.4. ASSET DISPOSAL

Why is this important?

C.4.1. It would be unsatisfactory and inefficient for the cost of assets to outweigh their benefits. Obsolete, non-repairable or unnecessary resources should be disposed of in accordance with the law and rules of the Council.

Key controls

C.4.2. Assets are disposed of at the most appropriate time, and only when it is in the best interests of the Council, and that the best price is obtained. For items of significant value, disposal should be by competitive tender or public auction and any funds realised should be corporately retained.

Responsibilities of Section 151 Officer

C.4.3. To advise on best practice for disposal of assets.

C.4.4. To ensure appropriate accounting entries are made.

Responsibilities of directors and managers

C.4.5. To seek advice from purchasing advisors on the disposal of surplus or obsolete materials, stores or equipment.

C.4.6. To ensure that income received for disposal of an asset is properly collected, banked and accounted for.

C.5. RISK MANAGEMENT AND INSURANCE

Why is this important?

- C.5.1. All organisations, whether they are in the private or public sectors, face risks to people, property and continued operations. Risk is defined as the chance or possibility of loss, damage or injury caused by an unwanted or uncertain action or event. Risk management is the planned and systematic approach to the identification, evaluation and control of risk.
- C.5.2. Insurance has been the traditional means of risk transfer and protecting against loss, but this cannot be seen as the complete answer. By reducing or even preventing the incidence of losses (whether they result from crime or accident), the Council will benefit from reduced costs of providing insurance cover and will also avoid the disruption and wasted time caused by losses and insurance claims.
- C.5.3. It is the overall responsibility of Cabinet, jointly with the Council, to approve the Council's Opportunity Risk Management Strategy, and to promote a culture of risk management awareness throughout the Council. Monitoring of, and reporting on, the effectiveness of the Strategy is an essential part of the process.

Key controls

- C.5.4. The key controls for risk management and insurance are:
- a) Robust systems are in place to identify, assess, prevent or contain significant operational risks on an integrated basis, and these systems are promoted throughout the Council.
 - b) Acceptable levels of retained risk are identified and evaluated and arrangements are in place for their funding, either by internal provision or external insurance as appropriate.
 - c) Managers know that they are responsible for managing relevant risks and are provided with appropriate and timely information on claims experience and risk management initiatives relating to their areas of responsibility.
 - d) Procedures are in place to investigate and process claims within required timescales.
 - e) A monitoring process is in place to review regularly the effectiveness of risk reduction strategies and the operation of these controls. The risk management process should be conducted on a continuing basis.
 - f) All reports shall contain reference to any major risks which the item reported may have for the Council.

Responsibilities of Section 151 Officer

- C.5.5. To prepare and promote the Council's Opportunity Risk Management Strategy and to advise Cabinet, directors and managers on risk management matters.
- C.5.6. Subject to any legal advice of the Monitoring Officer, to determine and effect appropriate corporate insurance cover, through external insurance

and, or internal funding, and to negotiate all claims, in conjunction with other officers as necessary.

- C.5.7. To provide advice to the Council and Council Management Team on insurance matters.
- C.5.8. To include all appropriate employees of the Council in a suitable fidelity guarantee insurance.
- C.5.9. To offer insurance cover to schools in accordance with Fair Funding arrangements.
- C.5.10. To develop and implement risk management controls, monitoring and reporting arrangements in conjunction with other directors and managers.
- C.5.11. To oversee and ensure the preparation of the Council's Opportunity Risk Management Strategy and promote the Strategy throughout the Council.
- C.5.12. To review and report to Cabinet, directors and managers on the robustness of the financial arrangements of risk management and insurance.

Responsibilities of directors and managers

- C.5.13. To notify the Section 151 Officer promptly of all new or increased risks, activities, properties or vehicles which require insurance and of any alterations affecting existing insurances.
- C.5.14. To notify the Section 151 Officer and the Monitoring Officer immediately, in writing or electronically, of any loss, liability or damage, or of any event, likely to lead to a claim against the Council, together with any information or explanation required by the Section 151 Officer or the Council's insurers.
- C.5.15. To consult the Section 151 Officer and Monitoring Officer in respect of the terms of any indemnity which the Council is requested to give.
- C.5.16. To ensure that Council employees, or anyone covered by the Council's insurances, do not admit liability or make any offer to pay compensation which may prejudice the assessment of liability in respect of any claim against the council.
- C.5.17. To take responsibility for, and promote risk management, having regard to advice from the Section 151 Officer and other specialist officers (e.g. Risk and Insurance Manager, Risk Management Officer, Crime Prevention, Fire Prevention, Health and Safety).
- C.5.18. To ensure that there are regular reviews of risk within their Directorates / Services and to report at regular intervals (at least twice per year) to Cabinet, in conjunction with the Section 151 Officer, on the implementation and effectiveness of the Opportunity Risk Management Strategy.

C.6. TREASURY MANAGEMENT AND BANKING

Why is this important?

- C.6.1. Many millions of pounds pass through the Council's books each year. A few Councils have suffered high profile losses through inappropriate treasury management procedures. This led to the establishment of Codes of Practice. These aim to provide assurances that the Council's money is properly managed in a way which balances risk with return, but with the overriding consideration being given to the security of the Council's capital sum.
- C.6.2. The Council has adopted a Treasury Policy Statement based on the CIPFA Code of Practice for Treasury Management. All treasury operations are carried out in accordance with this Statement and the Code.

Responsibilities of Section 151 Officer

- C.6.3. To arrange the borrowing and investment activities of the Council in such a manner as to comply with the CIPFA Code of Practice on Treasury Management and the Council's Treasury Policy Statement.
- C.6.4. To prepare an Annual Treasury Strategy, for the forthcoming financial year, for approval by Council prior to the start of that financial year, including the determination of prudential indicators in accordance with the Prudential Code for Capital Finance 2003 (as amended). To report a Mid-Year Treasury Strategy and Annual Treasury Report to Council outlining the implementation and effectiveness of the Treasury Strategy. Subject to the foregoing, the Section 151 Officer is responsible for the management of the Council's loan debt and for the investment of surplus funds.
- C.6.5. To manage, control and monitor the council's banking arrangements, including the opening and closing of such bank accounts as are considered necessary within the terms of the overall banking arrangement. Opening or closing any bank account shall only be undertaken by, or with the approval of, the Section 151 Officer. The title of any such bank accounts shall include the words "Shropshire Council".
- C.6.6. Cheques drawn on authorised imprest accounts, shall be ordered only on the authority of the Section 151 Officer, who shall make proper arrangements for their safe custody.

Responsibilities of directors and managers

- C.6.7. To comply with financial rules relating to banking arrangements and to follow the guidance on banking issued by the Section 151 Officer. To advise the Section 151 Officer of material amounts due to be credited or debited to the Council's bank accounts in order to enable efficient cash flow management.

C.7. INVESTMENTS AND BORROWING

Responsibilities of the Section 151 Officer

- C.7.1. To ensure that all borrowings and investments are made in the name of the Council.
- C.7.2. To ensure that all securities in support of investments which are the property of the Council or its nominees and the title deeds of all property in the Council's ownership are held in accordance with arrangements approved by the Section 151 Officer.
- C.7.3. To act as the Council's registrar of stocks, bonds and mortgages and to maintain records of all borrowing of money by the Council. They may also authorise the premature repayment of individual bonds and mortgages.
- C.7.4. All money in the hands of the Council shall be aggregated for the purpose of treasury management and shall be under the control of the Section 151 Officer as the officer designated for the purposes of Section 151 of the Local Government Act 1972.

Responsibilities of directors and managers

- C.7.5. To ensure that no loans are made to third parties and no interests are acquired in companies, joint ventures, or other enterprises without the approval of Council, following consultation with the Section 151 Officer.

C.8. UNOFFICIAL AND VOLUNTARY FUNDS AND FUNDS HELD FOR THIRD PARTIES

a) General

- C.8.1. An unofficial or voluntary fund is defined, for the purpose of this rule, as any fund, other than an official fund of the Council, which is controlled, wholly or in part, by an officer by reason of their employment by the Council, or by the managers or governors of a school maintained by the Council.

Responsibilities of Section 151 Officer

- C.8.2. To arrange that all such funds are, wherever possible, in the name of the Council. All officers acting as trustees by virtue of their official position shall deposit securities or similar documents relating to the trust with the Section 151 Officer unless the deed otherwise provides. And to ensure that the Council has the right to inspect and audit such funds and the administrative systems underlying them and report on them as it sees fit.
- C.8.3. To arrange, where funds are held on behalf of third parties, for their secure administration and maintain written records of all transactions and to ensure that the Council has the right to inspect and audit such funds and the administrative systems underlying them and report on them as it sees fit.

- C.8.4. To ensure that trust funds are operated within any relevant legislation and the specific requirements for each trust.
- C.8.5. Private fund monies should be kept separate from Council money. A separate bank account should be set up for each in the name of the fund, not that of an individual or the Council.
- C.8.6. To maintain an up to date record of all voluntary funds administered by officers of the Council excluding school funds.

Responsibilities of directors and managers

- C.8.7. To ensure that all such funds are declared to them by the controlling officer(s) and that annual accounts, audited by suitably qualified auditors, are submitted within a reasonable time after the end of each accounting period, to the body responsible for the management or control of each fund.
- C.8.8. To ensure that all officers acting as trustees by virtue of their official position shall deposit securities or similar documents relating to the trust with the Director of Legal and Democratic Services unless the deed otherwise provides.
- C.8.9. To inform the Section 151 Officer of the names of all such funds and of their controlling officer(s) and managing body. Where the director or managers so request, the Section 151 Officer shall advise on the suitability of the form of accounts and of the audit arrangements.

b) Court of Protection and Guardian ad Litem Administration

Responsibilities of Section 151 Officer

- C.8.10. To ensure there are appropriately documented processes and procedures in place to securely administer clients Count of Protection, Appointeeship or Guardian ad Litem accounts.
- C.8.11. To arrange for the system of administration and operation of these funds to be inspected and reported upon by Internal Audit.

Responsibilities of Director of Adult Services

- C.8.12. To ensure a nominated chief officer has been identified to act as the Deputy to the Office of the Public Guardian.
- C.8.13. To ensure appropriate accounts are set up and managed in the name of the individual clients and that an annual statement of account is provided to the Court of Protection, Office of the Public Guardian where required and independently verified.
- C.8.14. To ensure that all accounts are administered in the most economical way for the benefit of the clients, this to include dealing with all income tax matters and other related issues such as welfare benefits.

C.8.15. To deal with all property related matters for the absolute benefit of the client and to ensure that appropriate systems and procedures are in place to ensure client welfare.

c) Imprest Accounts

Responsibilities of Section 151 Officer

C.8.16. Following consultations with directors and managers as appropriate, to provide officers of the Council with cash or bank imprest accounts to meet minor expenditure on behalf of the Council and to prescribe rules for operating these accounts. These accounts must be operated in accordance with instructions issued by the Section 151 Officer. Minor items of expenditure should not exceed the prescribed amount.

C.8.17. To maintain a record of all petty cash advances made, and periodically review the arrangements for the safe custody and control of these advances. Requests to vary the advance must be put in writing or electronically by the director or manager to the Section 151 Officer.

C.8.18. To reimburse imprest holders as often as necessary to restore the imprest balance but normally not more than monthly.

Responsibilities of directors and managers

C.8.19. To ensure that all officers operating an imprest account:

- a) Obtain and retain vouchers to support each payment from the imprest account. Where appropriate an official receipted VAT invoice must be obtained.
- b) Make adequate arrangements in their office for the safe custody of the supporting records and cash.
- c) Produce upon demand by the Section 151 Officer and Head of Audit, cash and all vouchers to the total value of the imprest account
- d) Record transactions promptly.
- e) Reconcile and balance the account at least monthly, reconciliation sheets to be signed and retained by the imprest holder.
- f) Provide the Section 151 Officer with a certificate of the value of the account held at 31 March each year.
- g) Ensure that the imprest is never used to cash personal cheques or to make personal loans and that the only payments into the account are the reimbursement of the imprest and change relating to purchases where an advance has been made.
- h) Ensure income due to the Council is banked or paid to the Council as provided elsewhere in these rules and not into the imprest account.
- i) On leaving the Council's employment or otherwise ceasing to be entitled to hold an imprest advance, account to the Section 151 Officer for the amount advanced to them.
- j) Do not allow any bank imprest account to become overdrawn.

C.9. STAFFING, INCLUDING GIFTS AND HOSPITALITY

Why is this important?

C.9.1. In order to provide the highest level of service, it is crucial that the council recruits and retains high calibre, knowledgeable staff, qualified to an appropriate level. An appropriate staffing strategy and policy should exist, in which staffing requirements and budget allocation should be matched.

Key controls

C.9.2. The key controls for staffing are that:

- a) Procedures are in place for forecasting staffing requirements and cost.
- b) Procedures are in place for monitoring staffing expenditure against budget.
- c) Controls are implemented that ensure that staff time is used efficiently and benefit the Council.
- d) Every employee has a personal responsibility to be aware of and comply with the council's Official Gifts and Hospitality Policy set out in the Employees' Handbook.

Responsibilities of Section 151 Officer

C.9.3. To ensure that budget provision exists for all existing and new employees.

C.9.4. To act as an advisor to directors and managers on areas such as National Insurance, pension contributions as appropriate.

Responsibilities of directors and managers

C.9.5. To produce an annual staffing budget.

C.9.6. To ensure that the staffing budget is an accurate forecast of their staffing levels and is equated to an appropriate revenue budget provision (including on-costs and overheads).

C.9.7. To monitor staff activity to ensure adequate control over such costs as sickness, overtime, training and temporary staff.

C.9.8. To ensure that the staffing budget is not exceeded and that it is managed to enable the agreed level of service to be provided within the directorate's services cash limit.

C.9.9. To ensure that the Section 151 Officer is immediately informed if the staffing budget is likely to be materially over (or under) spent and costs cannot be controlled within cash limits.

C.9.10. To ensure that they and their officers complete the register of interests maintained by the Monitoring Officer.

C.9.11. To follow the Council's recruitment procedures

C.9.12. To apply the Council's Capability procedures as appropriate.

APPENDIX D: SYSTEMS AND PROCEDURES

In this Appendix:

D1	General
D2	Income.
D3	Payments to Employees, former Employees and Members
D4	Ordering and Paying for Work, Goods and Services
D5	Taxation
D6	Trading Accounts/Business Units

D.1. SYSTEMS AND PROCEDURES: GENERAL

Why is this important?

- D.1.1. The Council has many systems and procedures relating to the control of the Council's assets, including purchasing, costing and management systems. Directors, managers and budget holders are reliant on computers for their financial management information. The information must therefore be accurate and the systems and procedures sound and well administered. They should contain controls to ensure that transactions and data are properly processed and errors detected promptly.
- D.1.2. The Section 151 Officer has a professional responsibility to ensure that the Council's financial systems are sound and should therefore be consulted in advance of any new developments or changes to systems and procedures.

Key controls

- a) Basic data exists to enable the council's objectives, targets, budgets and plans to be formulated.
- b) Performance is communicated to the appropriate managers on an accurate, complete and timely basis.
- c) Early warning is provided of deviations from target, plans and budgets that require management attention.
- d) Operating systems and procedures are secure.

Responsibilities of Section 151 Officer

- D.1.3. To make arrangements for the proper administration of the Council's financial affairs, including to:
- a) Issue advice, guidance and procedures for the Council's officers and others acting on its behalf.
 - b) Determine the accounting systems, form of accounts and supporting financial records.
 - c) Establish arrangements for audit of the Council's financial affairs.
 - d) Approve any changes to be made to existing financial systems or new systems introduced.

Responsibilities of directors, managers and budget holders

- D.1.4. To ensure that accounting records are properly maintained and held securely.
- D.1.5. To ensure that vouchers and documents with financial implications are not destroyed except in accordance with the Corporate Retention Policy
- D.1.6. To ensure that a complete management trail, allowing financial transactions to be traced from the original document to the accounting records, and vice versa, is maintained.
- D.1.7. To incorporate appropriate controls to ensure that, where relevant:
 - a) All input is genuine, complete, accurate, timely and not previously processed.
 - b) All processing is carried out in an accurate, complete and timely manner.
 - c) Output from the system is complete, accurate and timely.
- D.1.8. To ensure that the organisational structure provides an appropriate segregation of duties to provide adequate internal controls and minimise the risk of fraud or other malpractice.
- D.1.9. To ensure that there is a documented and tested disaster recovery plan to allow information system processing to resume quickly in the event of an interruption.
- D.1.10. To ensure that systems are documented and staff trained in operations.
- D.1.11. To consult with the Section 151 Officer and Head of Audit before changing any existing system or introducing new systems.
- D.1.12. To consult with the Section 151 Officer and seek a departure from Financial Rules. This should be reported to the next meeting of Cabinet.
- D.1.13. To establish a scheme of delegation identifying officers authorised to act upon the directors' or managers behalf in respect of payments, income collection and placing orders, including variations, and showing the limits of their authority.
- D.1.14. To supply lists of authorised officers, with delegated limits to the Section 151 Officer, together with any subsequent variations.
- D.1.15. To ensure that effective contingency arrangements, including back-up procedures, exist for computer systems. Wherever possible, back-up information should be securely retained in a fireproof location, preferably off-site, or in an alternative location within the building.
- D.1.16. To ensure that, where appropriate, computer systems are registered in accordance with the Data Protection legislation and that staff are aware of their responsibilities under the legislation.

- D.1.17. To ensure that relevant standards and guidelines for computer systems issued by the appropriate director and managers are observed.
- D.1.18. To ensure that computer equipment and software are protected from loss and damage through theft, vandalism etc.
- D.1.19. To comply with the copyright, designs and patents legislation and, in particular, ensure that:
- a) Only software legally acquired and installed by the Council is used on its computers.
 - b) Staff are aware of legislative provisions.
 - c) In developing systems, due regard is given to the issue of intellectual property rights.

D.2. INCOME

Why is this important?

- D.2.1. Income can be a vulnerable asset and effective income collection systems are necessary to ensure that all of the income due is identified, collected, receipted and banked properly. It is preferable to obtain income in advance of supplying goods or services as this improves the Council's cashflow and also avoids the time and cost of administering debts.

Key controls

- D.2.2. The key controls for income are:

- a) All income due to the Council is identified and charged correctly in accordance with the approved scale of fees and charges.
- b) All income is collected in advance or at the point of service, unless the approval of the Section 151 Officer is given.
- c) All income is collected from the correct person, at the right time using the correct procedures and the appropriate stationery.
- d) All money received by an employee on behalf of the Council is paid intact and without delay to the Section 151 Officer or as he/she directs, to the Council's bank account, and is properly recorded.
- e) Effective action is taken to pursue non-payment within defined timescales
- f) Formal approval for write-off is obtained.
- g) Appropriate write-off action is taken within defined timescales.
- h) Appropriate accounting adjustments are made following write-off action.
- i) All appropriate income documents are retained and stored for the defined period in accordance with the "Corporate Retention Schedule"

Responsibilities of Section 151 Officer

- D.2.3. To agree arrangements for the collection of all income due to the Council and approve the procedures, systems and documentation for its collection.

- D.2.4. To order and supply to departments all receipt forms, books or tickets and similar items and satisfy themselves regarding the arrangements for their control.
- D.2.5. To ensure that appropriate arrangements and guidance is in place to ensure the security and confidential destruction of all income collection records via credit, debit cards and purchase cards and to ensure the Council is complying with the latest Payment Card Industry Security Standards.
- D.2.6. To agree the write-off of bad debts up to £100,000 in each case and to refer larger sums to the appropriate Council bodies.
- D.2.7. To approve all debts to be written off and keep a record of all sums written off up to the approved limit.
- D.2.8. To obtain the approval of the Council body in consultation with the relevant Director or Director of Legal and Democratic Services, for writing off debts in excess of the approved limit.

Responsibilities of directors and managers

- D.2.9. To establish a charging policy for the supply of goods or services, including the appropriate charging of VAT, and review it regularly, within corporate policies.
- D.2.10. To separate the responsibility for identifying amounts due and the responsibility for collection, as far as is practicable. This also to include ensuring the security and confidentiality of income received via credit and debit cards. Collection of income via credit and debit cards shall be in line with guidance issued by the Director of Finance, Governance and Assurance and in compliance with the Payment Card Industry Security Standards.
- D.2.11. To establish and initiate appropriate recovery procedures, including legal action where necessary, for debts which are not paid promptly.
- D.2.12. To issue official receipts or maintain other documentation for income collection.
- D.2.13. To ensure that at least two employees are present when post is opened so that money received by post is properly identified and recorded.
- D.2.14. To hold securely receipts, tickets and other records of income, for the appropriate period.
- D.2.15. To lock away all income to safeguard against loss or theft, and to ensure the security of cash handling.
- D.2.16. To ensure that income is paid fully and promptly into the appropriate Council bank account in the form in which it is received. Appropriate details should be recorded on to paying in slips to provide an audit trail.

- D.2.17. To ensure income is not used to cash personal cheques or make other payments.
- D.2.18. To supply the Section 151 Officer with details relating to work done, goods supplied or services rendered or other amounts due, to enable the Section 151 Officer to record correctly the sums due to the Council and to ensure accounts are sent out promptly. Directors and managers have a responsibility to assist the Section 151 Officer in collecting debts that they have originated, by providing any further information requested by the debtor, and in pursuing the matter on the Council's behalf.
- D.2.19. To keep a record of every transfer of official money between employees of the Council. The receiving officer must sign for the transfer and the transferor must retain a copy.
- D.2.20. To recommend to the Section 151 Officer all debts to be written off and keep a record of all sums written off up to the approved limit. Once raised, no bona fide debt may be cancelled except by full payment or by its formal writing off. A credit note to replace a debt can only be issued to correct a factual inaccuracy or administrative error in the calculation and, or billing of the original debt.
- D.2.21. To include in the regular Revenue Budget Monitoring report a schedule showing all the amounts written off.
- D.2.22. To write off and keep a record of all sums written off up to £5,000.
- D.2.23. In agreement with the Section 151 Officer, to approve the write off of individual amounts between £5,001 and £100,000, and amounts for an individual debtor that in total fit within this sum.
- D.2.24. To ensure that appropriate accounting adjustments are made following write-off action.
- D.2.25. To raise and authorise credit notes for factual inaccuracies or administrative errors in the calculation and/or billing of the original debt. It should be noted that credit notes will not be issued:
- for irrecoverable debts, as the formal write off procedure should be followed;
 - where the debtor cannot afford to pay at that time. The debt should remain, and revised payment terms agreed, as appropriate;
 - where a debt is to be recovered through deductions from payments. In such circumstances, the deductions made should be offset against the debtor.
- D.2.26. To notify the Section 151 Officer of any instalment plan agreed with debtors that will continue to accrue debt and hold the existing debt in abeyance.
- D.2.27. To notify the Section 151 Officer of outstanding income relating to the previous financial year as soon as possible after 31 March in line with the timetable determined by the Section 151 Officer and not later than 30 April.

D.2.28. Schools have full powers of virement within the budgets delegated to them in accordance with the Council's Fair Funding Scheme.

D.3. PAYMENTS TO EMPLOYEES, FORMER EMPLOYEES AND MEMBERS

Why is this important?

D.3.1. Employee costs are the largest item of expenditure for most Council services. It is therefore important that there should be controls in place to ensure that payments are made only where they are due for services to the Council and that payments accord with individual's contracts of employment and conditions of service.

Key controls

D.3.2. The key controls for payments to existing and former employees and members are:

a) Proper authorisation procedures and adherence to corporate timetables for:

- Starters.
- Leavers.
- Variations.
- Enhancements.

b) Frequent reconciliation of payroll expenditure against approved budget.

c) All appropriate payroll documents are retained and stored for the defined period in accordance with the "Corporate Retention Schedule".

Responsibilities of the Director of Workforce and Transformation

D.3.3. To arrange and control secure and reliable payment of salaries, wages, compensation or other emoluments to eligible existing and former employees in accordance with procedures prescribed by him/her on the due date.

D.3.4. To record and control tax and other statutory and voluntary deductions.

D.3.5. To make arrangements for payment of all travel and subsistence claims or financial loss allowance

D.3.6. To make arrangements for paying members travel or other allowances upon receiving the prescribed form duly completed and authorised.

D.3.7. To provide advice and encouragement to secure payment of salaries and wages by most economical means.

Responsibilities of directors and managers

- D.3.8. To ensure appointments are made in accordance with the rules of the Council and approved establishments, grades, scales of pay and that adequate budget provision is available for the current financial year and subsequent years.
- D.3.9. To notify the Director of Workforce and Transformation of all appointments, terminations or variations which may affect the pay or pension of an employee or former employee, in the form and to the timescale required by the Director of Workforce and Transformation.
- D.3.10. To ensure that adequate and effective systems and procedures are operated for personnel and payroll aspects, so that:
- a) Payments are only authorised to bona fide employees.
 - b) Payments are only made where there is a valid entitlement.
 - c) Conditions, service and contracts of employment are correctly applied.
 - d) Employees' details listed on the payroll are checked at regular intervals to verify accuracy and completeness.
 - e) There is an effective system of checking and certifying payroll forms.
 - f) Payroll forms are submitted in advance of payroll deadlines.
- D.3.11. To send an up-to-date list of the names of officers that can authorise records to the Director of Workforce and Transformation.
- D.3.12. To ensure that payroll transactions are processed only through the payroll system. Directors and managers should give careful consideration to the employment status of individuals employed on a "self employed consultant or sub-contract" basis. The HM Revenue and Customs applies clear guidelines for employee status and in cases of doubt, advice should be sought from the Section 151 Officer.
- D.3.13. To certify travel and subsistence claims and other allowances on a monthly basis. Certification is taken to mean that journeys were authorised and expenses properly and necessarily incurred, and that allowances are properly payable by the Council, ensuring that cost-effective use of travel arrangements is achieved. Due consideration should be given to tax implications and the Section 151 Officer is informed where appropriate.
- D.3.14. To ensure that the details of any employee benefits in kind are notified to the Section 151 Officer to enable full and complete reporting within the Income Tax Self-Assessment system.
- D.3.15. To ensure that all appropriate payroll documents are retained and stored securely for the defined period in accordance with the "Corporate Retention Schedule".

Responsibilities of Members

- D.3.16. To submit claims for members' travel and subsistence allowances on a monthly basis.

Responsibilities of Officers

D.3.17. To submit claims for Officers' travel and subsistence allowances on a monthly basis.

D.4. ORDERING AND PAYING FOR WORK, GOODS AND SERVICES

Why is this important?

D.4.1. Public money should be spent with demonstrable probity and in accordance with the Council's policies. The Council's procedures should help to ensure that services can receive value for money in their purchasing arrangements. These procedures should be read in conjunction with the Council's Procurement Strategy and Contract Standing Orders.

General

D.4.2. Every officer and member of the Council has a responsibility to declare any links or personal interests which they may have with purchasers or suppliers and, or contractors if they are engaged in contractual or purchasing decisions on behalf of the Council. The Monitoring Officer maintains a Register of Members' Interests for this purpose and further advice is given in the Council's Constitution (Part 5).

D.4.3. Official orders must be in a form approved by the Section 151 Officer. Official orders must be issued for all work, goods or services to be supplied to the Council except for supplies of utilities, periodic payments such as rent or rates and petty cash purchases.

D.4.4. Each order must conform with the directions of the Council on central purchasing and the standardisation of supplies and materials. Standard terms and conditions must not be varied without the prior written approval of the Section 151 Officer and Director of Legal and Democratic.

D.4.5. Apart from petty cash and schools' own bank accounts, the normal method of payment of money due from the Council shall be by BACS or other instrument drawn on the Council's bank account by the Section 151 Officer. The use of direct debit shall require the prior agreement of the Section 151 officer.

D.4.6. Official orders must not be raised for any personal or private purchases, nor should personal or private use be made of Council contracts.

D.4.7. Requisitions, orders and associated terms and conditions shall be issued for all works, supplies and services except for:

- a) Supplies of public utility services;
- b) Periodical payments, e.g. rent;
- c) Petty cash purchases;
- d) Software licences and insurances
- e) Other exceptions applied for via the exemption request guidelines and agreed and authorised in writing by the Section 151 Officer.

D.4.8. The use of purchase cards is only permitted through the Council's Procurement Card Scheme. No other form of purchase card is permitted.

Key controls

D.4.9. The key controls for ordering and paying for work, goods and services are:

- a) All goods and services are ordered only by appropriate persons, recorded and authorised by officers agreed by Directors.
- b) All goods and services shall be ordered in accordance with the Council's Procurement Strategy and Contract Procedure Rules unless they are purchased from internal sources within the Council.
- c) Goods and services received are checked to ensure they are in accordance with the order.
- d) All payments are made to the correct person or entity, for the correct amount and are properly recorded.
- e) All appropriate payment documents are retained and stored for the defined period in accordance with the Council's 'Corporate Retention Schedule'.
- f) All expenditure including VAT, is accurately recorded against the right budget and any exceptions corrected.
- g) In addition, the effect of e-business, e-commerce and electronic purchasing requires that processes are in place to maintain the security and integrity of data for transacting business electronically.

Responsibilities of Section 151 Officer

D.4.10. To ensure that all of the Council's financial systems and procedures are sound and well administered.

D.4.11. To approve any changes to existing financial systems and to approve any new systems before they are introduced.

D.4.12. To approve the form of official orders, and associated terms and conditions.

D.4.13. To make payments from the Council's funds on the basis that goods and services have been received and certified in line with the authorised purchase order.

D.4.14. To make payments, whether or not provision exists within the estimates, where the payment is specifically required by statute or is made under a court order.

D.4.15. To make payments where electronic matching of invoices within the Financial system has taken place once the authorised officer has approved and updated the system for receipt of the goods and services and the price matches or is below the order price.

- D.4.16. To make payments to contractors on the certificate of the appropriate director, which must include details of the value of work, retention money, amounts previously certified and amounts now certified.
- D.4.17. To provide advice and encouragement on making payments by the most economic means.
- D.4.18. To approve, in exceptional circumstances advance payments to a supplier/ contractor for supplies or work. Following receipt of an Exemption Request (Appendix H) demonstrating why advanced payments are considered the only viable option in order to achieve service delivery. In addition to the requirements of the Exemption Request Guidance the request should cover how:
- a) Outcomes will be achieved, showing clear accountability for the outcomes and the management of the contract.
 - b) Sound, regular and effective financial management, governance and sustainability of the delivery body is to be reported upon and managed throughout the contract.
 - c) The body receiving the funds will demonstrate that it is using the money in a sustainable and transparent manner.
- D.4.19. To maintain a record of advanced payments and conduct periodic checks on them.

Responsibilities of directors and managers

- D.4.20. To ensure that written and uniquely numbered orders are used for all goods and services other than the exceptions specified in D4.3 or where the Council's procurement card is used.
- D.4.21. To ensure that orders are only used for goods and services provided to the Council. Individuals must not use official orders to obtain goods or services for their private use.
- D.4.22. To ensure that only those staff authorised by them authorise orders and to maintain an up-to-date list of such authorised staff, identifying in each case the limits of their authority. The authoriser of the order should be satisfied that the goods and services ordered are appropriate and needed, that there is adequate budgetary provision and that quotations or tenders have been obtained in accordance with Contract Procedure Rules. Value for money should always be taken into consideration in accordance with the Council's Procurement Strategy.
- D.4.23. To ensure that the budgetary control system is maintained and enables commitments incurred by placing orders to be shown against the appropriate budget allocation so that they can be taken into account in budget monitoring reports. Where Services maintain details of commitments on other systems, those systems must be reconciled with the Council's budgetary control system on a monthly basis so as to protect the integrity of the Council's financial records.
- D.4.24. To ensure that goods and services are checked on receipt to ensure they are in accordance with the order. This check should, where

possible, be carried out by a different officer from the person who authorised the order. Appropriate entries should then be made in inventories or stores records.

- D.4.25. To ensure that payment is not made unless a proper VAT invoice has been received, checked, coded and certified for payment confirming:
- a) Receipt of goods or services (any evidence of receipt should be retained for 12 months).
 - b) That the invoice includes a Shropshire Council generated purchase order number.
 - c) That the invoice is addressed to Shropshire Council or the appropriate establishment such as a school.
 - d) That the invoice has not previously been paid, that expenditure has been properly incurred and is within budget provision.
 - e) That prices and arithmetic are correct and accord with quotations, tenders, contracts or catalogue prices.
 - f) Correct accounting treatment of tax.
 - g) The invoice is correctly coded.
 - h) Discounts have been taken where available.
 - i) That appropriate entries will be made in accounting records.
- D.4.26. To ensure that an approved Exemption Request is in place for advance payments to a supplier/ contractor for supplies or work and that adequate records are maintained and scrutinised to justify the payments made.
- D.4.27. To ensure that an authorised member of staff, and in every case a different officer from the person certifying the invoice, authorises invoices where a non-order purchase is required.
- D.4.28. To ensure that the directors and managers maintain and review periodically a list of staff approved to certify and authorise orders and invoices. Names of authorising officers together with details of the limits of their authority shall be forwarded to the Section 151 Officer.
- D.4.29. Payment should not be made on a photocopied or faxed invoice, statement or other document other than the formal invoice. Any instances of these being rendered should be reported to the Head of Audit.
- D.4.30. To encourage suppliers of goods and services to receive payment by the most economical means for the Council. Payments should, however, not be made by direct debit unless essential and with the prior approval of the Section 151 Officer.
- D.4.31. To ensure that the Council obtain best value for money from purchases by taking appropriate steps to obtain competitive prices for goods and services of the appropriate quality, with regard to the guidelines and best practices set out in the Council's Procurement Strategy and Contract Procedure Rules. These documents cover:
- a) Authorised officers and the extent of their authority.
 - b) Advertisement for tenders.

- c) Procedure for creating, maintaining and revising a standard list of contractors.
- d) Selection of tenderers.
- e) Compliance with UK and EC legislation and rules.
- f) Procedures for the submission, receipt, opening and recording of tenders.
- g) The circumstances where financial or technical evaluation was necessary.
- h) Procedures for negotiation.
- i) Acceptance of tenders.
- j) The form of contract documentation.
- k) Cancellation clauses in the event of corruption or bribery.
- l) Contract records.

- D.4.32. To ensure that employees are aware of the national code of conduct for local government employees and any locally adopted codes or rules relevant to employees' conduct.
- D.4.33. To ensure that no loans, leasing or rental arrangements are entered into without prior agreement from the Section 151 Officer. This is because of the potential impact on the Council's borrowing powers, to protect the Council against entering into unapproved credit arrangements and to ensure value for money is being obtained.
- D.4.34. To notify the Section 151 Officer of outstanding expenditure relating to the previous financial year as soon as possible after 31 March in line with the timetable determined by the Section 151 Officer and, in any case, not later than 20 April.
- D.4.35. With regard to contracts for construction and alterations to buildings and for civil engineering works, to document and agree with the Section 151 Officer and the appropriate director or manager, the systems and procedures to be adopted in relation to financial aspects, including certification of interim and final payments, checking, recording and authorising payments, the system for monitoring and controlling capital schemes and the procedures for validation of sub-contractors' tax status.
- D.4.36. To notify the Section 151 Officer immediately of any expenditure to be incurred as a result of statute or court order where there is no budgetary provision.
- D.4.37. To ensure that all appropriate payment records are retained and stored for the defined period in accordance with the "Corporate Retention Schedule".
- D.4.38. Where directors wish to initiate a payment to a third party without a supporting invoice, an official request for payment must be submitted in a form approved by the Section 151 Officer. Any such request must be authorised by an officer designated with an appropriate approval limit in the relevant service Scheme of Financial Delegation. They are responsible for ensuring that all payment details provided are accurate and that supporting records and documentation are available to substantiate the payment, including an official VAT receipt to all for the reclaim of any VAT element.

D.4.39. Non-invoice payments should be requested on an exceptional basis only. Where payments of this type need to be made on a regular basis directors and senior managers must consider, in conjunction with the Section 151 Officer, other alternative options which may be more appropriate.

D.4.40. Payments or reimbursements in respect of salaries and wages, travelling expenses or other employment allowances must be processed through the Payroll system and not treated as a non-invoice payment.

D.5. TAXATION

Why is this important?

D.5.1. Like all organisations, the Council is responsible for ensuring its tax affairs are in order. Tax issues are often very complex and the penalties for incorrectly accounting for tax are severe. It is therefore very important for all officers to be aware of their role.

Key controls

D.5.2. The key controls on taxation are:

- a) Budget holders are provided with relevant information and kept up-to-date on tax issues.
- b) Budget holders are instructed on required record keeping.
- c) All taxable transactions are identified, properly carried out and accounted for within stipulated timescales.
- d) Records are maintained in accordance with instructions.
- e) Returns are made to the appropriate authorities within the stipulated timescale.

Responsibilities of Director of Workforce and Transformation

D.5.3. To complete all HM Revenue and Customs returns regarding PAYE.

Responsibilities of Section 151 Officer

D.5.4. To complete a monthly return of VAT inputs and outputs to HM Revenue and Customs.

D.5.5. To provide details to the HM Revenue and Customs regarding the Construction Industry Tax Deduction Scheme. To maintain up-to-date guidance for Council employees on taxation issues in the 'Accounting Manual' and the 'Tax Manual'.

Responsibilities of directors, managers and budget holders

D.5.6. To ensure that the correct VAT liability is attached to all income and that all VAT recoverable on purchases complies with HM Revenue and Customs and Regulations.

- D.5.7. To ensure that, where construction and maintenance works are undertaken, the contractor fulfils the necessary Construction Industry requirements.
- D.5.8. To ensure that all persons employed by the Council are added to the Council's payroll and tax deducted from any payments, except where the individuals are bona fide self-employed or are employed by a recognised staff agency.
- D.5.9. To follow the guidance on taxation issued by the Section 151 Officer

D.6. TRADING ACCOUNTS/BUSINESS UNITS

Business Units

Why is this important?

- D.6.1. Compulsory competitive tendering led to the establishment of business units who operate on a fully commercial basis in accordance with statutory requirements. The Council has also established business units to enable staff to prepare for future competition and to demonstrate explicitly that services are valued and provide value for money. Financial Rules apply equally to the Council's Business Units.

Responsibilities of directors and managers

- D.6.2. To consult with the Section 151 Officer where a business unit wishes to enter into a contract with a third party where the contract expiry date exceeds the remaining life of their main contract with the Council. In general, such contracts should not be entered into unless they are capable of being terminated within the main contract period without penalty.
- D.6.3. To observe all statutory requirements in relation to business units, including the maintenance of a separate revenue account to which all relevant income is credited and all relevant expenditure, including overhead costs, is charged, and an annual report in support of the final accounts.
- D.6.4. To ensure that similar accounting principles are applied in relation to trading accounts of other services or Business Units.
- D.6.5. To ensure that each Business Unit prepares an annual business plan.

APPENDIX E: EXTERNAL ARRANGEMENTS

In this Appendix:

E1	Partnerships
E2	External Funding
E3	Work for Third Parties
E4	Accountable Bodies
E5	Payments to Voluntary Organisations
E6	Trading Accounts/Business Units

E.1. PARTNERSHIPS

Why is this important?

E.1.1. The days of the all-purpose council that plans and delivers everything are over. It is in partnership with others - public agencies, private companies, community groups and voluntary organisations - that the future of local government lies. Local authorities will deliver some services, but their distinctive leadership role will be to bring together the contributions of the various stakeholders. They will need to deliver a shared vision of services by bringing cohesion and co-ordination to the fragmentation of local interests.

E.1.2. Local authorities will mobilise investment, bid for funds, champion the needs of their areas and harness the energies of local people and community organisations. Local authorities will be measured by what, in partnership with others, they achieve.

PARTNERSHIPS - GENERAL

E.1.3. The main reasons for entering into a partnership are:

- a) The desire to find new ways to share risk.
- b) The ability to access new resources.
- c) To forge new relationships.

E.1.4. A partner is defined as either:

- a) An organisation (private or public) undertaking, part funding or participating as a beneficiary in a project
or
- b) A body whose nature or status gives it a right or obligation to support the project.

E.1.5. Partnerships can exist in varying forms:

- a) Formal Partnerships.
- b) Non-Formal Partnerships.
- c) Statutory or Obligatory Partnerships.
- d) Joint Commissioning.

E.1.6. Partners participate in projects by:

- a) Acting as a project deliverer or sponsor, solely or in concert with others.
- b) Acting as a project funder or part funder.
- c) Being the beneficiary group of the activity undertaken in a project.

E.1.7. Partners have common responsibilities:

- a) To be willing to take on a role in the broader programme appropriate to the skills and resources of the partner organisation.
- b) To act in good faith at all times and in the best interests of the partnership's aims and objectives.
- c) Be open about any conflict of interests which might arise.
- d) To encourage joint working between themselves, promote the sharing of information, resources and skills between public, private and community sectors.
- e) To hold confidentially any information received, as a result of partnership activities or duties, that is of a confidential or commercially sensitive nature.
- f) To act wherever possible as ambassadors for the project.

Key controls

E.1.8. The key controls for Council partners are:

- a) To be aware of their responsibilities under the Council's Financial Rules and Contract Procedure Rules.
- b) To ensure risk management processes are in place to identify and assess all known risks.
- c) To ensure project appraisal processes are in place to assess the viability of the project in terms of resources, staffing and expertise.
- d) To agree the roles, responsibilities and accountabilities of each of the partners involved in the project before the project commences.
- e) To communicate regularly with other partners throughout the project so that problems can be identified and resolved.
- f) A statement of the aims and objectives of the partnership.
- g) A shared ownership of strategy.
- h) Sound financial management, with clear procedures for determining the financial liabilities of each partner.
- i) Performance management arrangements between individual organisations and the partnership.
- j) A clear operational timescale with a clear exit strategy that allows the partnership to be discontinued or, if exit is not appropriate, a continuation strategy.

Responsibilities of Section 151 Officer

E.1.9. To advise on effective controls which will ensure that resources are not wasted.

E.1.10. To advise on the key elements of funding a project:

- a) Scheme appraisal for financial viability.
- b) Resourcing, including taxation issues.
- c) Carry forward arrangements.
- d) Risk appraisal.
- e) Audit requirements.

Responsibilities of directors and managers

- E.1.11. To ensure that the approval of Cabinet is obtained before any negotiations are concluded on partnership arrangements.
- E.1.12. To maintain a register of all partnership arrangements entered into in accordance with procedures specified by the Section 151 Officer.
- E.1.13. To provide appropriate information to the Section 151 Officer to enable a note to be entered into the statement of accounts.

E.2. EXTERNAL FUNDING

Why is this important?

- E.2.1. As local authorities are encouraged to provide 'seamless' service delivery through working closely with other agencies and private service providers, the scope for external funding has increased.

Key controls

- E.2.2. To ensure that key conditions of funding and that any statutory requirements are complied with. To ensure that external funding is only accepted where the financial implications of the agreement are clear and where the agreement provides value for money for the council.

Responsibilities of Section 151 Officer

- E.2.3. To sign off any external funding agreements with the funding body, with due regard to key controls. To ensure that all funding notified by external bodies is received and properly recorded in the Council's accounts.

Responsibilities of directors and managers

- E.2.4. To ensure that the Section 151 Officer has signed off funding agreements before any monies are received and applied.
- E.2.5. To ensure that all claims for funds meet key conditions and are made by the due date.

E.3. WORK FOR THIRD PARTIES

Why is this important

- E.3.1. Current legislation enables the Council to provide a range of services to other bodies. Such work may enable the unit to maintain economies of scale and existing expertise. Arrangements should be in place to ensure that any risk associated with this work is minimised.

Key controls

- E.3.2. To ensure that proposals are properly costed in accordance with guidance provided by the Section 151 Officer.
- E.3.3. To ensure that contracts are drawn up using guidance provided by the Section 151 Officer and that the formal approvals process is adhered to.

Responsibilities of directors and managers

- E.3.4. To ensure that the approval of Cabinet is obtained before any negotiations are concluded to work for third parties.
- E.3.5. To maintain a register of all contracts entered into with third parties in accordance with procedures specified by the Section 151 Officer.
- E.3.6. To ensure that appropriate insurance arrangements are made.
- E.3.7. To ensure that the Council is not put at risk from any bad debts.
- E.3.8. To ensure that no contract is subsidised by the Council.
- E.3.9. To ensure that, wherever possible, payment is received in advance of the delivery of the service.
- E.3.10. To ensure that the Directorate has the appropriate expertise to undertake the contract.
- E.3.11. To ensure that such contracts do not impact adversely upon the services provided for the Council.
- E.3.12. To ensure that all contracts are properly documented.
- E.3.13. To provide appropriate information to the Section 151 Officer to enable a note to be entered into the statement of accounts.

E.4. ACCOUNTABLE BODIES

Why is this important

E.4.1. Where the Council is involved in delivering services jointly with other groups or partnerships, either the Council or one of the partner members (if it is a legal entity) can act on behalf of the partnership as the accountable body. The Council is currently the accountable body for a number of partnerships including the Marches Local Enterprise Partnership. Where the Council is the accountable body proper systems of financial administration and control should be put in place for administering and accounting for any funds received and distributed.

Key Controls

- E.4.2. To ensure that the Section 151 Officer approves all instances where the Council is to become the accountable body, that full details are provided of what this work actually involves and that Cabinet grants approval to become the accountable body.
- E.4.3. That a record is maintained of all activities where the Council is acting as the accountable body.

Responsibilities of the Section 151 Officer

E.4.4. To provide guidance and advice on the setting up and accounting arrangements to be put in place for all activities where the Council has taken on responsibility of acting as the accountable body.

Responsibilities of directors and managers

- E.4.5. To advise and seek the approval of the Section 151 Officer where the Council commits or agrees to be the accountable body and ensure that a report is produced for Cabinet approval.
- E.4.6. To ensure that any funding received and expenditure made is administered and accounted for in line with the financial and contract procedure rules.
- E.4.7. To ensure that the Council does not enter into any commitments or contracts until all funding for the project/activity is fully received.
- E.4.8. To establish and maintain effective systems for auditing and monitoring expenditure.
- E.4.9. To ensure that in the cases where an independent audit certificate is required that the funds made available to the accountable body have been spent in accordance with the terms of the grant agreement and that a proper audit trail is maintained with appropriate records and copy invoices to support the grant claim.
- E.4.10. To ensure all supporting records are maintained in line with the guidance issued in the Corporate Retention Schedule.

E.5. PAYMENTS TO VOLUNTARY ORGANISATIONS

Why is this important

E.5.1. The Council works with a number of voluntary, community and social enterprise (VCSE) providers to deliver Council services. However many VCSE providers do not carry sufficient reserves, either at all or permitted to be used, to fund working capital to enable them to deliver the service they are contracted to do prior to receiving payment.

Key controls

E.5.2. To ensure that payments in advance for VCSE providers are only made where a service contract is drawn up and approved by a director in liaison with the Section 151 Officer.

E.5.3. Payments in advance for VCSE providers must only be made for service delivery costs and payments agreed for no more than five working days in advance of the VCSE incurring the service delivery costs.

Responsibilities of the Section 151 Officer

E.5.4. To provide guidance and advice on the setting up and accounting arrangements to be put in place for all approved payments to voluntary providers.

Responsibilities of directors and managers

E.5.5. To ensure that advance payments made to VCSE providers are only made to organisations that are operating in Shropshire and that are signed up to the Shropshire Compact through membership of the Shropshire VCSA.

E.5.6. Any payments to VCSA providers not covered under the provisions of E.4.5 must be referred to the Section 151 Officer for consideration.

E.5.7. To ensure that the VCSA provider submits evidence of expenditure incurred and documentation is retained in line with the Corporate Retention Schedule.

Appendix F Table of Financial Limits

Financial Rules

This table shows at a glance the amounts presently approved in Financial Rules. Application of these amounts shall be made in compliance with the Financial Rules.

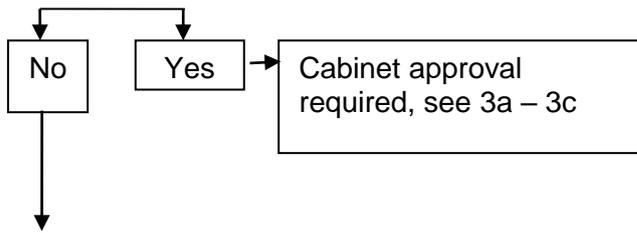
Ref.	Rule	Present Amount
3.26	The value up to which nominated staff are authorised to sign contracts on behalf of the Council	£140,000
A2.21	Where proposed virements are expected to exceed this figure, to prepare jointly with the Section 151 Officer a report to Council	£1,000,000
A2.21	Where proposed virements are expected to be between these figures, the director or manager must prepare jointly with the Section 151 Officer a report to Cabinet	Over £500,000 to £1m
A2.21	Where proposed virements are expected to be from salaries budgets, the director or manager must prepare jointly with the Section 151 Officer a report to Cabinet	All
A2.23 B2.39	To formally report all virements to the Section 151 Officer for inclusion on a register and for their reporting to Cabinet for information	£140,000 to £500,000
A2.24 B2.46	The amount up to which a director or manager with the approval of the Section 151 Officer, may exercise virements on budgets within or outside of their control within a policy area, on any one budget head during the year subject to conditions set out in Financial Rules.	£500,000
B2.47	The amount above which the director or manager, shall prepare and submit monthly joint reports with the Section 151 Officer for Cabinet's approval of variations in capital project contract costs	In excess of 5% of the current scheme budget or £5,000, whichever is greater.

Ref.	Rule	Present Amount
B2.48	The amount above which the director or manager, shall prepare and submit joint reports with the Section 151 Officer for Cabinet's approval of capital projects , where the final expenditure exceeds the approved contract sum.	In excess of 5% of the current scheme budget or £5,000, whichever is greater.
C3.22	Level above which disposal of surplus equipment, stocks or stores should be by competitive tender or public auction and records maintained.	£5,000
C3.38	Level above which the individual disposal of redundant surplus equipment should be approved by Cabinet.	£100,000
C3.35	Level below which discrepancies can be written off .	£5,000
C3.37	Level above which Internal Audit advice shall be sought on discrepancies.	£5,000
C3.38	Levels between which approval is sought to write off redundant stocks and stores with the agreement of the Section 151 Officer.	£5,000 to £100,000
D2.6	Level up to which the write off of bad debts is agreed by the Section 151 Officer.	£100,000
D2.6	Level above which the write off of bad debts is referred to the appropriate Council body by the Section 151 Officer.	£100,000
D2.22	Level below which write offs can be undertaken.	£5,000
D2.23	Levels between which approval of the Section 151 officer is required to write off individual amounts, or totalled amounts of an individual debtor.	£5,000 to £100,000

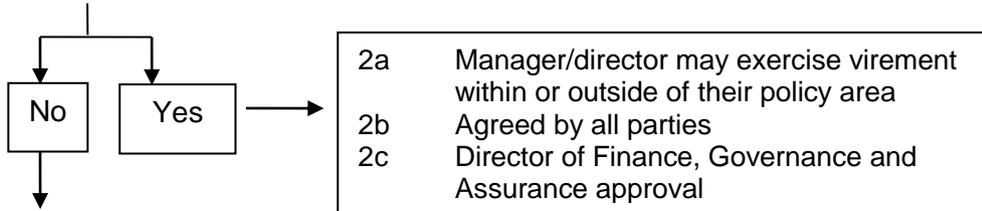
Appendix G: Scheme of Virement flowcharts Revenue and Capital

Proposed

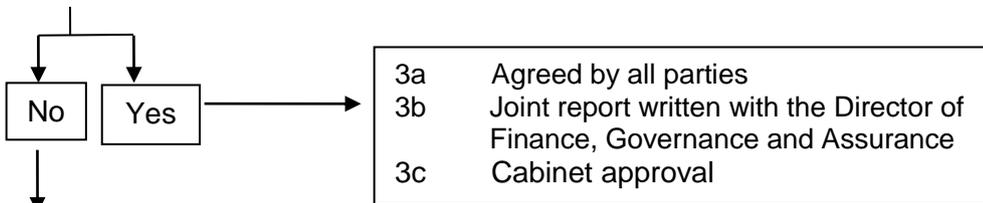
1. Is it from a salaries budget?



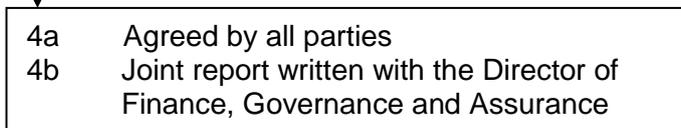
2. Is it less than £500,000?



3. Is it greater than £500,000 but less than £1m?



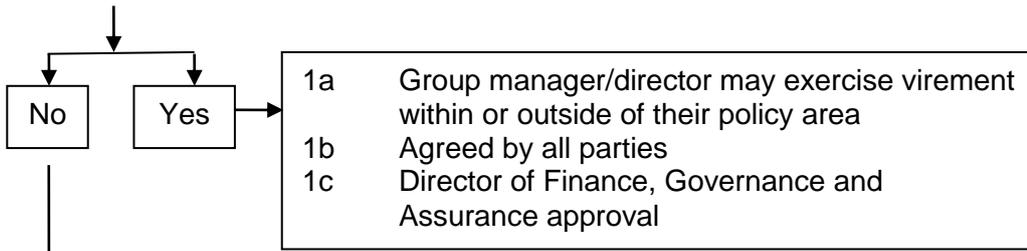
Greater than £1m



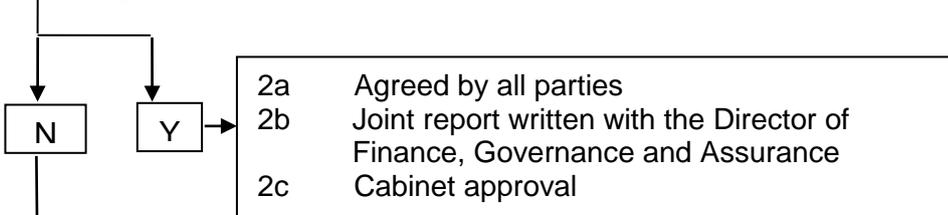
SCHEME OF VIREMENT
(CAPITAL)

Proposed Virement

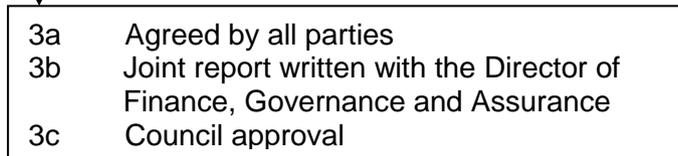
1. Is it less than £500,000?



2. Is it greater than £500,000 but less than



3. Greater than



Appendix H: Exemption Request Guidelines

Periodical review of the Financial Rules helps to ensure that they are robust and appropriate in our ever changing work environment. However, situations may arise where an exemption is appropriate.

If you require an exemption to the rules to be considered then the following procedure should be followed.

An email entitled "FINANCE RULES – EXEMPTION REQUEST" should be sent to the S151 officer (copied to the deputy S151 Officer and corporate.finance@shropshire.gov.uk) with the following content:

The Relevant Rule(s):

A note of the relevant rule(s) against which an exemption is requested

The Situation:

An explanation of the situation which is giving rise to the exemption request

The Exemption Scope:

A description of the extent to which the exemption is requested.

Implications of not granting an exemption:

A description of the consequences of not granting an exemption.

Benefits to granting the exemption:

A description of the benefits to the authority as a result of granting the request.

Risks to granting the exemption:

A note of the risks arising from granting the exemption.

Ongoing accountability and assurance:

An explanation of how the risks noted above will be mitigated and how accountability will be upheld in the event that the exemption is granted.

Unless all of the above points have been addressed, it is unlikely that your request will be considered. You should expect to receive a response to your request within four weeks.



<u>Committee and Date</u>
Council
28 February 2018

SHROPSHIRE COUNCIL CORPORATE PEER CHALLENGE ACTION PLAN

Responsible Officer Clive Wright, Chief Executive
e-mail: clive.wright@shropshire.gov.uk Tel: 01743 258675

1. Summary

This report presents Council with the action plan responding to the recommendations from the Local Government Association (LGA) Corporate Peer Challenge which took place in April 2018. The action plan sets out strategic high-level actions and includes comments on progress or future work. A number of actions have been completed, and work is underway to address the others.

The action plan has taken account of feedback from a workshop session for Members on Thursday 26 July 2018 following Council, and from a further workshop on the 3 December 2018 which all Members could attend.

2. Recommendations

Members are asked to:

- A. Endorse the Corporate Peer Challenge action plan
- B. Agree that progress in delivering the action plan is monitored by the Performance Management Scrutiny Committee

Report

3. Opportunity Risk Appraisal

- 3.1 The Corporate Peer Challenge provides a useful and proven approach to identify risks and opportunities for the Council, with a particular corporate focus. Because the Council is able to build on the core CPC areas of focus and identify additional areas relevant to the Council's priorities and issues, this provides further opportunities to gain particular insights and knowledge to help plan how to address them.

4. Financial Appraisal

- 4.1 There are no financial requirements directly related to this report. All actions which may be taken to deliver agreed recommendations are expected to be able to be delivered through business as usual, existing planned activity, and transformation programmes and projects.

5. About the Corporate Peer Challenge Action Plan

- 5.1 Corporate Peer Challenge is not an inspection. The Council invited the LGA to carry out the Peer Challenge, recognising that they are improvement focused and tailored to meet individual Council's needs.
- 5.2 The Peer Team were on site from Monday 24 April 2018 to Thursday 26 April 2018. Their report presented 11 recommendations which are summarised in action plan attached at appendix 1. This report was considered by Council on the 26 July 2018 and the recommendations accepted.
- 5.3 The action plan contains strategic high-level actions which address the recommendations and issues raised in the Peer Challenge report. A number of the actions have been completed, but there are some that will be delivered over the coming months and years as the Council implements new systems and new ways of working.
- 5.4 It will be important to monitor the delivery of the action plan and whether the impact and improvement that is expected is achieved. There is the opportunity to build some of the milestones into the new Corporate Performance Management Framework, and once the action plan is agreed there is a role for the Performance Management Scrutiny Committee to scrutinise progress on a regular basis.
- 5.5 It is usual practice for the LGA Peer Team to revisit a Council 12 after the peer review to consider progress.

List of Background Papers (This MUST be completed for all reports, but does not include items containing exempt or confidential information)

LGA Corporate Peer Challenge Report – Council 26 July 2018

Cabinet Member

Cllr Peter Nutting

Local Member

All

Appendices

Appendix 1 – Shropshire Council Corporate Peer Challenge Action Plan

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Shropshire Council Corporate Peer Challenge 2018

Action Plan – December 2018



Shropshire Council Corporate Peer Challenge 2018

Between the 23 and 26 April 2018 Shropshire Council had an LGA Corporate Peer Challenge. Corporate Peer Challenge is not an inspection. The Council invited the LGA to carry out the Peer Challenge, recognising that they are improvement focused and tailored to meet individual Council's needs.

Following the completion of the Peer Challenge the report was received at Council at its meeting on the 26 July 2018. This was followed by a Member workshop to identify and priorities actions, and subsequently the suggestions from Members were included in consideration by Cabinet and Directors. These have been used to develop the action plan.

Context

In completing the Corporate Peer Challenge the Peer Team met with over 125 people, through more than 50 meetings, and completed additional research and reading and visited some key sites in the area.

The LGA Corporate Peer Challenge is based around 5 key components which are considered to be critical to a council's performance and improvement.

- Understanding of the local place and priority setting: Does the council understand its local context and place and use that to inform a clear vision and set of priorities?
- Leadership of Place: Does the council provide effective leadership of place through its elected members, officers and constructive relationships and partnerships with external stakeholders?
- Organisational leadership and governance: Is there effective political and managerial leadership supported by good governance and decision-making arrangements that respond to key challenges and enable change and transformation to be implemented?
- Financial planning and viability: Does the council have a financial plan in place to ensure long term viability and is there evidence that it is being implemented successfully?
- Capacity to deliver: Is organisational capacity aligned with priorities and does the council influence, enable and leverage external capacity to focus on agreed outcomes?

As part of the five core components, the Council asked the peer team to consider/review/provide feedback on the following:

- The Council's plan for taking out costs by transformation, in particular digital transformation which is expected to deliver £10m of savings.
- Growth and whether the Council's proposals for economic growth are robust
- The Council's Commercial Activity Plan

- How well the Council is working with its NHS and other partners for example in delivering the Sustainability and Transformation Plan (STP)

What the Peer Team said

The Peer Team highlighted strengths of the Council as well as areas for improvement which are reflected in the recommendations. Their high-level finds were:

- There is a strong sense of identity and commitment
- The Council’s leaders are ambitious for Shropshire
- There is evidence of delivering good services at low cost and some significant projects
- The Council should seize the opportunities of a new administration
- The Council needs to clarify the narrative (vision and what the council stands for) and translate into specific deliverables
- The Council should free up and create capacity
- The Council need to continue to move from operational to strategic focus
- There is still work to do to secure financial sustainability

Corporate Peer Review Recommendations

The Corporate Peer Challenge report presented 11 recommendations to the Council.

1	Ensure you have a clear and well communicated vision which is underpinned by evidence and owned by the Cabinet and SMT.
2	Given the level of risk within the financial strategy, develop detailed implementation plans to provide assurance that savings will be achieved.
3	Strengthen the investment in the joint Cabinet/SMT Team to help deliver better outcomes and model the desired culture. Adopt a whole Council approach.
4	Be clearer about your specific priorities and outcomes, communicate them and focus resources accordingly.
5	Define and develop the Council’s reputation and brand. Plan cohesively all communications and marketing.
6	Prioritise completion of key strategies and communicate them. Clarify accountability for delivery and measure impact.
7	Determine the Council’s future role with Health and the STP.
8	Develop a package of training and development opportunities for Cabinet Members.
9	Continue to build relationships with businesses and other partners/stakeholders to add capacity to deliver the ambitions for Shropshire.
10	Strengthen staff engagement and recognition to support the culture required to deliver transformation.
11	Celebrate success!

Action Plan

Action	Progress	Action taken/To be taken
Area 1: Clear and well communicated Vision		
1.1 Develop a new Vision	Completed	Vision developed and shared with Members during workshops. Cabinet 28.11.2018, and Council 13.12.2018.
1.2 Complete the Vision Communication Plan	Underway	Once confirmed by Council, the Vision will be shared with stakeholders setting out what it means for Shropshire and for them.
Area 4: Clear Priorities		
4.1 Develop priorities	Completed	Priorities developed and shared with Members during workshops. Cabinet 28.11.2018, and Council 13.12.2018.
4.2 Agree priorities	Completed	Agreement at Council 13.12.2018.
Area 2: Detailed implementation plans		
2.1 Develop roll-out plan for digital transformation	Underway	Defining the Council's new operating model will help to prioritise the next phases of digital transformation so that it achieves the greatest benefit for the Council and communities.
2.2 Develop IT skills training for staff	Underway	A 5-level IT literacy programme is being developed and rolled out. Level 1 has been launched and Level 2 is nearly ready to be published.
2.3 Review existing implementation plans	Underway	
2.4 Define and implement the Council's new operating model	Underway	An Opportunity Assessment has been completed to understand the potential benefits of a Council wide operating model. Next steps are being identified.
2.5 Develop an Invest to Save strategy	Underway	Invest to save budget is identified within the Financial Strategy to be drawn on to pump prime initiatives that will deliver a return on investment.

Area 3: Regular Cabinet/Senior Team meetings		
3.1 Weekly meetings arranged	Completed	Cabinet and Directors meetings regularly take place, usually on the Monday of each week.
3.2 Regular away-days arranged	Completed	Away-days have been held during the summer and autumn 2018, and more are scheduled.
Area 5: Define and develop Brand and Communications Strategy		
5.1 Develop a revised communications strategy targeted at stakeholders	Underway	A revised Communication Strategy has been drafted. The updated strategy explains how the new tools delivered through Transformation will be used to further improve our communications offer with a focus on Customer Experience.
5.2 Use councillor enquiries and customer feedback	Underway	Customer feedback (complaints, compliments and comments) is analysed and reported on an exception basis. Ongoing development of the new Customer Feedback system includes councillor enquiries in its next phase of work in the spring 2018.
5.3 Brand all projects and celebrate success	Underway	Shropshire Council has a single brand that should be consistently applied to all service areas, assets, and communication. A comprehensive forward plan of key council projects and developments will help with implementing this.
Area 6: Complete key strategies		
6.1 Develop an overarching strategy for market towns/ places	Underway	The new Director of Place has been and is continuing to meet with local councils. Market Town Profiles have been developed and are published.
6.2 Develop Adult Social Care Strategy	Completed	The Adult Social Care Strategy has been published
6.3 Develop an Investment Strategy	Underway	The Capital [and Investment] Strategy is being written.
6.4 Develop a Housing Strategy	Underway	The Housing Strategy is being drafted.

Area 7: Determine the Council's role with Health and the STP		
7.1 Determine the Council's role in the STP	Underway	Shropshire Council will take a high-level role that seeks to influence the STP rather than lead it, working with the newly appointed independent chair.
7.2 Define the Council's aspirations for the STP and Health landscape	Underway	Shropshire Council is a leading voice in the STP's Digital Enabling Group (DEG) and One Public Estate (OPE) work. The DEG has embarked on a journey to ensure technology meets the needs of a 21st Century County. The work is in three distinct areas, Upskilling staff & Residents, improving the shared Infrastructure & Security and working collaboratively to better benefit from our Data and Business Intelligence tools. OPE is identifying opportunities to use public sector assets to deliver services and support in different ways, for example the Pauls Moss development in Whitchurch which will revitalise the local area, delivering high quality retirement living accommodation and state-of-the-art health facilities.
Area 8: Develop training for Cabinet members		
8.1 Consult Cabinet and add to the Member Development Programme	Underway	

Area 9: Continue to build relationships with businesses and other partners		
9.1 Develop relationship with businesses and be open to their support	Underway	This is being undertaken on a programme by programme/ project by project basis.
9.2 Develop relationship with public sector partners and be open to their support	Underway	This is being undertaken on a programme by programme/ project by project basis.
9.3 Identify mechanisms to work with town and parish councils and support the development and implementation of the overarching strategy for market towns/places	Underway	Communities Overview Committee is developing a programme of work which includes Place Planning and the relationship with Town and Parish Councils.
9.4 Further develop relationships with the Voluntary Community and Social Enterprise sector (VCSE)	Underway	Good relationships are in place and are enabled through the VCS Assembly. A forward plan of Council changes and developments which affect or concern the VCSE will support proactive communication and collaborative working.
Area 10: Strengthen staff engagement		
10.1 Produce a Staff Engagement Strategy and action plan	Underway	This is being scoped and will be informed by the Staff Survey results
10.2 Produce and carry out a Staff Survey	Underway	The Staff Survey was launched mid-November 2018 and will close at the end of December 2018. Analysis will be completed in the New Year
Area 11: Celebrate Success!		
	Underway	

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Committee and Date

Council
28 February 2019
10.30am

Annual Report 2018 Health And Social Care Scrutiny Committee

1.0 Summary

1.1 The annual statement of the Health and Social Care Scrutiny Committee provides a brief review of the committee's work during the previous year, as well as an overview of its work for the year ahead.

2.0 Communities Overview Committee

2.1 During 2018, the Health and Social Care Scrutiny Committee has looked at topics from across its remit. The following have been the main areas of focus:

- **Midwife-led units**

Across several meetings, the committee looked at the proposals for reconfiguring midwife-led units. The committee questioned the need for structured periods of closure and whether the consultant-led service could cope with the influx of additional births. Members heard from the service that the midwife-led units supported few births, and unstructured closures were an unacceptable risk to expectant mothers.

- **Community pharmacy**

Members considered a consultation on local need for pharmaceutical services. Over two meetings, the committee raised concerns around accessibility in rural locations, and variability of electronic prescription services. It noted that limited access to pharmacy services could undermine the ambition of care closer to home.

- **Improved Better Care Fund**

The committee scrutinised projects undertaken as part of the Improved Better Care Fund. Members felt that the fund had generated innovative and cost effective schemes that could support people to live independently for longer, but raised concerns that the time-limited nature of funding could jeopardise successful ways of working. Officers assured members that new ways of working that proved effective would be built into future budgets.

- **Delayed transfers of care**

The committee twice received assurance that the Shropshire Council had been effective in reducing delays in transferring people from hospital care,

with the local authority's performance in the top quartile nationally. Members suggested that the council could work more closely with housing associations to prepare for a tenant's discharge.

- **Mental Health Needs Assessment**

Members received the findings of the Mental Health Needs Assessment and discussed how these could be progressed in the design and commissioning of services.

- **Phlebotomy services**

Members raised concern at the closure of phlebotomy services in Shrewsbury town centre. The committee heard that alternative premises for the service, provided by the council, proved to be unsuitable. It received reassurance that the service continued to seek an alternative town centre site.

- **Winter pressures**

The committee received a presentation on planning for winter pressures. It sought reassurance that any impact of overnight closures of emergency services in Telford would be factored into plans. It also scrutinised how longer-term work around transfers of care and community-based services could reduce the demand on hospital-based services.

- **111 service commissioning**

Telford and Wrekin CCG explained to the group the changes in commissioning arrangements for 111 services, moving from a Shropshire-based service to a nationally standardised service, commissioned locally. Members raised concerns about how service quality was monitored, and requested that future performance analysis be presented to the committee.

3.0 2018-2019 planned work

3.1

List of Background Papers (This MUST be completed for all reports, but does not include items containing exempt or confidential information)
None
Human Rights Act Appraisal
The recommendations contained in this report are compatible with the provisions of the Human Rights act 1998
Environmental Appraisal

There are no environmental issues relating to this report.

Risk Management Appraisal

There are no risks associated with this report.

Community / Consultations Appraisal

Consultation is a component of scrutiny work to collect information to support the development of conclusions and recommendations.

Cabinet Members

Cllr Lee Chapman, Adult Services, Health, Social Housing

Local Member/s

All

Appendices

None

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Committee and Date

Council

28 February 2019

**PORTFOLIO HOLDER REPORT
CORPORATE PLAN, FINANCIAL STRATEGY AND RISK MANAGEMENT
PETER NUTTING: LEADER, SHROPSHIRE COUNCIL**

1. Summary

The primary strategy of the Council is the Corporate Plan. All other strategies flow from the Corporate Plan, particularly the Financial Strategy and the Risk Strategy and together these documents form the key strategic approach of the Authority.

The first Corporate Plan of the Unitary Council was approved by the Council in December 2016. This was a huge step forward and, following recommendations of the Corporate Peer Review in April 2018, the Cabinet worked to refresh this with the involvement of Members. As a result, our Vision and Priorities have changed as follows:

The Council's Vision is: Innovate to thrive.

The Council's priorities are:

- More people with a suitable home.
- Care for those in need at any age.
- A good place to do business.
- A healthy environment.
- Sustainable places and communities.
- Embrace our rurality.

The new Corporate Plan was approved by Council on 13 December 2018 and can be found at <https://www.shropshire.gov.uk/media/11903/new-sc-corpplan-dec18-r7.pdf>

The Financial Strategy of the Council supports the Corporate Plan and I am grateful to the Portfolio Holder for Finance for his contribution which has improved the Council's management of finance. Whilst all local authorities are under financial pressure, the Council's ability to manage this, whilst also 'getting on' with other important work, has made a step forward. Becoming more efficient and raising income has enabled the Council to manage financial pressures. The Council's Financial Strategy may be found at

<http://shropshire.gov.uk/committee-services/documents/s21155/20190213%20Cabinet%20Financial%20Strategy%20v2.pdf>

It is vital that all organisations manage their risks. This is fundamentally important at a time when risk is increased due to the pace of change and financial pressure. The Senior Team of the Council review risks on a quarterly basis and the Strategic Risks Report is brought to the Cabinet and Directors' meetings also on a three monthly basis.

2. Priorities for a New Cabinet

When I became Leader in May 2017, I set two clear priorities for the Council:

- To improve our performance in economic development.
- To improve the culture of the Council.

Economic Development

Financial constraints had prior to 2017 held the Council back from fulfilling its potential in economic development. Lou Holtz said 'In this world you're either growing or you're dying, so get in motion and grow'.

It is vital for our communities that we grow our economy in a sustainable way by encouraging business and enabling them to create jobs and prosperity. The Economic Strategy of the Council sets out how we intend to do this. I want to congratulate my Cabinet, and particularly the outgoing Portfolio Holder for Economic Development and Planning, Nic Laurens, for our achievements so far, which include:

- (1) The purchase of the Shrewsbury Shopping Centres, generating over £3m of income per annum to support vital services.
- (2) Plans to develop Shrewsbury, our County Town.
- (3) Plans being prepared for each of our Market Towns.
- (4) A developer secured for the Ironbridge Power Station.
- (5) The renewal of the 'Local Plan' with ambitions for new growth sites.
- (6) Development of the M54.
- (7) Announcements of funding for the North West Relief Road.
- (8) Establishing a Housing Company.

Culture of the Council

I want the Council to be 'efficient and helpful'. The Cabinet has set the expectation that our staff will continue to have and develop further a can-do and solution focussed mind-set. To support this we are encouraging more decision making and empowerment of those closest to the front line where our work takes place. In the development of this approach we have:

- (1) Developed a Leadership Programme for Senior Leaders and new 'Future Leaders' feedback has indicated a high satisfaction. There were 31 Future Leaders who self-selected for inclusion on the programme which resulted in cohorts from a cross section of the organisation and mixture of grades. The Senior Leaders' Programme consisted of 36 senior staff.
- (2) Developed a Workforce Strategy which details our approach to the changing nature of the workforce. To support this we have also developed a Workforce Transformation Plan.
- (3) Staff successfully participated in a West Midlands Region Local Authority Challenge competition. Participants spent the day as the management team of a fictional local authority encountering many of the tasks that a real corporate team deals with.
- (4) Undertaken a Corporate Peer Review.

Corporate Peer Review

Councils are encouraged to undertake a Corporate Peer Review every 5 years or so. Shropshire Council had not undertaken a Corporate Peer Review since becoming a Unitary Council in 2009. This was long overdue and so I initiated a Corporate Peer Review which took place in April 2018. The report of the Review Team was presented to Council on the 26 July 2018 and can be found by clicking [here](#). The high-level findings of the review were as follows:

- Strong sense of identity and commitment.
- Leaders are ambitious for Shropshire.
- Evidence of delivering good services at low cost and some significant projects.
- Seize the opportunities of a new administration.
- Clarify the narrative (vision and what the council stands for) and translate into specific deliverables.
- Free up and create capacity.
- Continue to move from operational to strategic focus.
- Still work to do to secure financial sustainability.

In response to the Peer Review, Members were engaged in a series of workshops in the summer and autumn 2018, and an Action Plan was devised as a result. This is being presented to full Council on the 28 February 2019 for approval. The Peer Review Action Plan can be found [here](#).

I anticipate the Review Team returning to Shropshire before the end of the summer 2019 to consider our progress since the review took place.

Structure and Pay

I believe that having the right structure and staff in place is the key to success. With support from the LGA, I have reviewed the Senior Management structure and their recommendations have been implemented. This included restoring the levels of pay in Shropshire to comparable rates with the rest of the Local Authority sector. This was necessary to improve retention and recruitment of key staff.

External Partnerships

The Council does not 'exist in a bubble' and we cannot achieve our goals in isolation. We work with a number of external partners and partnerships too numerous to list, but I want to highlight some of them here:

- (1) Town and Parish Councils: I see Town and Parish Councils as being vital to our future and I have met with all of them to understand their needs, aspirations and how we can work together.
- (2) University Centre, Shrewsbury: The Council is a key partner in developing the University which is focussed on attracting young people to the County and keeping them here.
- (3) Sustainable Transformation Plan (STP): The STP brings together partners across Health and Social Care. This is our highest area of spending and one where our influence and action could bring significant benefits for our communities. I expect our involvement and ambition to escalate following the recent appointment of Sir Neil McKay as the STP Independent Chair.
- (4) West Midlands' Combined Authority: The Combined Authority is still in its infancy and our role within it is yet to become clear. However, it is possible that some of the Combined Authority funds could be available to Shropshire and we have the outputs they require, such as development of housing and commercial/industrial premises.
- (5) One Public Estate: This programme has the potential to rationalise the estate and share buildings across the public sector. Shropshire Council is seen as a leading 'Exemplar' by the LGA, particularly for our proposed development of the Shirehall and Health Hubs.

Future Strategy Development

Phase 1 of our Digital Transformation is coming to a close and this will deliver new, more stable IT platforms with the capability to move the Council into the digital age. However, this capacity can only be exploited if we change the way we do things. Using the new technology platform in the old way will not deliver the change we need. Therefore, as we go forward, we will be developing a

Transformation Plan and I expect to appoint a Portfolio Holder to oversee this important work.

I would like to thank Councillor Cecilia Motely for her excellent work in networking with the Government and particularly her role as Chair of the Rural Services Network (RSN). The Rural Services Network has set out why and how to Government as to how they should develop a 'Rural Strategy'. Over the next Financial Year I want to develop our own Rural Strategy, or otherwise engage Members in testing our current Strategy and Policy Framework for 'Rural Proofing'.

List of Background Papers (This MUST be completed for all reports, but does not include items containing exempt or confidential information)

None.

Cabinet Member (Portfolio Holder)

Councillor Peter Nutting.

Local Member

Appendices

None.

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COUNCIL 28th FEBRUARY 2019

MEMBER QUESTIONS REPORT

1. Question from Councillor Nic Laurens:

Secondary School League Tables for performance have recently been published and I'm sure the Portfolio Holder would like to join me in congratulating everybody at The Priory School and Meole Brace School, the two local Secondary Schools in my division of Meole, which are both among the best six performing schools in Shropshire. Shropshire Schools have performed well generally given the funding disparity between Shropshire Schools and those of London and metropolitan authorities, securing a Shropshire average of -0.1 compared to an English average of -0.3. Given the lower levels of per pupil funding our schools currently receive, will the portfolio holder join with me in congratulating the entire educational establishment across Shropshire for this achievement. I believe that if our schools were funded on an equal basis with those from urban authorities, Shropshire's schools would be significantly above the national average across the board. Could the portfolio holder please update us on what steps he and his department have been taking to open dialogue with central government about this unfair funding formula on largely rural authorities such as Shropshire?"

Response from the Portfolio Holder for Children and Young People:

Firstly, I would like to offer my congratulations to all Shropshire pupils and schools on their performances.

Shropshire Council and its Schools Forum are part of f40, a group representing 41 English local authorities with historically low levels of funding for education. On behalf of their members f40 has been campaigning for over two decades for a fairer system for allocating funding to schools and have been influential in securing the introduction of a National Funding Formula (NFF) which has, and is, addressing some of the historic inequities in funding between schools in different parts of the country. However, together and through f40, Shropshire continues to press for further improvements to the formula, in particular in addressing the historic inequities that have been 'locked into' the NFF. While acknowledging the NFF as being a move in the right direction, there is a strong case for further improvement for fairly funding schools in large rural counties like Shropshire.

The authority, on behalf of its education community, is also supporting the work of f40 in lobbying for additional funding for the sector, from early years, through mainstream and into post-16 education. They are also pressing for further support in meeting the increasing demand for, and the consequential additional costs of, educating our most vulnerable children and young people with special educational needs and disabilities, currently funded through what is called the High Needs Block (part of Dedicated Schools Grant). Together with most English local authorities, Shropshire Council is struggling to provide effective

support within the current resources provided, with many having to go into deficit to fund provision.

The issue of school funding and, in particular high needs funding has been raised with local MPs.

Shropshire and Wrekin Fire and Rescue Authority Chair's Report of the Meeting held on 12 December 2018

2019/20 and Later Years Budget Summary

The Fire Authority considered the budgets proposed by its Strategy and Resources Committee, which were put forward for approval as the basis for consultation, leading to a final decision by the Fire Authority in February 2019.

The report set the grant assumptions that Officers had used for 2019/20 budget planning and also modelled further scenarios to demonstrate the effects of movement within these assumptions.

Having confirmed the current position of reserves and the level of the General Reserve, the Authority agreed to base its budget planning and consultation on a precept increase of 2.99% in 2019/20, with an increase of 1.99% in the years following.

Finally, it requested its Strategy and Resources Committee to prepare a final budget package in January 2019, for decision by the Fire Authority in February 2019.

Cycle to Work Scheme

The Fire Authority agreed, as recommended by its Standards and Human Resources Committee, that Shropshire Fire and Rescue Service should run a Cycle to Work Scheme for its employees. Such a scheme would accrue benefits to the Fire Authority, local authority partners and the environment.

The Scheme, which is open to all employees, allows staff to effectively lease a bicycle, and associated equipment, for a period of say 12 months and to pay for it through deductions from their gross salary. At the end of the agreed lease period, employees have three options: either return the equipment; or purchase the equipment at a fair market value; or sign up to an extended use agreement with no further charges.

The Scheme will be set up with Cycle Solutions and will initially be opened to employees twice in the first 12 months after which a review of the Scheme and its benefits will be undertaken.

Strategic Fire Alliance Update

At its October 2018 meeting, the Fire Authority agreed to adopt the Fire Alliance Strategic Plan 2018-2022 which aims to create a strategic alliance between Shropshire Fire and Rescue Service and Hereford & Worcester Fire and Rescue Service

The update received by the Fire Authority set out the progress that has been made in delivering the Strategic Fire Alliance. This included the inaugural meeting of the

Strategic Alliance Board on 10 December 2018. This Board provides high level strategic governance for the Alliance and consists of the Chairs and Vice-Chairs of both Fire Authorities and both Chief Fire Officers.

At its meeting, the Board agreed its Terms of Reference, which set out its co-ordination and delivery role, and identified three priority projects for the Alliance which will underpin its growth. These were:

1. Fire Control
Scoping future requirements for ensuring a resilient Command & Control function
2. Integrated Risk Management Plan
Reviewing options for aligning integrated risk management planning processes
3. Information and Communications Technology (ICT)
Developing organisational arrangements for provision of ICT functions.

The Fire Authority gave its approval for officers to proceed with preparing option appraisals for the three identified key priority projects, which will be agreed at the next meeting of the Strategic Alliance Board.

Integrated Risk Management Planning (IRMP)

The Fire Authority has agreed to extend the lifespan of its current Integrated Risk Management Plan (IRMP 2015-20) by one year to March 2021

This extension will allow officers sufficient time to undertake a review of the IRMP processes in both Shropshire and Hereford & Worcester Fire and Rescue Services with the aim of establishing a standardised methodology for the process across both Services. This fits with the Fire Authority's adoption of the Strategic Alliance Plan and its priority projects as set out above.

HMI Inspection Update

The Fire Authority received a verbal report, from the Chief Fire Officer, on the recent inspection of the Service by Her Majesty's Inspectorate of Constabulary and Fire and Rescue Services (HMICFRS).

The Inspection was completed in November 2018 and its report is now due to be written and moderated. Initial feedback from the Inspectorate is there are no immediate causes for concern and, whilst areas for improvement and consideration were identified during the inspection, a major programme of change is not required.



Eric Carter
Chair, Shropshire and Wrekin Fire and Rescue Authority
December 2018

Background Papers

Agenda and Papers for the meeting of Shropshire and Wrekin Fire and Rescue Authority held on 12 December 2018

The agendas and reports (with the exception of exempt or confidential items) for all Fire Authority meetings and those of its Committees appear on the Brigade's website:

<https://www.shropshirefire.gov.uk/>

To access reports go to the Fire Service's website and follow the steps below.

- Click on 'About Us' at the top of the page
- Click on 'Fire and Rescue Authority'
- Click on 'Meetings' in the list on the right hand side of the screen
- Click on '12 December 2018' and the various reports and appendices will be listed

If you have any difficulty with the website, please contact Lynn Ince, Executive Support Officer, on 01743 260225.

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Shropshire and Wrekin Fire and Rescue Authority Chair's Report of the Meeting held on 13 February 2019

Capital Programmes, Treasury Management Statement and Capital Strategy

The Fire Authority confirmed its 2019/20 to 2023/24 capital programmes, and approved its Capital Strategy for the same period, together with its Treasury Management Statement for 2019/20.

Adequacy of Reserves and Robustness of Budget

The Fire Authority agreed the reserves, recommended by its Strategy and Resources Committee, and noted the Treasurer's assurances covering the robustness of the 2019/20 budget and adequacy of the reserves.

Revenue Budget 2019/20

The Fire Authority considered recommendations made by its Strategy and Resources Committee in relation to the revenue budget for 2019/20.

The Committee had recommended, and it was agreed by the Fire Authority, a precept increase of 2.99% in 2019/20.

Revenue Budget: 2019/20 Precept

The Fire Authority agreed:

- A net budget requirement of £22,288,080
- A total precept of £16,228,512 to be levied on the billing authorities
- A Council Tax resulting in a basic amount of Council Tax at Band D of £100.25
- The amount payable by billing authorities for 2018/19, as follows:

Council	Precept £
Shropshire Council	11,151,821
Borough of Telford & Wrekin Council	5,076,691
	<hr/>
	16,228.512

Combined Fire Authority Review

At its June 2018 meeting, the Fire Authority tasked its Strategy and Planning (StraP) Working Group to undertake a review of the structure and composition of Shropshire and Wrekin Fire and Rescue Authority, with specific regard to economy, efficiency

and effectiveness and to report back to the Fire Authority with specific recommendations, in line with the governance year.

The Fire Authority received and considered the report and recommendations of the StraP Working Group and agreed that Legal Services explore further the option of a small reduction in Member numbers (from 17 to 15 or 13 as a minimum) and a change in the Committee structure. The proposed change in structure would result in the Fire Authority having two functional Committees; one decision-making committee which considers strategy and the allocation of resources, whilst the other scrutinises and challenges these decisions to ensure transparency and effectiveness on behalf of the Fire Authority and the public.

Officers will now undertake further work on the proposed option and bring a formal recommendation to the next meeting of the Fire Authority.

Annual Plan 2019/20

The Fire Authority agreed the outline format and contents of the Annual Plan 2019/20.

In addition the Fire Authority delegated responsibility to its Strategy and Resources Committee to agree the Service Targets 2019/20, which support the Fire Authority's four Strategic Aims.

Annual Review of Charges for Special Services

The Fire Authority has completed its annual review of the tariff for special services charges and agreed an increase of 2% with effect from 1 April 2019, in line with the interim pay increase awarded to firefighters in 2018/19.

Amendments to the Pay Policy Statement 2019/20

The Fire Authority has conducted its annual review of the Pay Policy Statement and agreed minor changes to bring it up to date. The amended Statement has now been published and will be reviewed annually, following notification of national pay decisions determined in respect of Gold, Grey and Green Book staff each year.

Flexible-rostering Duty System Trial within Fire Control

The Fire Authority received a report setting out the results of the Flexible-rostering Duty System trial which Fire Control have undertaken since January 2018.

The report showed that, in comparison to the Self-rostering Duty System, which was trialled in 2017 and the previously used 2-2-4 shift system, the Flexible-rostering Duty System is an efficient and effective system which is strongly supported by Fire Control staff.

The Fire Authority agreed that the Flexible-rostering Duty System should therefore be adopted as the permanent duty system within Fire Control into the future. This will now be progressed to a Collective Agreement which will be submitted to the Fire Brigades Union's National Executive Council for sign-off.



Eric Carter
Chair
Shropshire and Wrekin Fire and Rescue Authority
February 2019

Background Papers

Agenda and Papers for the meeting of Shropshire and Wrekin Fire and Rescue Authority held on 13 February 2019

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