Agenda
Council

Date:	Wednesday, 4 March 2020 at 6:00pm
Venue:	Town Hall, St Annes, FY8 1LW
	Mayor: Councillor Angela Jacques Deputy Mayor: Councillor Richard Redcliffe Leader: Councillor Sue Fazackerley MBE Deputy Leader: Councillor Karen Buckley Councillors Ben Aitken, Frank Andrews, Peter Anthony, Tim Armit, Mark Bamforth, Brenda Blackshaw, Paula Brearley, Julie Brickles, Alan Clayton, Delma Collins, Peter Collins, Chris Dixon, Trevor Fiddler, Ellie Gaunt, Brian Gill, Shirley Green, Noreen Griffiths, Peter Hardy, Will Harris, Gavin Harrison, Paul Hayhurst, Karen Henshaw JP, Paul Hodgson, John Kirkham, Matthew Lee, Cheryl Little, Roger Lloyd, Michelle Morris, Kiran Mulholland, Ed Nash, Sally Nash-Walker, Jayne Nixon, Linda Nulty, Liz Oades, David O'Rourke, Bobby Rigby, Michael Sayward, Vince Settle, Elaine Silverwood, John Singleton JP, Roger Small, Heather Speak, Ray Thomas, Tommy Threlfall, Stan Trudgill, Viv Willder, Michael Withers.

	PROCEDURAL ITEMS:	PAGE
1	**Declarations of Interest:** Declarations of interest, and the responsibility for declaring the same, are matters for elected members. Members are able to obtain advice, in writing, in advance of meetings. This should only be sought via the Council's Monitoring Officer. However, it should be noted that no advice on interests sought less than one working day prior to any meeting will be provided.	1
2	**Budget Procedure Rules:** Members are reminded that procedure rules for the budget council meeting differ to ordinary council meetings. The procedure rules are attached for members' information.	3 - 4
3	**Confirmation of Minutes:** To confirm the minutes, as previously circulated, of the meetings held on 10 February 2020 as a correct record.	1
	ANNOUNCEMENTS:	
4	**Mayor's Announcements**	1
5	**Chief Executive's Communications**	1
	REPRESENTATIONS:	

6	**Questions from Members of the Council**	**5**
7	**Questions from Members of the Public** For procedure to ask a question at a Council meeting see Public Speaking at Council Meetings.	**6**
	DECISION ITEMS:	
8	**Medium Term Financial Strategy Update, Including General Fund, Capital Programme and Treasury Management for 2019/20 to 2023/24**	**7 - 130**

Contact: Katharine McDonnell - Telephone: (01253) 658423 – Email: democracy@fylde.gov.uk

The code of conduct for members can be found in the council's constitution at

http://fylde.cmis.uk.com/fylde/DocumentsandInformation/PublicDocumentsandInformation.aspx

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APPENDIX 1 - Budget Council Procedure Rules

The following rules are to be used at Budget Council meetings and replace the usual procedure rules. A copy will be provided to each member before the start of the meeting, reading as follows:

Full Council Budget Meeting

1 **The Leader of the Council** will make his budget presentation to the Council. There is no time limit on this presentation.

2 The **Leader of the Council or the Chairman of the Finance and Democracy Committee** will then **Move** a Motion (**the Substantive Motion**) to recommend all the Council Tax resolutions and speak to the same. There is no time limit on the moving and speaking to this motion by the Leader of the Council or the Chairman of the Finance and Democracy Committee.

Once this is **seconded** the **following process will be followed**:

3 The **Mayor** will at this point ask the Leader of the Opposition and non-aligned members to indicate whether they will be presenting an alternative budget or whether they will be moving any amendments (an indication will be given but the amendments (if any) will not be tabled until the moving, seconding and full debate on the budget proposals has run its course). Amendments from any other member will be heard after the debate on the substantive motion or amendments from the Leader of the Opposition and non aligned members have been concluded.

3.1 The **Substantive Motion** will then be debated when any member can indicate to speak on the Motion being put. No speech by a member may exceed 10 minutes and each speaker may speak only once (Part 4, 12.5).

3.2 **If there is no Amendment** moved then the mover of the original motion, will have a right to reply at the end of the debate immediately before the **Motion** is put to the vote (Part 4, 12.6). The vote will be recorded (Part 4, 14.5(ii))

3.3 **However, if the Leader of the Opposition indicated that she would be presenting an alternative budget/moving an amendment she is invited to do so and there is no time limit.**

3.4 No speech by any other member may exceed 5 minutes, and each speaker may speak only once (Part 4, 12.7.d). The mover of the original Motion, has the right of reply at the close of the debate on the Amendment, but may not otherwise speak on it (Part 4, 12.7.e). This applies to all further amendments.

3.5 **The Mover of an Amendment** has no right of reply on his or her Amendment (Part 4, 12.9(c)).

3.6 **The Seconder of a Motion or Amendment** can reserve the right to speak for a later period in the debate (Part 4, 12.3 and 12.7.b).

3.7 **If the first Amendment is lost** then subsequent Amendments may be moved to the original Motion firstly by any non-aligned members and then any other members (Part 4, 12.7.g).

3.8 **If an Amendment is carried** the Motion as amended takes the place of the original Motion. This becomes the substantive Motion to which any further amendments are moved (Part 4, 12.7.f).

3.9 The **Motion** must be **Seconded** and any **Amendments** must be **Moved, Seconded and voted upon.** The vote will be recorded (Part 4, 14.5(ii))

3.10 In the event of all the amendments being lost **the original Motion will be put.**

The rules of debate for moving and amending motions will be in line with those set out in paragraph 12 of Part 4 of the constitution (rules of debate procedure rules).

STANDING NOTE ON DISORDERLY CONDUCT

A. BY A MEMBER OF THE COUNCIL

In the event of disorderly conduct at the meeting by a member of the Council, the provisions of the Council Procedure Rules apply as follows:

MEMBER'S CONDUCT

Member not to be heard further

If a member persistently disregards the ruling of the [Mayor] by behaving improperly or offensively or deliberately obstructs business, the [Mayor] may move that the member be not heard further. If seconded, the motion will be voted on without discussion.

Member to leave the meeting

If the member continues to behave improperly after such a motion is carried, the chairman may move that either the member leaves the meeting or that the meeting is adjourned for a specified period. If seconded, the motion will be voted on without discussion.

B. BY MEMBERS OF THE PUBLIC

In the event of disorderly conduct at the meeting by a member of the public, the provisions of the Council Procedure Rules apply as follows:

1. If a member of the public interrupts proceedings, the Chairman will warn the person concerned. If they continue to interrupt, the Chairman will order their removal from the meeting room.

2. If there is a general disturbance in any part of the meeting room open to the public, the Chairman may call for that part to be cleared and may adjourn the meeting as felt necessary.

REPRESENTATIONS

REPORT OF	MEETING	DATE	ITEM NO
RESOURCES DIRECTORATE	COUNCIL	4 MARCH 2020	6

QUESTIONS FROM MEMBERS OF THE COUNCIL

PUBLIC ITEM
This item is for consideration in the public part of the meeting.

SUMMARY

No questions have been received from Members of the Council before the requisite deadline, as outlined in Procedural Standing Orders for Council and Committees of Part 4 of the Council's Constitution, and before the statutory deadline for publication of the agenda.

If any further questions are received before the constitutional deadline, as outlined above, they will be circulated prior to the meeting for members' information, under separate cover.

Any questions will be heard during the Council meeting on 4 March 2020 and a response will be given by the Leader of the Council or any other member nominated by her.

REPRESENTATIONS

REPORT OF	MEETING	DATE	ITEM NO
RESOURCES DIRECTORATE	COUNCIL	4 MARCH 2020	7

QUESTIONS FROM MEMBERS OF THE PUBLIC

PUBLIC ITEM
This item is for consideration in the public part of the meeting.

SUMMARY

As outlined in Article 15 – Public Speaking at meetings of the Council and its Committees any resident of the Councils district may, subject to various provisions of the article, ask a question at an ordinary meeting of the council.

One question has been received from a member of the public before the requisite deadline, as outlined in Article 15, and before the statutory deadline for publication of the agenda.

If any questions are received before the constitutional deadline, which is, for the purpose of this meeting, 4.30pm on Thursday 27 February, they will be circulated prior to the meeting for members' information, under separate cover.

Any question(s) will be heard during the Council meeting on 4 March 2020 and a response will be given by the Leader of the Council or any other member nominated by her.

Question 1 received from Mr Turner, received 21 February 2020

"Following a request by a number of councillors, a special Council meeting has been called on 9th March to discuss matters relating to Lytham Institute. The Institute is held by the Council in trust for the community, and is subject to Charity Law rather than Local Government law. Will councillors, as trustees, be able to vote freely and independently on the Institute, regardless of party politics?"

DECISION ITEM

REPORT OF	MEETING	DATE	ITEM NO
MANAGEMENT TEAM	COUNCIL	4 MARCH 2020	8

MEDIUM TERM FINANCIAL STRATEGY UPDATE, INCLUDING GENERAL FUND, CAPITAL PROGRAMME AND TREASURY MANAGEMENT FOR 2019/20 TO 2023/24

PUBLIC ITEM

This item is for consideration in the public part of the meeting.

SUMMARY

1.1 Attached is the Council's Medium Term Financial Strategy (MTFS) for the five years 2019/20 to 2023/24. The MTFS is designed to provide a strategic link between available financial resources and the Council's corporate policy priorities, and to ensure that the Council sets a budget which is robust and sustainable in order that it can deliver its strategic objectives.

1.2 The report details the estimated financial resources available to the Council and identifies how they will be utilised to support the achievement of the Council's priorities. The report also identifies the key financial risks facing the Council over the life of the forecast. The Council's Revenue Budget, Expenditure Forecast, Capital Programme, Treasury Management Strategy and Useable Reserves and Balances Policy are also set out in the report.

1.3 The forecast includes the impact of the 2020/21 Local Government Finance Settlement, provisional details of which were announced on 20th December 2019. The government has confirmed that it is looking to undertake the delayed Fair Funding Review during 2020 with implementation scheduled to be from April 2021. Consequently the finance settlement for 2020/21 is a single-year only settlement.

1.4 The continuation of a Lancashire-wide Business Rates Pool was confirmed for 2020/21, though in an amended form. None of the '75% Business Rate Retention Pilot' schemes that are in operation for 2019/20 (including the Lancashire scheme) will continue into 2020/21. Despite this, the latest in-year monitoring and future modelling strongly suggest that continued participation in a Lancashire Business Rate Pool for 2020/21, albeit not the 75% retention scheme, would still be of significant financial benefit to Fylde Council.

1.5 The provisional settlement confirms that a review of the New Homes Bonus scheme will be undertaken during the next financial year and that the 2020/21 grant allocation is for one year only and not an annual allocation for a four year period as was the case for 2018/19 and 2019/20.

1.6 Given that New homes Bonus is a major source of funding for the Council this represents a significant risk to the overall level of future central government funding.

1.7 A link to the final draft budget book for 2020/21 is provided below. The budget book provides the

detailed resource allocations for services provided by the Council for the coming year.

https://new.fylde.gov.uk/council/finance/revenue-budget-2020-21-final-draft/

A first draft of the detailed 2020/21 revenue budget allocations has been presented to each of the programme committees for information and comment during the January cycle of meetings, as have the proposed fees and charges schedule shown at Appendix J to this report.

1.8 Fylde Council has been successful in securing funding for Kirkham Town Centre as a 'High Street Heritage Action Zone', part of the Government's Future High Street Funding initiative. The Planning Committee meeting of 22nd January 2020 supported the proposal that Fylde Council should also provide funding in support of the initiative, this being one of the proposed capital bids for 2020/21 set out in Appendix F.

1.9 Fylde Council would like to make a similar aspirational commitment to the regeneration and revitalisation of St Annes town centre. All opportunities for external funding will be explored in pursuit of this initiative and the Council wish to indicate its own willingness to support the endeavour by confirming that financial support to a St Annes town centre regeneration scheme will be the first call on the Councils Funding Volatility Reserve.

1.10 This report was considered by the Finance and Democracy Committee at the meeting of 17th February 2020.

RECOMMENDATIONS

1. That the Council adopt the recommendations of the Finance and Democracy Committee meeting of 17th February 2020 and approve as follows:

   (a) The revised estimates for 2019/20 and the revenue budget for 2020/21 as set out in Appendix E, which includes recommended transfers to the Capital Investment Reserve in 2019/20 and 2020/21 equivalent to the balance of the revenue surplus for those years, currently estimated at £0.832m in 2019/20 and £1.288m in 2020/21;
   (b) The budget proposals and changes to Reserves and Balances as set out in Appendices F & H, to include approval that the Council will act as the accountable body for any of the new capital schemes (as indicated) in Appendix F;
   (c) The Capital Strategy 2020-23, including Prudential Indicators and Limits, set out in Appendix G; which incorporates the Treasury Management Policy, the Capital Programme, the Treasury Management Strategy, the Investment Strategy and the Minimum Revenue Provision Statement;
   (d) The updated Useable Reserves & Balances Policy as detailed in Appendix H;
   (e) That the regeneration of St Annes town centre will be a priority commitment of the Council with the first call on the Funding Volatility Reserve to be in support of this initiative;
   (f) An average Band D Council Tax of £210.71 for 2020/21 (excluding Town and Parish precepts), which is a 1.99% increase from the 2019/20 average Band D charge;
   (g) The Special Expenses policy as set out in Appendix I; which includes that:
      - for the purposes of charging special expenses, both the special expense costs and the tax bases relating to the areas of Lytham and St Annes will each be aggregated and the Council Tax charge per property at each band level will be the same across the whole area; and
      - the annual special expense charge per property will be set for 2020/21 at the 2019/20 level plus 2.21%, that being £77.60 per band D property; and
      - the annual borough wide charge per property will be set for 2020/21 at the 2019/20 level plus 2.21%, that being £165.39 per band D property; and
      - the budget resource to be allocated to delivering concurrent services and chargeable as special expenses for 2020/21 will be set at a sum equivalent to the annual special expense charge per property (band D equivalent) multiplied by the tax base for the special expense area;
   (h) The schedule of fees and charges for 2020/21 as detailed in Appendix J; and
   (i) To support the capital bid in the sum of £25k for 2020/21 as the Fylde Council contribution to the Elswick Village Green scheme, as detailed in Appendix F, regardless to the source of other funding obtained by Elswick Parish Council.

2. That the Council note the Budget Consultation responses received at Appendix K.

CORPORATE PRIORITIES	
Spending your money in the most efficient way to achieve excellent services (**Value for Money**)	√
Delivering the services that customers expect of an excellent council (**Clean and Green**)	√
Working with all partners (**Vibrant Economy**)	√
To make sure Fylde continues to be one of the most desirable places to live (**A Great Place to Live**)	√
Promoting Fylde as a great destination to visit (**A Great Place to Visit**)	√

SUMMARY OF PREVIOUS DECISIONS

This report forms part of the Budget and Council Tax setting process considered annually by Members.

REPORT

1. In March 2019 the Council agreed a five-year financial strategy from 2018/19 to 2022/23. The Council acknowledges the need to continuously reduce costs and to seek efficiencies in order to meet the challenge of reduced public sector funding. The Council has successfully delivered this programme in 2019/20 and has delivered significant savings from its budget rightsizing programme across all years of the forecast. This leaves the Council well placed to address further pressures on funding and income.
2. The attached Medium-Term Financial Strategy (MTFS) identifies the key financial risks for the Council moving forward. These are detailed in Section 11 (Revenue) and Section 14 (Capital) of the report.
3. On 20th December 2019 the Government published the Provisional Local Government Finance Settlement for 2020/21. Full details are contained within the attached MTFS.
4. The Council's MTFS and a summary of the budget proposals therein have been made available for consultation via the Council's website and have also been provided directly to a range of stakeholders during February 2020. The single response to the budget consultation that has been received is included at Appendix K of the Medium Term Financial Strategy.

IMPLICATIONS	
Finance	Detailed financial implications are contained in the body of the attached Medium Term Financial Strategy. Specific advice from the Council's Chief Financial Officer is contained within the overall conclusions to the report in Section 19.
Legal	None arising directly from the report.
Community Safety	None arising directly from the report.
Human Rights and Equalities	None arising directly from the report.
Sustainability and Environmental Impact	None arising directly from the report.
Health & Safety and Risk Management	None arising directly from the report.

LEAD AUTHOR	CONTACT DETAILS	DATE
Paul O'Donoghue Chief Financial Officer	01253 658566	February 2020

BACKGROUND PAPERS		
Name of document	Date	Where available for inspection
Medium Term Financial Strategy (MTFS) Update, Including General Fund, Capital Programme and Treasury Management for 2018/19 – 2022/23	Budget Council meeting 5th March 2019	www.fylde.gov.uk
MTFS – Outturn Position For 2018/19 (Including General Fund, Capital Programme & Treasury Management)	Finance and Democracy Committee meeting 24th June 2019	www.fylde.gov.uk
Revenue Budget Monitoring Report & Capital Programme Monitoring Report 2019/20 – to 31st July 2019	Finance and Democracy Committee meeting 23rd September 2019	www.fylde.gov.uk
Financial Forecast Update (including Revenue, Capital & Treasury Management) 2019/20 to 2023/2024	Finance and Democracy Committee meeting 25th November 2019	www.fylde.gov.uk
Revenue Budget Monitoring Report & Capital Programme Monitoring Report 2019/20– to Period 8 (30th November 2019)	Finance and Democracy Committee meeting 27th January 2020	www.fylde.gov.uk
Financial Forecast Update 2019/20 (Position as at 31st January 2020)	Finance and Democracy Committee meeting 27th January 2020 and Council meeting 10th February 2020	www.fylde.gov.uk

Attached documents

1. Medium Term Financial Strategy 2019/20 to 2023/24

MEDIUM TERM FINANCIAL STRATEGY: 2019/20 – 2023/24



Section 1: FOREWORD

1.1 Much work has been done in recent years to ensure that the Council's finances, as detailed in the Medium Term Financial Strategy (MTFS), remain robust. This current version of the MTFS shows a projected surplus for 2019/20 and 2020/21 followed by a period of uncertainty as the national framework for the financing of local government will be subject to review.

1.2 This MTFS includes the impact of the 2020/21 Local Government Finance Settlement, details of which were announced on 20th December 2019. The government has confirmed that it is looking to undertake the delayed Fair Funding Review during 2020 with implementation scheduled to be from April 2021. Consequently the finance settlement for 2020/21 is a single-year only settlement.

1.3 The continuation of a Lancashire-wide Business Rates Pool was confirmed for 2020/21 (though with amended membership arrangements). However none of the '75% Business Rate Retention Pilot' schemes that are in operation for 2019/20 (including the Lancashire scheme) will continue into 2020/21. Despite this, the latest in-year monitoring and future modelling strongly suggest that continued participation in a Lancashire Business Rate Pool for 2020/21, albeit not the 75% retention scheme, will still be of significant financial benefit to Fylde Council.

1.4 The provisional settlement confirms that a review of the New Homes Bonus scheme will be undertaken during the next financial year and that the 2020/21 grant allocation is for one year only and not an annual allocation for a four year period as was the case for 2018/19 and 2019/20. Given that New homes Bonus is a major source of funding for the Council this represents a significant risk to the overall level of future central government funding.

1.5 In order to maintain the current financial position, the Council needs to continue with the approach to delivering savings and efficiencies and maximising income which have helped deliver balanced budgets and contribute to reserves over recent years. Through continued focus on the importance of financial stability the Council has delivered a savings programme in recent years and has continued to reduce senior management costs and other overheads. Ongoing modernisation work and business improvement will continue to make Council services more efficient, save money and maintain frontline services to customers. This work has yielded ongoing savings to help improve the Council's overall financial position over that period.

1.6 Although it is clear that further uncertainty and challenges lie ahead in the later years of the financial forecast**, the finances of the Council remain robust and the reserves and balances are at healthy levels as compared to earlier periods.** Furthermore Fylde Council has a past record of taking actions in order to meet and overcome financial challenges as they arise. The Council will continue to seek opportunities to maintain a robust financial position in the face of a changing financial environment. This approach will ensure that the Council continues to achieve and sustain a balanced budget position on an ongoing basis and is able to deliver the priorities set out in the Corporate Plan. External pressures outside the Council's control are being experienced by many local authorities, and instructions remain in place that budget-holders should remain prudent and not commit to any unnecessary expenditure. This approach saves money and may result in an under-spend again for this financial year.

1.7 The assumptions that are contained within this MTFS are the latest best estimates and will be updated as and when further information becomes available

Section 2: CONTENTS

Section 3 (pg 15)	Purpose of the Medium Term Financial Strategy (MTFS)
Section 4 (pg 16)	Vision for the Borough
Section 5 (pg 17)	Strategic Planning
Section 6 (pg 18)	Developing the MTFS
Section 7 (pg 21)	Background to the Forecast
Section 8 (pg 22)	The General Fund Revenue Forecast & New Forecast Changes
Section 9 (pg 24)	Savings and Growth Proposals
Section 10 (pg25)	The Local Government Finance Settlement 2020/21
Section 11 (pg27)	Key Areas of Financial Risk (Revenue)
Section 12 (pg31)	Capital Strategy & Asset Management Plan
Section 13 (pg32)	The Capital Programme
Section 14 (pg34)	Key Areas of Financial Risk (Capital)
Section 15 (pg36)	Reserves & Balances Provision
Section 16 (pg37)	Collection Fund
Section 17 (pg38)	Treasury Management Strategy
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Section 19 (pg39)	Summary and Conclusions

Appendix A (pg42)	General Fund Forecast as approved at Budget Council – March 2019
Appendix B (pg43)	General Base Budget Assumptions
Appendix C (pg44)	Forecast Changes since Budget Council 2019
Appendix D (pg45)	Explanation of Forecast Changes in Appendix C
Appendix E (pg48)	Latest General Fund Forecast Position – Including Budget Proposals
Appendix F (pg49)	Budget Proposals - Revenue and Capital
Appendix G (pg51)	Capital Strategy (incorporating the Treasury Management Policy, the Capital Programme, the Treasury Management Strategy, the Investment Strategy and the Minimum Revenue Provision Statement)
Appendix H (pg79)	Useable Reserves & Balances Policy and Summary Position
Appendix I (pg85)	Special Expenses Policy
Appendix J (pg86)	Proposed Fees and Charges 2020/21
Appendix K(pg130)	Budget Consultation Responses

Section 3: THE PURPOSE OF THE MEDIUM TERM FINANCIAL STRATEGY

3.1 The purpose of the Medium Term Financial Strategy (MTFS) is to:

(i) Provide the framework for the development of a budget which is robust and sustainable;
(ii) Assist the Council in the delivery of the aspirations within its strategic plans;
(iii) Ensure the Council delivers essential services by the efficient and effective use of its financial resources; and,
(iv) Demonstrate commitment to transparency in its financial affairs by setting out what the Council is trying to achieve in an understandable format.

3.2 The MTFS is one of the Council's key enabling strategies. It sets out how the Council intends to manage its finances to help achieve the agreed objectives and priorities. The MTFS looks at the current year and ahead over the next four years to identify the resources likely to be required by the Council to finance service priorities and to meet spending pressures. It aims to:

- Ensure the sustainability of the Council's budget;
- Facilitate pro-active strategic management of the budget to ensure service investments and dis-investments flow from the Council's corporate and service planning frameworks;
- Be responsive to a changing and uncertain financial climate in which existing funding streams cease and new opportunities arise; and,
- Demonstrate clearly to stakeholders, both internal and external, what the Council's plans are for the use of its resources.

The need for a longer term view of the Council's financial position has always been important but as central government funding continues to be the subject of significant uncertainty in the coming years this is increasingly so.

3.3 The Council has adopted a pro-active approach to financial management and a commitment to sound corporate governance, safeguarding public monies and ensuring accountability. Over recent years the Council has been recognised by its external auditors as making good progress with ongoing achievements and successes in priority service areas. It is recognised that whilst there continue to be challenges ahead, arrangements have been put in place to ensure that the priorities as set out in the Council's Corporate Plan are supported by a robust financial framework. In 2019 the Council's external auditors Deloitte LLP audited the Council and again gave an "unqualified opinion", which demonstrates satisfaction with the Council's financial and governance arrangements.

3.4 In formulating this strategy the Council has ensured that, within the resources available, it has taken account of:-

- National priorities for public service investment and delivery;
- Government efficiency targets and the priority given to deficit reduction;
- Corporate priorities that reflect local circumstances and are in tune with the priorities of partner organisations, including Health, Police, local businesses, voluntary and community organisations; and,
- Feedback from all public consultation that has taken place.

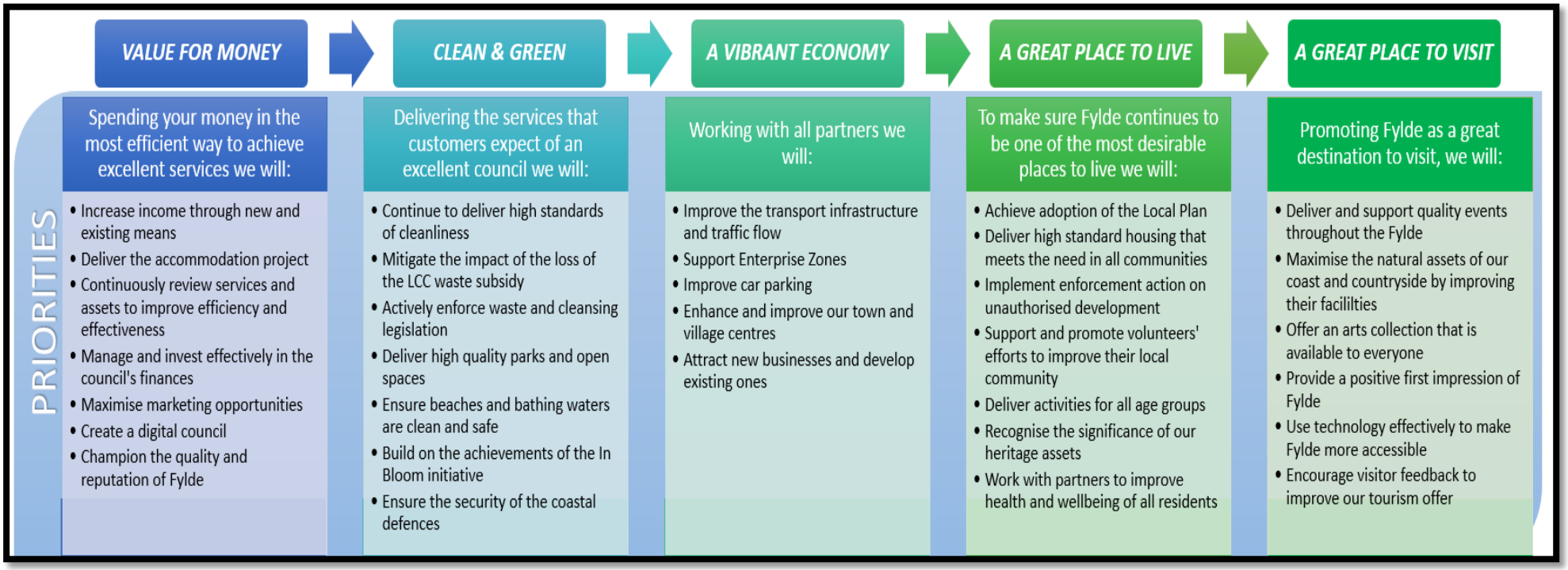
Section 4: VISION FOR THE BOROUGH

4.1 The Council produces a Corporate Plan which outlines the key priorities, targets and outcomes for the Authority and the wider community. The Corporate Plan is developed through consultation and feedback with stakeholders based on the key strategic responsibilities of the Council.

4.2 The Corporate Plan takes into consideration emerging legislation, policy and changes in resources and responsibilities informed by the Local Government Association, the Ministry for Housing Communities and Local Government, the Department for Work and Pensions and the various professional associations which provide support on policy, finance, governance, waste, planning, parks, public health and environmental health. The intention is to forecast the resources required to address the strategic issues the Council will need to deliver against over the next four years.

4.3 The current iteration of the Corporate Plan was updated during 2019, this being approved by the Council at the meeting of 15th July 2019. This Corporate Plan covers the period 2016 to 2020 and contains the Council's vision, priorities, and specific actions over the period based on a realistic projection of the financial resources available to the Council. The Council's vision, as contained in the Corporate Plan, is "Let Fylde Prosper". A new Corporate Plan for the period 2020 to 2024 will be presented to the Council meeting in April 2020.

4.4 The Corporate Plan 2016-2020 is divided into five priorities listed below:



Section 5: STRATEGIC PLANNING

5.1 The Council has in place a corporate planning and performance management framework that includes an annual review of the Corporate Plan. The plan is reviewed in consultation with staff and councillors, partners in other public services, the community and voluntary sector, the local business community and local residents.

5.2 The Council regularly reviews progress against longer term plans and Members receive regular updates of the financial forecast. It is recognised that despite robust action during recent financial years to produce a stable and sustainable financial position, the continuing uncertainties surrounding the future resources available to the public sector means that the Council needs to strive to continue to achieve a sustainable and robust budget.

Links to other Enabling Strategies

5.3 The Medium Term Financial Strategy is one of the enabling strategies of the Council, aimed at improving transparency and accountability in the way that services and functions are delivered. Each enabling strategy is reviewed annually as part of the planning cycle and, taken together, drive innovation and efficiency to achieve continuous improvement. The other enabling strategies are:

- ICT Strategy;
- Procurement Strategy;
- Communication Strategy;
- Asset Management Plan & Capital Strategy, and
- Transformation Strategy

4.4 The MTFS takes account of the resources the Council requires to deliver the strategies. Where resources are limited the overall objectives of the Council will be the same, but the pace of achievement may require adjustment.

External funding

5.5 The borough has been successful in the past in attracting funding from a number of investment streams from external funds including Heritage Lottery Fund Grants, The Local Strategic Partnership (LSP), the Environment Agency, section 106 planning monies, the Future High Street Fund and the North West Development Agency. The Council will continue to explore external funding opportunities to deliver further improvements in the borough.

Section 6: DEVELOPING THE MEDIUM TERM FINANCIAL STRATEGY

6.1 The MTFS sets out the Council's revenue budget allocations, the programme for capital investment, efficiency targets and forecasts for the period covered by the Strategy. The key influences on this strategy include:

- The continuing uncertainty surrounding future central government funding for local government;
- The consequent spending constraints resulting from reduced resources in the medium term;
- Ensuring a robust and sustainable budget through the prudent use of reserves and balances and ensuring externally funded projects are facilitated;
- Developing new ways of delivering services using modernisation techniques to achieve higher levels of customer satisfaction, efficiency, value for money, strategic partnerships, service commissioning, and enterprise; and
- The need to continuously review and maintain existing assets to a quality standard.

6.2 The MTFS looks at the current year and ahead over the next four years to identify the resources likely to be required by the Council to meet service priorities and to address spending pressures. It aims to:

- Ensure the sustainability of the Council's budget;
- Facilitate pro-active strategic management of the budget to ensure service investments and dis-investments flow from the Council's corporate and service planning frameworks;
- Be responsive to a changing and uncertain financial climate in which existing funding streams cease and new opportunities arise; and,
- Demonstrate clearly to stakeholders, both internal and external, what the Council's plans are for the use of its resources.

6.3 The MTFS and forecast are supported by a number of monitoring procedures. These are as follows:

- General Fund Revenue Budget Monitoring;
- Capital Programme Monitoring;
- Treasury Management Monitoring and Mid-Year Strategy Review, together with specialist external advice; and,
- Annual Outturn reports on the Capital Programme, the General Fund and Treasury Management.

6.4 Any additional future spending reductions will require a further review of priorities and service delivery arrangements. Members will be engaged in this process as part of the service planning framework and through the revised committee arrangements that were implemented during 2015 as a consequence of the changes to the Council's system of governance.

6.5 One aspect of the revised governance arrangements was the formation of the Budget Working Group. The role of this Group is defined as:

'To co-ordinate and oversee the budget setting process and to provide a strategic steer to programme committees on key elements of the budget setting process such as the level of growth or savings required in light of the overall financial position of the Council, capital bid expectations, fees and charges levels etc.'

In addition, all budget growth proposals, draft revenue budgets and all proposed fees and charges for 2020/21 have been considered by each of the Council's programme committees with respect to those services that fall within the remit of each committee and the programme committees have provided comments and recommendations as appropriate.

The Budget Working Group has met a number of times to fulfil its role in the budget-setting process for 2020/21 and has carefully considered all budget proposals and the comments that each of the programme committees has made during their consideration of these matters in respect of services within their remit. The final decision with regard to the 2020/21 budget will be taken at the Budget Council meeting of 4th March 2020.

6.6 In December 2019 the Council received details of the provisional 2020/21 Local Government Financial Settlement along with details of the New Homes Bonus allocation for 2020/21. Further details of the impact of the financial settlement are provided within section 10 of this strategy document.

6.7 Given the ongoing uncertainty regarding future levels of central government funding and the need to carefully manage the financial resources of the Council, the Budget Working Group are proposing only a limited number of revenue growth proposals to ensure that the Council continues to achieve a robust budget over the life of the forecast. A number of additional Capital Schemes are proposed for 2020/21 and the following years. The Councils element of the funding for each scheme will be met from the Capital Investment Reserve, thus avoiding the requirement for any external borrowing in respect of these new schemes. In formulating the budget proposals, Members have been cognisant of the national economic context and the financial risks and uncertainties facing the Council. The budget proposals for 2020/21 onwards are detailed in Appendix F of this report.

6.8 The 2016 Local Government Finance Settlement offered a four-year settlement proposal, conditional upon the publication of an 'Efficiency Plan'. Fylde Council published its Efficiency Plan in the summer of 2016 and it was confirmed by DCLG that the plan had been accepted and consequently the Council was eligible to receive the illustrative funding levels for the years 2017/18 to 2019/20 that were contained within the multi-year settlement offer.

6.9 It was originally anticipated that 2020/21 would be the first year of a further multi-year indicative financial settlement for local government. However, the government has confirmed that it is now looking to undertake the delayed Fair Funding Review during 2020 with implementation scheduled to be from April 2021. Consequently the finance settlement for 2020/21 is a single-year only settlement.

6.10 The Council's service planning and performance management framework is designed to ensure the continuous drive for improvement and ensure that Value for Money continues to be achieved.

Balancing the MTFS

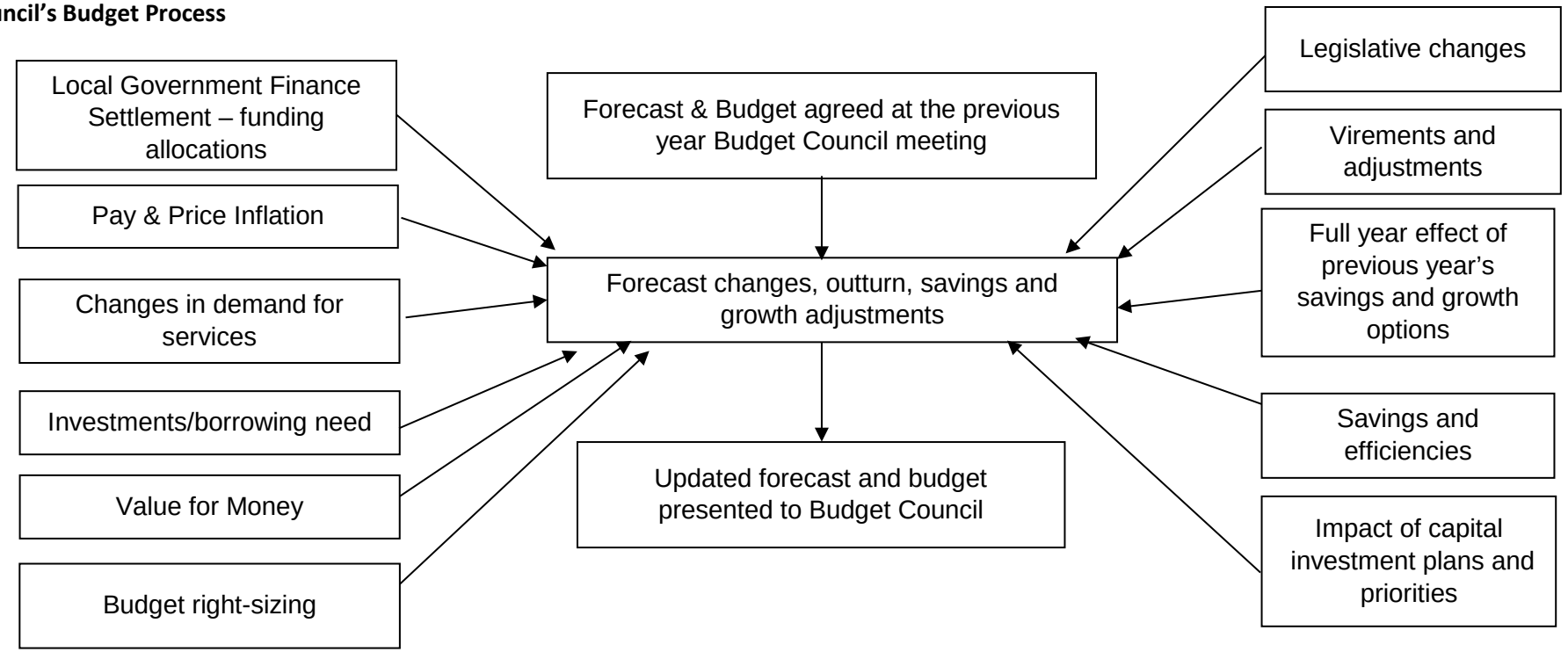
6.11 The Council is primarily a service provider and employee costs are one of its largest areas of expenditure. The Financial Forecast includes a forecast of future annual pay awards of 2% per annum in each year from 2020/21.

6.12 Each year officers review the financial outturn position for the previous year, with particular reference to budget underspend across services, to identify areas where budget adjustments might be possible with the intention of reducing the overall cost-base of the Council. This exercise has also been carried out several times during 2019/20 following in-year budget monitoring reviews, resulting in a series of mostly favourable budget adjustments, the latest of which have been reflected in this revised forecast.

Developing the Budget Forecast

6.13 Fylde Council has a structured approach to financial management and corporate governance, safeguarding public monies and ensuring accountability. The starting point for developing the forecast for the forthcoming year is the forecast agreed by Full Council at the last Budget setting meeting. The forecast is reviewed in the light of the previous year's outturn information. Changes and risks based on the latest available information such as the statutory annual Council Tax Base calculations and the most recent Local Government Finance Settlement are incorporated. Original assumptions are reviewed; new spending pressures are assessed and evaluated with any in-year budget decisions being taken into account. The need for spending and savings is assessed in the light of available resources. The process is summarised in the following diagram:

The Council's Budget Process



Throughout the process, all risks are analysed, assessed and reported as necessary and appropriate.

Section 7: BACKGROUND TO THE FORECAST

7.1 In order to 'scene set', the current financial position of the Council is summarised for Members as follows:

(i) Original Budget 2019/20

At the Council meeting on the 5th March 2019 the budget for 2019/20 and the medium term financial forecast were agreed. The resolution included a 2.48% increase in the average Council Tax amounts and a total net budget requirement of £10.241m for 2019/20. The General Fund balance at that time was forecast at the end of 2022/23 to be £3.584m. In agreeing the Original Budget for 2019/20 a number of key high level financial risks and assumptions were highlighted.

(ii) General Fund Revenue Outturn Position 2018/19

The revenue outturn position for 2018/19 was reported to Members in June 2019. The impact of the outturn position, including slippage items in the total sum of £0.242m, has been reflected in this updated forecast.

The favourable outturn position for revenue for 2018/19 allowed for an additional contribution to be made into the Capital Investment Reserve in the sum of £0.530m.

(iii) Budget Right-sizing Exercise

Throughout each year officers undertake a series of budget right-sizing exercises to identify any in-year budget variances and any future budget adjustments that might be made. The exercise includes an analysis of variances which have occurred over the last 3 financial years in order to identify structural trends in income and expenditure levels. This has become part of the annual budget process. As a result a number of budget adjustments are included within Appendix C of this report under the heading 'Budget Rightsizing'. The efficiencies and savings captured by the right-sizing exercise are a combination of one year only and recurring savings. It is anticipated that in future years the level of efficiencies and savings that are achievable through the right-sizing exercise may be more limited.

(iv) Capital Outturn Position 2018/19

The latest approved expenditure budget in the capital programme for 2018/19 was £17.577m. After adjusting for slippage of £2.479m, the overall outturn position for 2018/19 was an in-year favourable variance of £0.011m against the latest updated estimate.

(v) General Fund Revenue Budget Monitoring 2019/20

Revenue budget monitoring reports for the periods to 31st July 2019 and to 31st November 2019 have been presented to each of the Programme Committees during the September and January cycles of meetings respectively. These reports identified a number of budget areas for further consideration. As a result a number of changes have already been included in this latest forecast. These include revised fee income estimates and updated employee cost assumptions.

Section 8: THE GENERAL FUND REVENUE FORECAST & NEW FORECAST CHANGES

8.1 **Appendix A sets out the original base budget that was agreed at Budget Council in March 2019. In rolling forward the forecast the general assumptions that are included in the base budget are set out in Appendix B, with details of the changes since the last approved budget was set being detailed in Appendix C. Explanations in support of these budget changes are set out in Appendix D. A summary of the impact of these changes, including the proposals of the Budget Working Group, and the updated summary forecast position for the Council, is set out in Appendix E.**

8.2 Business Rates: Membership of a Business Rates Pool for 2020/21 and Future Year Income Estimates

The continuation of a Lancashire-wide Business Rates Pool was confirmed for 2020/21 (though with amended membership arrangements). However none of the '75% Business Rate Retention Pilot' schemes that are in operation for 2019/20 (including the Lancashire scheme) will continue into 2020/21.

Despite this, the latest in-year monitoring and future modelling strongly suggest that continued participation in a Lancashire Business Rate Pool for 2020/21, albeit not the 75% retention scheme, would still be of significant financial benefit to Fylde Council.

During 2020/21 the government will announce the reforms due to be implemented in 2021/22, following the completion of the 'Fair Funding' review. At this stage the forecast for future years assumes a reduced level of business rate income closer to the current baseline level until details of the outcome of this review are known.

The final scheme for future years from 2021/22 onwards may differ markedly from the existing arrangements in two key areas:

- The current arrangements use historic baseline funding levels as a starting point for calculating the level of business rates to be retained locally. As a result of the Government's fair funding review (see para 10.1 d) below) this baseline may be adjusted via a scheme "reset" with the potential for Fylde Council to receive less of its retained business rate income, and

- The government may introduce a less favourable split for district councils between lower and upper tier authorities than is currently the case in the current arrangements in order to provide additional resources to authorities with responsibility for social care services, which it is generally acknowledged places a significant burden on upper-tier and unitary councils.

Any amendments to the levels of forecast business rate income to be retained will be reflected in future updates to the Financial Forecast.

8.3 New Homes Bonus – Revised Income forecasts

The future forecast of New Homes Bonus income has been reviewed in the light of the latest available information on property numbers and updated forecast amounts are contained within the revised summary Financial Forecast at Appendix E to this report.

8.4 Other Significant Forecast Changes

Alongside the adjustments to the financial forecast that have been made in respect of Business Rate income and revised levels of New Homes Bonus there are a number of changes to the financial forecast which are briefly described below.

a) New Homes Bonus Distribution to Town and Parish Councils

The Finance and Democracy meeting of 25th November 2019 approved the continuation of the scheme for the distribution of a portion of the New Homes Bonus Grant income to town and parish Councils. The financial consequence of this decision is contained within the summary Financial Forecast at Appendix E to this report.

b) Other budget adjustments

A further review of budgets and actual income and expenditure levels has been carried out based upon in-year budget monitoring and a number of budget adjustments for both the current and for future years have resulted from this analysis.

A significant budget change is the loss of income from sand-winning and extraction from St Annes beach which has been discontinued pending the resolution of uncertainties arising concerning regulatory requirements. The Council will assess the appetite and scope for resuming the activity once those uncertainties have been resolved.

Section 9: SAVINGS & GROWTH PROPOSALS

9.1 In order to prepare for the funding uncertainties of future years only a limited number of growth proposals have been identified and the Council continues to look for further efficiencies. In identifying the growth items now proposed (detailed in Appendix F) and exploring opportunities for future savings, the following criteria has been considered:-

- The impact on the Council's corporate priorities;
- The impact on front line service provision to residents:
- The sustainability of proposed savings;
- Value for Money and efficiency implications; and,
- The potential for further cost reductions both in back-office and service delivery costs, in particular, to be achieved via a mix of more shared services and partnering arrangements.

9.2 Although there are no proposed budget reductions as part of this MTFS, the impact of any such future proposed budget reductions would be assessed by way of an equality impact assessment. Any reduction in Council expenditure that leads to a reduction in services will inevitably have an impact on the wider community served. However, in carrying out a high level equality impact assessment on savings options it is necessary to look at two specific issues:

- The effect on persons who share a protected characteristic in relation to the wider community; and,
- If and how one group is disproportionately disadvantaged by the cuts in relation to other groups.

9.3 Fylde Council has been successful in securing funding for Kirkham Town Centre as a 'High Street Heritage Action Zone', part of the Government's Future High Street Funding initiative. Funding for the scheme includes a contribution by Fylde Council, this being one of the proposed capital bids for 2020/21 set out in Appendix F. Fylde would like to make a similar aspirational commitment to the regeneration and revitalisation of St Annes town centre. All opportunities for external funding will be explored in pursuit of this initiative and the Council wish to indicate its own willingness to support the endeavour by confirming that financial support to a St Annes town centre regeneration scheme will be a priority commitment on the Councils Funding Volatility Reserve.

9.4 The Council has consulted with a wide range of stakeholders, including the general public, local business groups, Town and Parish Councils, business rate-payers, partners, and other local authorities on the proposed budget for 2020/21. The consultation responses are shown at Appendix K.

9.5 In putting together the budget proposals due consideration is given to the consultation and feedback which is collated on an ongoing basis through the various service providers as well as bespoke research aimed at specific initiatives. This includes customer satisfaction surveys, suggested service delivery improvements obtained through feedback and an analysis of the complaint and service failure data collated by the Council each month.

Section 10: THE LOCAL GOVERNMENT FINANCE SETTLEMENT 2020/21

10.1 **The 2020/21 Local Government Finance Settlement**

The main document detailing the Local Government Finance Settlement is entitled 'Provisional local government finance settlement: England, 2019 to 2020'. Full details of the settlement can be found at the following link: Finance-settlement-2020-to-2021

The key points arising from the Finance Settlement for Fylde Council are:

a) Confirmation of acceptance of the bid by Lancashire authorities to continue to operate a re-constituted Business Rate Pooling arrangement for 2020/21

The continuation of a Lancashire-wide Business Rates Pool was confirmed for 2020/21 (though with amended membership arrangements). However none of the '75% Business Rate Retention Pilot' schemes that are in operation for 2019/20 (including the Lancashire scheme) will continue into 2020/21. Despite this, the latest in-year monitoring and future modelling strongly suggest that continued participation in a Lancashire Business Rate Pool for 2020/21, albeit not the 75% retention scheme, would still be of significant financial benefit to Fylde Council.

During 2020/21 the government will announce the reforms due to be implemented in 2021/22, following the completion of the 'Fair Funding' review. At this stage the forecast assumes a reduced level of business rate income closer to the current baseline level until details of the outcome of this review are known.

b) Confirmation of the 2020/21 General Council Tax Referendum Principles

As part of the 2020/21 Finance Settlement the government announced the general council tax referendum principle (the upper limit on the year-on-year increase that can be applied without the requirement for prior approval through a local referendum) as the higher of a 1.99% increase or an increase of £5.00 (the upper limit was 2.99% for 2018/19 and 2019/20). (An increase of £5.00 for a Band D property in Fylde for 2020/21 would equate to a percentage increase of around 2.5%).

Referendum principles will not be extended to town and parish councils for 2020/21 but could be applied to these councils in future years.

c) Confirmation of a 2020/21 review of the New Homes Bonus scheme

The provisional settlement confirms that a review of the New Homes Bonus scheme will be undertaken during the next financial year and that the 2020/21 grant allocation is for one year only and not an annual allocation for a four year period as was the case for 2018/19 and 2019/20.

Given that New homes Bonus is a major source of funding for the Council this represents a significant risk to the overall level of future central government funding.

The future forecast of New Homes Bonus income has been reviewed in the light of the latest available information on property numbers and an updated forecast amount for 2020/21 is shown within the revised summary Financial Forecast at Appendix E to this report. In respect of all other

years, due to the uncertainty surrounding future funding levels the estimated amounts for 2021/22 onwards are in line with the forecast as approved by Council in March 2019.

d) Confirmation of the 2020/21 'Fair Funding Review'

The government has confirmed that it is looking to undertake the delayed Fair Funding Review during the next financial year with implementation scheduled to be from April 2021.

This review consultation states the aims of the exercise as being designed to:

- propose to simplify the assessment of local authorities' relative needs;
- consider the type of adjustment that will be made to an authority's relative needs assessment to take account of the relative resources available to them to fund local services; and
- propose a set of principles that will be used to design potential transitional arrangements and examines how the baseline for the purposes of transition should be established.

Although no details are known at this stage it is possible that, given the financial pressures on upper-tier and unitary councils with responsibility for services with escalating costs such as adult social care, that the review could result in shire district councils being regarded as requiring a reduced share of national resources. Any implications arising from the Fair Funding Review will be reported within future updates to the financial forecast once they are known.

Section 11: KEY AREAS OF FINANCIAL RISK (REVENUE)

11.1 In considering this forecast Members should note that there are a number of significant risks. In the context of the Council's financial forecast a risk can be defined as a change with an unknown or uncertain impact on the financial position of the Council that can be favourable or adverse. In assessing each risk the following has been taken into account:-

High Level Financial Impact Risk

- Potentially a significant sum, with the potential for impact over a number of years
- Relatively little mitigation available to spread or defer the impact
- The possibility of a significant financial impact on the Council if the risk materialises
- Probable need for change to the forecast if it materialises

Medium Level Financial Impact Risk

- Potentially a large sum, with the potential for impact over a number of years
- Some mitigation may be possible to spread or defer the impact
- The possibility of a sizeable financial impact on the Council if the risk materialises
- Possible need for change to the forecast if it materialises

Low Level Financial Impact Risk

- Potentially a less significant sum
- Some mitigation may be possible to spread or defer the impact
- Impact should be capable of being absorbed without major forecast changes

11.2 **High Level Financial Impact Risks**

(i) Future Central Government Funding

The central government funding figures currently shown within the General Fund Forecast at Appendix E comprise the funding allocations as contained within the indicative Financial Settlement for 2020/21. As detailed in Section 8 above there is a clear risk that the actual levels of central government funding beyond the current year (i.e. for 2021/2022 onwards) may differ from the amounts for those years that are reflected within this update.

The government has confirmed that it is looking to undertake the delayed Fair Funding Review during the next financial year with implementation scheduled to be from April 2021.

The Fair Funding Review consultation states the aims of the exercise as being designed to:

- propose to simplify the assessment of local authorities' relative needs;
- consider the type of adjustment that will be made to an authority's relative needs assessment to take account of the relative resources available to them to fund local services; and
- propose a set of principles that will be used to design potential transitional arrangements and examines how the baseline for the purposes of transition should be established.

Although no details are known at this stage it is possible that, given the financial pressures on upper-tier and unitary councils with responsibility for services with escalating costs such as adult social care, that the review could result in shire district councils being regarded as requiring a reduced share of national resources. Any implications arising from the Fair Funding Review will be reported within future updates to the financial forecast once they are known.

Until the conclusion of the Fair Funding Review, and notification of the Business Rates Retention and New Homes Bonus arrangements that will be in place following that review, there is a high degree of uncertainty as to the future levels of these sources of income for 2021/22 onwards. Consequently, as no further information is known regarding those future arrangements, the projected levels of Retained Business Rates and New Homes Bonus for those years are shown within this Financial Forecast update at similar levels to those shown within the March MTFS report, adjusted for inflationary increases as appropriate.

Any amendments to the levels of central government funding levels within the Financial Forecast will be made as and when any revised allocations are provided and will be reflected in future updates to the Financial Forecast.

(ii) New Homes Bonus

The provisional settlement confirms that a review of the New Homes Bonus scheme will be undertaken during the next financial year and that the 2020/21 grant allocation is for one year only and not an annual allocation for a four year period as was the case for 2018/19 and 2019/20. Given that New homes Bonus is a major source of funding for the Council this represents a significant risk to the overall level of future central government funding.

(iii) Retained Business Rates

The decision to continue membership of the Lancashire Business Rates Pool for 2020/21 will provide for additional retained Business Rate income for 2020/21 as compared to the financial forecast approved by Council in March 2019. Previously the Financial Forecast assumed that Fylde Council will participate in a Lancashire-wide pooling arrangement up to and including 2019/20 only. This has now been amended to assume continued participation in the arrangement for 2020/21.

Any amendments to the levels of forecast Business Rate income to be retained will be reflected in future updates to the Financial Forecast.

11.3 **Medium Level Financial Impact Risks**

i) Retained Business Rates - Pooling

One of the impacts of the continued membership of a Business Rate pool as detailed in Section 8.2 of this report is the loss of the protection of a 'Safety Net' payment in the event of a significant reduction in Business Rate income below a defined level.

As part of the decision to join a Business Rate pool it was also determined that this risk would be mitigated by the setting-aside (within the Funding Volatility Reserve) of the initial gains from membership of the pool in terms of business rate income retained over and above the baseline level. This has effectively created a 'local safety net' to provide replacement funding in the event that actual income received fails to meet the baseline level.

Due to the importance of retained Business Rates income to Fylde Council and the uncertainty surrounding future pooling arrangements this remains a financial risk.

ii) Borrowing Cost Assumptions

In light of the current level of reserves and balances held by the Council, the forecast currently assumes that additional external borrowing will not be required during the life of the Financial Forecast and that internal cash balances will be utilised to fund capital expenditure. This means that the base forecast contains no provision for external borrowing beyond that currently held.

There is a risk therefore that if circumstances change over the forecast period and it is necessary to take out further external borrowing to fund capital resources, there is no budget cover for the borrowing costs. Whilst it is not currently envisaged that such circumstances will occur during the life of the forecast, the position will be monitored carefully on an ongoing basis.

(ii) Pay Award

The updated forecast assumes staff pay awards of 2% per annum throughout the life of the forecast. It is possible that pay awards may be agreed in excess of 2%, which will incur additional costs beyond those currently budgeted for. Each additional 1% increase in pay equates to an estimated £100k additional cost on the pay bill per annum.

(iv) Reduction in Housing Benefit Administration Grant

The Council receives an annual grant to support the cost of the administration of Housing Benefit and Council Tax. The grant that the Council receives for these purposes has reduced in recent years, particularly in respect of the Housing Benefit element, as the government moves away from a system of Housing Benefit payments and towards a Universal Credit Scheme. This financial forecast reflects the latest estimates of reduced grant levels for 2020/21 and for subsequent years. As updated grant notifications are received in respect of future years it may be necessary to update the forecast accordingly.

(v) Universal Credit

The Government has commenced the consolidation of a number of welfare benefit allowances into a revised Universal Credit Scheme. One of these is Housing Benefit which is currently administered by the Council through the shared service with Blackpool Council. The intention is that the new Universal Credit Scheme will be provided on-line and will be administered by Department of Work and Pensions. The roll-out of the new arrangements are gradual and began in Fylde in respect of a small number of the less-complex cases in November 2014. The timing and financial implications of future developments of the scheme remain uncertain.

(vi) Grounds Maintenance – External Contracts

Throughout the future life of the forecast a number of grounds maintenance contracts with external parties will come to an end or will be due for renewal/re-tender. At the same time other opportunities will arise for additional contract work and these will be actively pursued as appropriate. Income from contracts supports the work of the Parks and Leisure Service teams by way of a contribution to management costs and corporate overheads. Officers will endeavour to seek extensions to contracts as they become due for renewal/expiry and will continue to seek suitable alternative new work. Should this not be possible there may be an adverse impact on the forecast.

11.4 **Low Level Financial Impact Risks**

i) The Living Wage

In March 2015 the Council agreed a policy to adopt the Living Wage Foundation pay rates for all employees, excluding apprentices, with effect from 2015/16, such that the Council became a 'Living Wage Employer' from that point forward. Additionally, in the autumn of 2015, the government announced the introduction of a statutory National Living Wage to apply from April 2016 for all employees over the age of 25.

The revenue estimates include annual amounts for the estimated impact of the annual increases in the hourly rates for the Foundation Living Wage and the National Living Wage. In the event that actual future year increases are higher than the estimated levels such that the increases cannot be contained within the approved budgets future adjustments to the Financial Forecast may be necessary.

ii) Community Infrastructure Levy (CIL)

The Community Infrastructure Levy (CIL) which came into operation nationally in April 2011 was intended to assume the role of the traditional Section 106 Agreement. A review of the operation of the CIL Regulations considered that the CIL process was too complex and uncertain and was acting as a barrier to the delivery of housing. Accordingly, on 1 September 2019, the Regulations that govern the introduction of CIL and its operation alongside Section 106 agreements were revised. Under the new arrangements, Section 106 Agreements will continue to have a role to play in securing essential infrastructure.

Fylde Council has commenced work on the introduction of a CIL, but this was placed on hold pending the adoption of the local plan and the publication of the updated Regulations. Now the revised Regulations have been published, work on a CIL for Fylde can recommence. However, this will have to await the partial revision of the local plan as a CIL will need to have regard to any revisions to, and a revised viability assessment of, the local plan. Until a CIL is adopted, Fylde will continue to utilise Sn 106 agreements in order to secure essential infrastructure. Until the review of the Fylde Local Plan is completed, the financial implications are unknown.

Section 12: CAPITAL STRATEGY AND ASSET MANAGEMENT PLAN

12.1 The Council owns a number of operational properties and assets and has developed a Capital Strategy and an Asset Management Plan to formalise the management process in respect of physical assets. Operational properties include office accommodation, depots, yards and venues such as the Town Hall and other offices, the crematorium, open space facilities, and various car parks. The Council has a five-year rolling programme of maintenance for its assets which is factored into the Medium Term Financial Strategy.

12.2 A small investment property portfolio is managed to generate income to support the revenue budget and maximise any opportunities for regeneration. This position is reviewed regularly by the Asset Management Group in order that income can be maximised and timely decisions made on the disposal of under-performing or surplus assets.

12.3 The Asset Management Plan includes a stock condition survey to establish the rolling programme of repair and maintenance, which takes account of the need for efficiency and environmental impact.

12.4 Asset holdings are reviewed as part of the annual planning cycle. This could lead to the disposal of some assets to maintain the remaining estate to the desired standard.

12.5 A key factor in recent years has been the Council's Accommodation Project. The internal refurbishment is now complete whilst the re-modelling of the town hall car park and surrounding areas was successfully completed in early 2019. The project has spanned a number of years and now provides a modern fit-for-purpose office accommodation along with a new Council chamber.

12.6 A review and revaluation of all heritage assets including furniture and art-work was carried out during 2017. The next review and revaluation will take place in 2022, as required by the Council's adopted accounting policy, in order to ensure that valuations remain current.

Section 13: THE CAPITAL PROGRAMME

13.1 Capital Expenditure is defined as expenditure on the acquisition of a fixed asset and/or expenditure which adds value to (not merely maintains) the value of an existing fixed asset. Examples of fixed assets are; land, building, plant and vehicles. Capital expenditure also includes the making of an advance, grant or other financial assistance towards expenditure which would, if incurred by the Council, be classed as capital expenditure.

13.2 The Capital Programme is updated continually for agreed changes and reported in periodic monitoring reports to each Programme Committee.

13.3 With effect from the financial year 2019/20 the revised CIPFA Prudential Code 2018 required the Council to produce a Capital Strategy. This new reporting format brings together capital, treasury and investment strategies within a single framework. The latest updated Capital Programme is therefore contained within the Capital Strategy shown at Appendix G which has been updated to reflect the latest position. A prudent approach is taken in preparing the programme to ensure that financing resources are only recognised when there is relative certainty that they will be received. Cost efficiencies achieved in respect of vehicle fleet modernisation, waste collection service development and lease rationalisation have been incorporated.

13.4 Capital schemes are directly linked with the Council's priorities and delivered through a series of key programmes through detailed Service Delivery Plans. Major items of enhancement or renewal are identified through the Council's Asset Management Plan.

13.5 **Financing the Capital Programme**

The Council finances the Capital Programme from a variety of sources. These include:-

(i) Specific Capital Grant Allocations;
(ii) Disabled Facilities Grant / Better Care Fund (from central government);
(iii) Capital Receipts;
(iv) External Funding (such as Heritage Lottery / Environment Agency Funding);
(v) Prudential Borrowing / Leasing;
(vi) Revenue Funding; and
(vii) Earmarked reserves such as the Capital Investment Reserve and Accommodation Project Reserve.

13.6 The Revenue Budget includes provision for total borrowing repayments based on the current level of borrowing only, as shown in the updated Capital Programme.

13.7 In updating the Capital Programme a number of schemes have been re-phased into later years to reflect the latest estimated delivery timescales.

13.8 Given the significant financial resources directed towards delivery of the Capital Programme, and the consequential revenue implications of some of the financing options, it is necessary for the Council to carefully consider the most appropriate mechanism for ensuring that the programme is delivered in the most cost effective manner. The below table shows the summarised Capital Programme by Committee showing a balanced position. The detailed schemes are shown in Appendix G within the Capital Strategy.

SUMMARY CAPITAL PROGRAMME

	Estimate 2019/20 £000	**Estimate 2020/21 £000**	**Estimate 2021/22 £000**	**Estimate 2022/23 £000**	**Estimate 2023/24 £000**
Committee:					
Finance & Democracy Committee	38	0	0	0	0
Tourism & Leisure Committee	563	3,007	165	40	40
Operational Management Committee	10,993	1,277	197	366	1,001
Environment, Health & Housing Committee	1,788	1,354	1,160	1,130	1,130
Planning Committee	892	2,499	800	695	695
Total Capital Payments	**14,274**	**8,137**	**2,322**	**2,231**	**2,866**
Financing:					
Availability of Resources	**14,274**	**8,137**	**2,322**	**2,231**	**2,866**
Total surplus (-) / shortfall in year	0	0	0	0	0
Cumulative surplus (-) / shortfall	0	0	0	0	0

Section 14: KEY AREAS OF FINANCIAL RISK (CAPITAL)

14.1 Members should be aware that the following financial risk areas remain relevant on the Capital Programme:

14.2 **Medium Level Financial Impact Risks**

(i) Coast Protection Scheme

The Fairhaven and Church Scar Coast Protection Scheme budget is £22.1m, being funded by Flood Defence Grant-in-Aid (which is an Environment Agency eligible cost reimbursable grant) of up to £21.4m; alongside a contribution from Fylde Council of £670k.

Work started on site in December 2017 and has progressed well. The revised Contract Completion Date is December 2020, but it is anticipated that contract Completion will be closer to summer 2020.

In addition to the core sea defence works the re-modelled car park entrance public realm enhancement at Stanner Bank has been added to the contract. Whilst the scheme is nearing completion on site, there remains the possibility of additional contract costs beyond those in the approved budget until such time that the scheme is finally completed. As such the scheme remains as a medium level risk.

(ii) Fairhaven Lake and Gardens Heritage Lottery Scheme

The Council meeting of 16th July 2018 approved the underwriting of external grant funding bids in respect of the Fairhaven Lake and Gardens Heritage Lottery Scheme in the maximum sum of £343k in the event that not all of the funding bids would be successful, this to be met from the Capital Investment Reserve. The underwriting by the Council allowed the Heritage Lottery Fund bid to progress, that bid subsequently being successful. In addition the Council has approved funding for the scheme in the sum of £400k to be met from the Funding Volatility Reserve.

The outcome of the external bids is now known and the value of successful funding bids is £130k. Consequently the value of unsuccessful funding bids that the Council will be required to meet is £213k.

Additionally delays in the procurement process has caused the commencement of the works to be delayed as the initial bids for the works that were received exceeded the available funding to a significant degree. Work is now expected to commence on site in 2020 following a re-tendering exercise. These delays have caused an additional cost to the scheme in the sum of £38k which the Council is required to meet.

Therefore the extent of the funding requirement to be met from the Capital Investment Reserve is £251k, as shown within the summary of the reserve at Appendix H.

Until the scheme is fully-delivered there remains the possibility of additional contract costs beyond those in the approved budget. As such the scheme is considered a medium level risk.

(iii) Vehicle Replacement

The estimated vehicle replacement profile, to replace existing fleet at the end of its useful economic life from 2019/20 to 2023/24 within the Capital Programme totals £2.577m.

It is important to note that purchase prices will fluctuate with new models and technological/legislative changes and it is therefore necessary to reality check the costs associated with new vehicles on an annual basis and make any necessary adjustments to the capital programme to ensure that ongoing fleet replacement is accurately budgeted for in future years.

Due to the significant value of the vehicle replacement programme and the potential for changes in vehicle specifications and emissions regulations this scheme has been highlighted as a potential future risk.

14.3 **Low Level Financial Impact Risks**

(i) Project Slippage

Any areas of slippage in the Capital Programme must be addressed in future years to ensure that there is no loss of external grant arising due to conditions associated with specific grant awards within specified timescales.

(ii) Other Capital Receipts

The approved programme for 2019/20 onwards assumes 'Right to Buy' receipts of £25k per annum and 'General Asset Sales' of £45k per annum. Future receipts are dependent on prevailing market conditions and values cannot be predicted with certainty. This will be monitored and reviewed during the year and adjusted accordingly in future monitoring reports, along with the impact this may have on the financing of the programme.

(iii) Better Care Fund (Formerly Disabled Facilities Grants)

As the local housing authority, the Council has a statutory duty to provide disabled adaptations within the Borough. In order to fund these works the Council receives grant support which previously was provided by the Department for Communities and Local Government (DCLG). From 2015/16 the Government established the 'Better Care Fund', and under these new arrangements the funding for Disabled Facilities Grants transferred to the Department of Health, with funding being distributed to all Councils via the upper-tier authority for that area. As such, in Lancashire the fund is administered by Lancashire County Council. Each upper-tier authority then allocates the funding to their respective housing authorities (i.e. district councils within their area) to enable them to continue to meet this statutory responsibility.

The level of government funding has increased significantly under the 'Better Care Fund' arrangements and the updated budget for 2019/20 (including slippage from 2018/19) of £1.143m provides for the delivery of more disabled adaptations than has been possible in earlier years.

Section 15: RESERVES AND BALANCES PROVISION

15.1 The Council carries a number of reserves, balances and other provisions which are held for three main purposes:

- To maintain a working balance to help cushion the impact of uneven cash flows and avoid unnecessary temporary borrowing. This forms part of what is commonly referred to as 'general fund balances';
- A contingency to cushion the impact of unexpected events or emergencies; and
- A means of building up funds to meet known or predicted liabilities - commonly referred to as 'earmarked reserves'.

15.2 The Council's General Fund Reserve Balance at 31st March 2019 was £3.927m.

15.3 Within the existing statutory and regulatory framework, it is the responsibility of the Chief Financial Officer to advise local authorities about the level of reserves that they should hold and to ensure clear protocols for their establishment and use. Accordingly an updated Useable Reserves and Balances Policy is appended at Appendix H and approval of this updated policy is sought as part of this report. In line with the policy the current level of useable reserves and balances has been reviewed.

15.4 The Financial Forecast summary at Appendix E includes the proposed transfers to the Capital Investment Reserve in 2019/20 and 2020/21 equivalent to the amount of the revenue surplus for those years (after allowing for all approved transfers to other reserves). The latest estimated surpluses for 2019/20 and 2020/21 are £0.832m and £1.288m respectively.

15.5 To maintain a future stable financial environment for the Council and in light of the current economic climate and risks, a minimum level of General Fund reserves of £0.75m remains the recommendation of the Chief Financial Officer.

Section 16: THE COLLECTION FUND

16.1 As a Council Tax and National Non-Domestic Rates (NNDR) Billing Authority, the Council is required by legislation to maintain a separate fund for the collection and distribution of amounts due in respect of Council Tax and NNDR, and to calculate the surplus or deficit for each financial year on the Collection Fund. Prior to 2013/14 the requirement was to maintain this for Council Tax only, however, as part of the Local Government Finance Act 2012 the Government implemented a Business Rates Retention Scheme from April 2013, whereby the collection and distribution of NNDR is also collected and distributed via the Collection Fund (the distribution of NNDR had previously been managed nationally).

16.2 For Council Tax only, there was a surplus on the fund as at 31st March 2019 of £234k. This, together with the estimated surplus for 2019/20, will be shared between Fylde Council, Lancashire County Council, the Police and Crime Commissioner for Lancashire and Lancashire Combined Fire Authority in 2020/21. The Fylde Council share of this surplus in the sum of £109k is shown within Appendix E of this report.

16.3 For Non-Domestic Rates only, there was a deficit on the fund as at 31st March 2019 of £429k. The deficit will be shared between Central Government, Fylde Council, Lancashire County Council and Lancashire Combined Fire Authority in 2019/20 & 2020/21. An estimate of the current years Non-Domestic Rates Collection Fund position has been undertaken and has been included within the Business Rates Funding section of Appendix E of this report.

Section 17: TREASURY MANAGEMENT AND THE CAPITAL STRATEGY

17.1 Treasury Management is defined as the management of cash flow, banking monies, money market and capital market transactions and the control of the risks associated with these activities. Prudential Indicators provide the framework within which these transactions should be monitored.

17.2 From 2019/20 there was a significant change to the format and content of the reporting of treasury management and capital investment activities. The revised CIPFA Prudential Code 2018 required the Council to produce a 'Capital Strategy' in place of the former Treasury Management Strategy. The format of the Capital Strategy incorporates the current Capital Programme (along with any the new proposed capital expenditure for the period 2020/21 to 2023/24).

These elements are now brought together thus linking investment decisions in terms of financial assets (e.g. loans and deposits) together with those relating to physical assets (e.g. land and buildings purchased to achieve and investment yield), with a particular emphasis on how all capital and investments are financed. Furthermore the Capital Strategy sets out how the investment of capital resources contributes to the delivery of the Council's key objectives and priorities, and to describe the long-term context in which capital expenditure and investment decisions are made. The new reporting format aims to ensure that due consideration is given to both the risk and reward of all investment decisions and the impact of such decisions on the delivery of the Corporate Plan.

17.3 The objective of the Prudential Code for Capital Finance in Local Authorities (the Code) is to provide a framework to ensure that the Council's Capital and Revenue Budget Plans are affordable, prudent and sustainable.

17.4 The Chartered Institute of Public Finance and Accountancy (CIPFA) Code of Practice on Treasury Management requires the Council to review and approve a Treasury Management Strategy. The Strategy covers the operation of the treasury function, its expected activities for the forthcoming year and also includes a number of Prudential Indicators. This is contained within the **Capital Strategy at Appendix G.**

17.5 The Prudential Code requires the Council to approve, revise and monitor a number of mandatory Prudential Indicators covering the forthcoming three years. **These are included within the Capital Strategy at Appendix G.**

Section 18: TREASURY MANAGEMENT RISKS

18.1 There are a number of potential areas of significant risk associated with Treasury Management activities.

The main risks to the Medium Term Financial Strategy as a result of Treasury Management activity are:

(i) Unexpected movement in cash flow;
(ii) Difference between actual interest rates and rates used in the forecast; and
(iii) The security of monies invested with counterparties.

Section 19: SUMMARY AND CONCLUSIONS

The General Fund Revenue Forecast

19.1 The 2020/21 Local Government Financial Settlement has not fundamentally changed the general financial standing of Fylde Council. There remains (as reported in the December 2019 Financial Forecast update) a projected surplus for 2019/20 and 2020/21 followed by a period of uncertainty as the national framework for the financing of local government will be subject to review.

19.2 The confirmation of the continuation into 2020/21 of the Lancashire Business Rate Pool (albeit without the benefit enjoyed in 2019/20 of the 75% retention pilot scheme) is welcomed. However the changes to the New Homes Bonus allocations for 2020/21 (those being a one-year only allocation with no legacy payments to follow) are of concern. Developments with regard to future proposals (the implementation of a 'Fair Funding Review', encompassing a possible re-assessment of relative need within local government generally) will be followed closely and any implications reported within future Financial Forecast updates when known.

19.3 In order to maintain the current financial position the Council needs to continue with the approach to delivering savings and efficiencies and maximising income which have helped deliver balanced budgets and contribute to reserves over recent years. Through continued focus on the importance of financial stability the Council has delivered a savings programme in recent years and has continued to reduce senior management costs and other overheads. Ongoing modernisation work and business improvement will continue to make Council services more efficient, save money and maintain frontline services to customers. This work has yielded ongoing savings to help improve the Council's overall financial position over that period.

19.4 Although it is clear that further uncertainty lies ahead, the finances of the Council remain robust and the reserves and balances are at healthy levels as compared to earlier periods. Furthermore Fylde Council has a past record of taking actions in order to meet and overcome financial challenges as they arise. The Council will continue to seek opportunities to maintain a robust financial position in the face of a changing financial environment. This approach will ensure that the Council continues to achieve and sustain a balanced budget position on an ongoing basis and is able to deliver the priorities set out in the Corporate Plan.

19.5 The assumptions set out in this forecast are the latest best estimates and will be updated as and when further information becomes available.

The Capital Programme

19.6 The current Capital Programme as updated is showing a balanced position.

19.7 There are a number of priority areas beginning to emerge across the Council's property asset portfolio that may require further investment in the medium term.

19.8 Any additional expenditure which is not fully-funded by either external finance, revenue contributions, or from existing earmarked reserves would require the generation of capital receipts or further borrowing. The latter would place additional pressure on the Revenue Budget from the consequent financing costs.

19.9 Due to the ongoing risks faced by the Council, the Capital Programme will continue to be closely monitored and reviewed on a regular basis throughout each year.

Overall Conclusions

19.10 **The forecast financial position of the Council has improved since the budget was set in March 2019, particularly in respect of 2020/21, and the finances of the Council remain robust.** Whilst challenges remain, and will no doubt continue to be present given the uncertainty over central government funding for future years, prudent financial management has provided a relatively stable financial environment which allows the necessary time to determine how this Council can best respond to the challenges it faces.

19.11 The Council has set out its response to the financial challenges within its Efficiency Plan, published in 2016. The actions that are contained within the Efficiency Plan will remain at the forefront of future service planning. The key elements of the Efficiency Plan are:

1. To redouble the challenges to existing expenditure budgets through the regular budget right-sizing exercises which have produced significant levels of savings in recent years in order to seek to further reduce total expenditure;
2. To seek to maximise existing income streams and explore new sources of income generation and to review existing services for opportunities to generate new forms of income or increased levels of income;
3. To ensure that the Councils staffing structure is appropriate to the needs of the services that are delivered and to take advantage of opportunities to review establishment structures;
4. To transfer a significant sum from General Fund balances to the Funding Volatility Reserve to set-aside resources that can be used to support the revenue budget in future years, as and when that becomes necessary.

19.12 At a strategic level, activity and resources are focussed on the delivery of the key objectives of the Council as set out within the Councils approved Corporate Plan. Given the level of reserves that has been generated in recent years the budget deficits in the final years of the forecast appear to be at manageable levels. However in an uncertain financial environment the position can change in unexpected ways. It is important that the Council continues to operate in a sound and prudent manner in order to maintain a stable financial position and to explore further means by which the financial position can be further strengthened, whilst continuing to provide high quality services to residents and to deliver the priorities set out in the Corporate Plan.

19.13 Under section 151 of the Local Government Act 2003, the Council's Chief Financial Officer is required to comment on the robustness of the Council's financial position.

Having considered the major items of expenditure and income and their sensitivity to change, together with the savings and growth proposals and their impact on the Council's future forecasts and level of reserves, it is the Chief Financial Officer's opinion:

- **that the estimates have been prepared and reviewed utilising the most up to date and accurate information available;**
- **that the recommendations contained in this report provide the Council with a robust financial position at least for a number of years on the basis of the assumptions set out in this report, and is of the view that:**

- **the Council has the processes and procedures in place to continue to develop further savings and income generation proposals as necessary to ensure that the minimum revenue balances are maintained over the medium term in light of the financial uncertainty regarding the future impact of the reforms to Local Government Finance in future years; and,**
- **the Council has the processes and procedures in place to monitor the strategy and its risks in order to take effective remedial action should the need arise.**

In forming this view on the Council's financial position the Chief Financial Officer would remind Members of the risks outlined in sections 11 and 14 of the report and, in particular, the current uncertainties surrounding the assumptions upon which the forecast is based. These will be closely monitored and advice provided to Members accordingly over the coming months.

Appendix A

General Fund Budget Forecast 2018/19 to 2022/23 - Approved at Budget Council March 2019

	2018/19 £000	2019/20 £000	2020/21 £000	2021/22 £000	2022/23 £000	Adverse / Favourable
Forecast approved at Council on 5th March 2018	9,675	10,149	10,420	10,547	10,547	
Forecast Changes - per Appendix C of March 2019 MTFS report	- 193	26	- 320	- 180	45	Favourable
Budget Proposals - per Appendix F of March 2019 MTFS report		66	66	66	66	Adverse
Forecast Budget Requirement	**9,482**	**10,241**	**10,166**	**10,433**	**10,658**	
Financed by:						
Council Tax Funding:						
Council Tax - Precept	5,998	6,212	6,472	6,742	7,023	
Council Tax - Share of Previous Years Surplus/(Deficit)	- 35					
Sub Total - Council Tax Income	*5,963*	*6,212*	*6,472*	*6,742*	*7,023*	
Business Rates Funding:						
Retained Rates (including pooling benefit 2018/19 & pilot impact 2019/20)	3,591	3,641	2,200	2,200	2,200	
Sub Total - Business Rates Income	*3,591*	*3,641*	*2,200*	*2,200*	*2,200*	
Other Funding:						
New Homes Bonus	1,349	1,412	1,508	1,431	1,380	
Less - NHB distribution to Town & Parish Councils	- 65	- 69				
Revenue Support Grant	47					
Less - Parish Element of Council Tax Support Funding	- 4					
Sub Total - Other Income	*1,327*	*1,343*	*1,508*	*1,431*	*1,380*	
Forecast Financing	**10,881**	**11,196**	**10,180**	**10,373**	**10,603**	
Forecast surplus(-) / deficit for year:	- 1,399	- 955	- 14	60	55	
Forecast surplus / deficit (-) for year from above:	1,399	955	14	- 60	- 55	
Less: Proposed Transfer to Capital Investment Reserve	- 1,399	- 955				
Balance of surplus/deficit(-) remaining:	0	0	14	- 60	- 55	
Balance of General Fund Reserves b/f	3,685	3,685	3,685	3,699	3,639	
Less transfer to/from(-) General Fund Reserves in year			14	- 60	- 55	
Forecast Reserves at Year End	**3,685**	**3,685**	**3,699**	**3,639**	**3,584**	
Band D Council Tax (Excl Parish Precepts)	**£201.61**	**£206.60**	**£212.77**	**£219.13**	**£225.68**	
Band D Average Council Tax Increase	**£5.85**	**£4.99**	**£6.17**	**£6.36**	**£6.55**	
Band D Average Council Tax Increase	**2.99%**	**2.48%**	**2.99%**	**2.99%**	**2.99%**	

Appendix B

General Base Budget Assumptions

The forecast has been prepared on the basis of the following assumptions:

- General Prices Inflation – a freeze or cash-limiting of all general revenue expenditure budgets with the exception of pay budgets;
- Slippage - underspend items from 2018/19 agreed by the Finance and Democracy Committee in June 2019 have been included in 2019/20 budgets;
- Pay award - assumed to be 2% per annum for 2019/20 onwards;
- Employers Pension Contributions – the Council's contribution to the Lancashire pension fund scheme is set in accordance with the estimated outcome of the 2019 Triennial Pension Review at 17.9%, plus deficit recovery lump sum payments for the period to 2022/23; any amendments resulting from the final review will be reflected in later updates to the Financial Forecast;
- Employer's National Insurance contributions – the forecast reflects the statutory contribution rates currently in place, including a reduced contribution rate as a result of the Council being part of the pension scheme;
- Council tax increases – assumed to be at 1.99% per annum from 2020/21;
- Government Grant Support – the forecast for 2020/21 assumes central government funding is as notified in the provisional 2020/21 funding settlement announced in December 2019;
- Fees and Charges – The forecast takes account of the revised fee levels as approved by Budget Council in March 2019. For future years budget-holders have reviewed fee levels as appropriate and any proposed changes to fees & charges will be considered at the Budget Council in March 2020 following consideration by the appropriate programme committee;
- Vacancy Savings – the forecast assumes vacancy savings of £300k per annum from 2019/20 onwards;
- Localisation of Council Tax Benefit Scheme – the forecast assumes a fully funded scheme with no cost to the Council from 2019/20 onwards.

Appendix C

Financial forecast changes since Budget Council March 2019	2019/20	2020/21	2021/22	2022/23	2023/24	
	£000	£000	£000	£000	£000	ADVERSE / FAVOURABLE / NEUTRAL
1 CHANGES AS A RESULT OF MEMBER APPROVALS:						
Council - 25/03/19 - BBQ PSPO's	38	38	38	38	38	**ADVERSE**
F&D Committee - 24/06/19 - Slippage from 2018/19	242	0	0	0	0	**ADVERSE**
Council - 14/10/2019 - Increase in Members Allowances	0	16	16	16	16	**ADVERSE**
Finance & Democracy Ctte - 17/12/2019 - Fairhaven and Church Scar Public	50	-50	0	0	0	**NEUTRAL**
2 BUDGET RIGHTSIZING EXERCISE:						
Revenue impact of budget right-sizing across all budget areas of the Council	-39	-88	-141	-155	-92	**FAVOURABLE**
3 UPDATED ESTIMATES OF INCOME BUDGETS:						
Reduction in budgeted income from sandwinning	176	375	350	350	350	**ADVERSE**
Reduction in planning application revenue fee income	75	125	125	125	125	**ADVERSE**
Revised investment interest income	-91	-25	-17	-13	-11	**FAVOURABLE**
Reduction in Game Site Fee Income at Fairhaven - Coast protection Works	11	0	0	0	0	**ADVERSE**
Additional Income - Garden Waste subscription service	-9	-10	-10	-10	-10	**FAVOURABLE**
Additional Income - Waste Services	-50	-25	-25	-25	-25	**FAVOURABLE**
Additional Income - Assets & Leases	-51	-53	-54	-54	-54	**FAVOURABLE**
Additional Income - Car Parking	-50	-50	-50	-50	-50	**FAVOURABLE**
Additional Income - Parks External Contracts	0	-23	-23	-23	-23	**FAVOURABLE**
4 STAFFING COSTS:						
Estimated 2% pay award for 2023/24	0	0	0	0	212	**ADVERSE**
Employee costs: in-year additional savings and review of future years salary costs	-50	0	0	0	0	**FAVOURABLE**
Employee cost savings: impact of latest triennial review of pension costs	0	-99	-95	-100	0	**FAVOURABLE**
5 OTHER FORECAST CHANGES						
Elections costs - Borough Council Election costs 2023/24	0	0	0	0	114	**ADVERSE**
Members Technology Allowance 2023/24	0	0	0	0	14	**ADVERSE**
Business Rates - FBC Sites	8	8	8	8	8	**ADVERSE**
Increase in insurance premiums	20	20	20	20	20	**ADVERSE**
Reduction in Housing Benefit Admin grant/review of rent allowances costs	60	4	8	12	31	**ADVERSE**
Additional Legal Fees budget requirement	40	0	0	0	0	**ADVERSE**
Removal of contribution from Lancashire County Council for Lytham Institute	0	20	20	20	20	**ADVERSE**
Additional Costs for Public Offices - delay in disposal	27	29	0	0	0	**ADVERSE**
Lowther - saving on subsidy budget following settlement of legal dispute	-100	0	0	0	0	**FAVOURABLE**
Slippage of St Annes Neighbourhood Plan Referendum budget	-26	26	0	0	0	**NEUTRAL**
Fleet Cost Savings	-50	0	0	0	0	**FAVOURABLE**
TOTAL	**231**	**238**	**170**	**159**	**683**	

Explanations of Forecast Changes set out in Appendix C **Appendix D**

The following notes relate to specific adjustments made to the Forecast set out in Appendix C

(1) Changes as a Result of Member Approvals

The forecast that was approved at the Council meeting in March 2019 has been updated to reflect the financial impact of Member decisions made since then.

(2) Impact of budget right-sizing exercise across all budget areas of the Council

Each year officers carry out a budget right-sizing exercise focussing on a review of underspends across all budget areas. This exercise has yielded a significant level of favourable adjustments which have been reflected in the revised forecast.

(3) Updated income forecasts

The forecast has been updated to reflect revised income estimates arising from a number of budget areas as detailed in Appendix C following a review of income budgets in consultation with budget-holders.

The main change is the loss of income from sand-winning which is detailed within the body of the report.

Planning fee income levels are expected to reduce following a decline in the number of planning applications being received.

These income reductions are partially offset by the achievement of additional income levels for property rentals and concessions, waste services, external grounds maintenance contracts and car parking.

(4) Employee Costs

The assumed 2% per annum pay award has been reflected in the final year of the forecast, 2023/24, in line with other years.

The budget forecast which was approved by Council in March 2019 assumes Employee Cost Savings (including vacancy savings arising from delays in the recruitment to vacant posts) of £300,000 per annum from 2019/20 onwards. The actual level of savings achieved in relation to direct employee costs for the current year show a level of savings in excess of this, which has been reflected in the updated Financial Forecast.

Additionally, the latest triennial review of pension costs has provided a reduced employers pension contribution requirement from the Council for the years 2020/21 to 2022/23, which has also been reflected within the updated Financial Forecast.

(5) Other Forecast Changes:

Election Costs / Members Technology Allowance

The costs of holding the planned borough-wide Council elections in May 2023, along with the accompanying payment of technology allowances to Members, have been brought into the final year of the forecast.

Business Rates

The Valuation Office Agency issued a revised rating list in 2017 that amended the rates payable for most properties, including a number of properties that are owned by the Council. This adjustment is necessary to ensure that there is sufficient budget resource for the revised level of rates payable across the Councils property holdings.

Insurance Premium Increase

A key determinant of the cost of the Council's numerous insurance policies is the annual payroll cost, which increases each year due to the annual pay award. This factor, together with a general increase in the cost of insurance across the industry, has led to a need to review and increase the insurance budget to ensure that the Council can continue to secure adequate levels of insurance cover.

Housing Benefit Administration Grant reduction and re-assessment of rent allowance costs

The level of grant that the Council receives from Central Government to administer the Housing Benefit system has been reducing year-on-year on the assumption that the phased introduction of Universal Credit will reduce caseload and consequently a lower level of reimbursement is required. Although only limited actual reduction in workload has yet been experienced within the Benefits Shared Service the level of government grant received for this purpose remains on a downward trajectory. In addition, a re-assessment of the costs of rent allowances for 2019/20 has resulted in an increase in the projected costs for the year.

Additional Legal Fees

Additional legal costs have been incurred in meeting counsel's fees to defend the council's position in a claim for reimbursement of a significant amount of business rates monies previously paid to Fylde Council. A further element relates to counsel's fees in the 'Neighbourhood Plan Challenge case', which the Council has won at all stages so far, but which may yet be taken to the Supreme Court. It has been necessary to increase the budget for legal fees to address this additional financial requirement.

Removal of Lancashire County Council (LCC) contribution – Lytham Institute

Under the user rights agreement with Lancashire County Council (LCC) for the use of part of the building as a public library, LCC are required to reimburse Fylde Council for a proportion of the costs for the running of the building. As LCC have now vacated the building the budget has been updated to reflect the expected termination of the agreement which will result in LCC no longer being required to meet a proportion of the running costs of the building.

Former Public Offices building – Additional Costs

It was previously anticipated that the disposal of the former public offices building would have been concluded during the 2019/20 financial year. Disposal is not now anticipated until 2020/21 and it has been necessary, therefore, to include a full-year budget for 2019/20 and a part-year budget provision in 2020/21 to provide for these costs.

Lowther Trust – Reduction in Subsidy Costs for 2019/20

Following the conclusion of the legal dispute in respect of the Lowther Trust it is possible to reduce the estimate of the level of required subsidy that the Council will provide to the Lowther Trust for 2019/20.

St Annes Neighbourhood Plan

The Council is currently waiting to see if permission to appeal to the Supreme Court is granted against an earlier Court of Appeal decision which challenged the St Annes Neighbourhood Plan. However, it is now extremely unlikely that a consequential Neighbourhood Planning referendum will be required to be held in 2019/20 and therefore this funding has now been re-phased into 2020/21.

Fleet Cost Savings

During 2019/20 there have been a number of favourable variances in respect of vehicle costs. Some are due to the fact that a number of vehicles have been acquired in the past 18 months, replacing older and more expensive to maintain vehicles. Additionally, fuel costs during 2019/20 have, to date, been lower than anticipated.

Appendix E

Latest General Fund Budget Forecast 2019/20 to 2023/24

	2019/20 £000	2020/21 £000	2021/22 £000	2022/23 £000	2023/24 £000	Adverse / Favourable
Forecast approved at Council on 5th March 2019	10,241	10,166	10,433	10,658	10,658	
Forecast Changes - per Appendix C	231	238	170	159	683	**Adverse**
Revenue Budget Growth Items - per Appendix F		46	49	52	53	**Adverse**
Forecast Budget Requirement	**10,472**	**10,450**	**10,652**	**10,869**	**11,394**	
Financed by:						
Council Tax Funding:						
Council Tax - Precept	6,212	6,456	6,660	6,869	7,084	
Council Tax - Share of Previous Years Surplus/(Deficit)	- 8	109				
Sub Total - Council Tax Income	*6,204*	*6,565*	*6,660*	*6,869*	*7,084*	
Business Rates Funding:						
Retained Rates (including pooling benefit & pilot impact 2019/20)	3,757	3,427	2,200	2,244	2,289	
Sub Total - Business Rates Income	*3,757*	*3,427*	*2,200*	*2,244*	*2,289*	
New Homes Bonus	1,412	1,822	1,431	1,380	1,380	
Less - NHB distribution to Town & Parish Councils	- 69	- 76				
Sub Total - Other Income	1,343	1,746	1,431	1,380	1,380	
Forecast Financing	**11,304**	**11,738**	**10,291**	**10,493**	**10,753**	
Forecast surplus(-)/deficit for year	**- 832**	**- 1,288**	**361**	**376**	**641**	
Reserves						
Forecast surplus/deficit (-) for year from above:	832	1,288	- 361	- 376	- 641	
Less: Proposed Transfer to Capital Investment Reserve	- 832	- 1,288				
Balance of surplus/deficit(-) remaining:	0	0	- 361	- 376	- 641	
Balance of General Fund Reserves b/f	3,927	3,927	3,927	3,566	3,190	
Less transfer to/from(-) General Fund Reserves in year			- 361	- 376	- 641	
Forecast Reserves at Year End	**3,927**	**3,927**	**3,566**	**3,190**	**2,549**	
Band D Council Tax (Excl Parish Precepts)	**£206.60**	**£210.71**	**£214.91**	**£219.19**	**£223.56**	
Band D Average Council Tax Increase	**£4.99**	**£4.11**	**£4.20**	**£4.28**	**£4.37**	
Band D Average Council Tax Increase	**2.48%**	**1.99%**	**1.99%**	**1.99%**	**1.99%**	

Appendix F

BUDGET PROPOSALS - REVENUE ITEMS

	2020/21 £000	2021/22 £000	2022/23 £000	2023/24 £000	2024/25 £000	Description
Splash facility - additional staffing requirements	28	29	30	31	32	The Tourism and Leisure Committee meeting of 9th January 2020 agreed support for a revenue bid for additional staffing resources for the Splash water play facility within the Promenade Gardens in the initial sum of £28,000 for 2020/21, the budget to increase annually thereafter to reflect pay inflation.
Additional Bus Shelter Provision / Maintenance	11	11	11	11	11	The Operational Management Committee meeting of 14th January 2020 agreed to support a revenue bid in the sum of £11,000 per annum from 2020/21 onwards to provide additional resources for bus shelter maintenance and further provision.
Citizens' Advice Bureau- additional subsidy to meet increased costs	7	9	11	11	11	The Environment, Health and Housing Committee meeting of 7th January 2020 agreed to support a revenue bid in the initial sum of £8,000 for 2020/21 to provide for an increase in the subsidy grant to the Citizens' Advice Bureau, the additional grant to increase thereafter to £9,000 for 2021/22 and to £11,000 for 2022/23.
TOTAL OF REVENUE GROWTH PROPOSALS	**46**	**49**	**52**	**53**	**54**	

BUDGET PROPOSALS - CAPITAL ITEMS **(It is recommended that each of the schemes detailed below is funded from the Capital Investment Reserve)**

	2020/21 £000	2021/22 £000	2022/23 £000	2023/24 £000	2024/25 £000	Description
Snowdon Road Depot	143	0	0	0	0	The Operational Management Committee meeting of 14th January 2020 agreed to support a capital bid in the sum of £143,000 for 2020/21 to provide additional funding for the upgrade of accommodation/depot facilities at Snowdon Road Depot to comprise the removal of the existing unsuitable porta-cabin welfare facilities and the construction of a purpose built facility along with a meeting/training/locker room.
Wesham Community Centre	50	0	0	0	0	The Planning Committee meeting of 22nd January 2020 agreed to support a capital bid in the sum of £50,000 for 2020/21 as the Fylde Council contribution to the Wesham Community Centre scheme.
Elswick Village Green	25	0	0	0	0	The Planning Committee meeting of 22nd January 2020 agreed to support a capital bid in the sum of £25,000 for 2020/21 as the Fylde Council contribution to the Elswick Village Green scheme.
Replacement of Play Equipment	38	0	0	0	0	The Tourism and Leisure Committee meeting of 9th January 2020 agreed to support a capital bid for the refurbishment of play equipment within parks in the sum of £38,000.

BUDGET PROPOSALS - CAPITAL ITEMS - Cont'd

	2020/21 £000	2021/22 £000	2022/23 £000	2023/24 £000	2024/25 £000	Description
Blackpool Road North Playing Fields drainage	105	0	0	0	0	The Tourism and Leisure Committee meeting of 9th January 2020 agreed to support a capital bid in the sum of £105,000 in 2020/21 for drainage works on the playing fields at Blackpool Road North to alleviate flooding of the pitches.
Kirkham Town Centre Bid - High Street Heritage Action Zone	100	50	0	0	0	The Planning Committee meeting of 22nd January 2020 agreed to support a capital bid in the total sum of £150,000, split between years 2020/21and 2021/22, as the Fylde Council contribution to the wider Kirkham Town Centre High Street Heritage Action Zone scheme. It is proposed that the Council will act as the accountable body for the whole scheme which has a total estimated cost of £2.79m.
Digital Signage	32	0	0	0	0	The Operational Management Committee meeting of 14th January 2020 agreed to support a capital bid in the sum of £32,000 for 2020/21 to provide for a number of digital signage points at strategic locations within the borough.
Cemetery and Crematorium Infrastructure	194	0	0	0	0	The Environment, Health and Housing Committee meeting of 7th January 2020 agreed to support a capital bid in the sum of £194,000 for 2020/21 to provide additional investment in infrastructure at Lytham Park Cemetery.
Hydration points	30	30	0	0	0	The Environment, Health and Housing Committee meeting of 7th January 2020 agreed to support a capital bid in the sum of £30,000 per annum for 2020/21 and 2021/22 to provide for a number of hydration points (public drinking fountains/water points) at various points within the borough.
Upgrading of Public Conveniences - Pleasant Street, Lytham	82	0	0	0	0	The Operational Management Committee meeting of 14th January 2020 agreed to support a capital bid in the sum of £83,000 for 2020/21 to provide for the refurbishment and upgrading of the public conveniences at Pleasant Street, Lytham.
TOTAL OF CAPITAL SCHEME PROPOSALS	**799**	**80**	**0**	**0**	**0**	

Capital Strategy 2020-23

1. Background

1.1 The Local Government Act 2003 requires the Council to have regard to the CIPFA Treasury Management Code of Practice, and specifically the Prudential Code, when determining how much it can afford to borrow. The objectives of the Prudential Code are to ensure, within a clear framework, that the capital expenditure plans of local authorities are affordable, prudent and sustainable. The Prudential Indicators required by the Prudential Code are designed to support and record local decision making in a manner that is publicly accountable.

1.2 The revised CIPFA Prudential Code 2018 requires the Council to produce a Capital Strategy. The format of the Capital Strategy incorporates the current Capital Programme (along with any the new proposed capital expenditure for the period 2020/21 to 2023/24), and what was previously termed the Annual Treasury Management Strategy Report. These elements are now brought together thus linking investment decisions in terms of financial assets (e.g. loans and deposits) together with those relating to physical assets (e.g. land and buildings purchased to achieve an investment yield), with a particular emphasis on how all capital and investments are financed. Furthermore the Capital Strategy sets out how the investment of capital resources contributes to the delivery of the Council's key objectives and priorities, and describes the long-term context in which capital expenditure and investment decisions are made. The new reporting format aims to ensure that due consideration is given to both the risk and reward of all investment decisions and the impact of such decisions on the delivery of the Corporate Plan.

2. Format of the Revised Reporting Requirements

The revised reporting arrangements under the CIPFA Prudential Code 2018 requires the Council to prepare and present for approval a number of documents relating to treasury management and capital expenditure. These are:

The Treasury Management Policy

This statement sets out the overarching principles to which the Council will adhere in its Treasury Management activities and details those policies and practices which will remain in place as cornerstones for effective treasury management. The statement also details responsibility for functions and approved delegations to Council bodies and officers relating to treasury management activities

The Capital Strategy

The Capital Strategy is intended to provide a short overview of the authority's approach to, and activities relating to, treasury management and capital expenditure. There is a particular emphasis on the method of financing of capital expenditure along with a number of prudential indicators to measure how the concepts of prudence, affordability and sustainability have been considered as part of the development of the Capital Programme. The report is comprised of a number of component parts addressing particular aspects of the overall Capital Strategy. These are:

Part A. The Capital Programme

This section details the key aspects of the Council's Capital Programme including any proposed additional Capital Expenditure during the life of the Strategy.

Part B. The Treasury Management Strategy

This section details the Council's approach to borrowing and investment in financial assets, focussing primarily on the risk management aspect of investment decisions. It incorporates an Investment Strategy, a Borrowing Strategy, the key Treasury Management Indicators and an Interest Rate Forecast.

Part C. The Investment Strategy

This section details the Council's approach to borrowing and investment in physical assets (primarily focussing on commercial/investment property transactions) and considers the key aspect of proportionality in terms of the scale of investment activity relative to the profile of the particular authority. It addresses key concepts such as the security and liquidity of investments, as well as considering the capacity and skills of investment decision-makers.

Part D. The Minimum Revenue Provision Statement

The Council must put aside resources where the Council finances capital expenditure by debt (internal or external borrowing), to repay that debt in later years. This cost is charged to the revenue account annually, and forms part of the Council Tax cost to taxpayers and is known as Minimum Revenue Provision (MRP). The annual MRP statement for 2020/21 is included in this part of the report. The statement aims to show how the Council is behaving in a prudent manner with regard to capital expenditure.

Treasury Management Policy

Fylde Borough Council defines its treasury management activities as:

1. The management of the organisation's 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.

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

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

Policy on Borrowing
The Council currently holds no external debt. A Public Works Loans Board (PWLB) loan of £1m, relating to historic borrowing to finance an element of previous years' capital expenditure, was repaid during 2019/20. It is not anticipated that any new borrowing will be necessary during 2020/21, nor is any planned further into the future. With short-term interest rates currently much lower than long-term rates, it is likely to be more cost effective in the short-term to either use internal resources to fund capital expenditure ('internal borrowing'), or to borrow on a short-term basis instead.

If circumstances change, the Council may however borrow to pre-fund future years' requirements, providing this does not exceed the authorised limit for borrowing as defined within the Capital Strategy.

Policy on Investments
The Council holds significant invested funds, representing income received in advance of expenditure, monies held on behalf of the Collection Fund (Lancashire County Council, the Police and Crime Commissioner for Lancashire and Lancashire Combined Fire Authority) plus balances and reserves held for its own purposes. The CIPFA Code requires the Council to invest its funds prudently, and to have regard to the security and liquidity of its investments before seeking the highest rate of return, or yield. The Council's objective when investing money is to strike an appropriate balance between risk and return, minimising the risk of incurring losses from defaults and the risk of receiving unsuitably low investment income.

The Council's Investment Strategy forms part of the Capital Strategy and includes further information on investment activities and the controls and limits that have been set in place to manage the associated risks.

The Council will create and maintain, as the cornerstones for effective treasury management:

• A treasury management policy statement, stating the policies, objectives and approach to risk management of its treasury management activities;

• Suitable treasury management practices, setting out the manner in which the Council will seek to achieve those policies and objectives, and prescribing how it will manage and control those activities.

Council Members will receive reports on its treasury management policies, practices and activities, including as a minimum, an annual strategy and plan in advance of the year, a mid-year review and an annual report after the close of the financial year.

The Council delegates responsibility for the implementation and monitoring of its treasury management policies and practices and the execution and administration of treasury management decisions to the Chief Financial Officer (who is also the Section 151 Officer), who will act in accordance with the Council's policy statement and treasury management practices and CIPFA's Standard of Professional Practice on Treasury Management.

The Council has nominated the Audit and Standards Committee to be responsible for ensuring effective scrutiny of the treasury management strategy and policies.

The Capital Strategy

This capital strategy report gives a high-level overview of how capital expenditure, capital financing and treasury management activity contribute to the provision of local public services along with an overview of how associated risk is managed and the implications for future financial sustainability. It has been written in an accessible style to enhance members' understanding of these sometimes technical areas.

Decisions made this year on capital and treasury management may have financial consequences for the Authority for many years into the future. They are therefore subject to both a national regulatory framework and to local policy framework, as summarised within this report.

1. Capital Expenditure and Financing

Capital expenditure is where the Council spends money on assets, such as property or vehicles that will be used for more than one year. In local government this includes spending on assets owned by other bodies, and loans and grants to other bodies enabling them to buy assets. The Council has some limited discretion on what counts as capital expenditure, for example assets costing below £10,000 are not capitalised and are charged to revenue in year.

In 2020/21, the Council is planning capital expenditure of £8.137m. A summary of planned capital expenditure for the period 2019/20 to 2022/23 is shown in table 1 below.

Table 1: Prudential Indicator: Estimates of Capital Expenditure

	2019/20 Estimate £m	2020/21 Estimate £m	2021/22 Estimate £m	2022/23 Estimate £m
Total Capital Expenditure	14.274	8.137	2.322	2.231

Governance: New capital projects arise from a variety of sources and in a number of ways, including the changing needs for effective service delivery and the identification of projects to improve and enhance the borough.

The Council has a duty to manage its assets and capital resources in order to best deliver its objectives as set out in the Corporate Plan, which is accessible at the link below.

Fylde Council Corporate Plan

The prioritisation of capital investment according to a well-defined and rational approach is especially important in helping to prioritise resources when the demand for such resources exceeds the total of the resources available.

A key element of the prioritisation process is the consideration of capital bids by the Council's Programme Committees. Bids are prepared by Directors and their teams and include ongoing financial implications where relevant including any financing costs (which can be nil if the project is fully financed). The Budget Working Group review initial bids before they are presented to the relevant programme committee. Once capital bids have been prioritised by each programme committee, the Budget Working Group will review the outcome of the deliberations and will make recommendations to the Finance and Democracy Committee via an updated

Medium Term Financial Strategy (MTFS) report on a proposed budget package which will include capital budget

proposals. Full details of the Council's capital programme for 2019/20 to 2023/24 are shown within Part A of this Capital Strategy document.

All capital expenditure must be financed, either from external sources (government grants and other contributions), the Council's own resources (revenue, reserves and capital receipts) or debt (borrowing or leasing). The planned financing of the programmed expenditure for the period 2019/20 to 2022/23 is shown in table 2 below.

Table 2: Capital financing

	2019/20 Estimate £m	2020/21 Estimate £m	2021/22 Estimate £m	2022/23 Estimate £m
External sources	11.886	3.560	1.953	1.855
Own resources	1.918	4.020	0.250	0.70
Borrowing	0.470	0.557	0.119	0.306
TOTAL	**14.274**	**8.137**	**2.322**	**2.321**

Borrowing refers to that element of the capital financing which is not currently planned to be met by external grants, capital receipts, other external finance and direct revenue financing. The Council currently meets all its prudential borrowing needs through Internal Borrowing which is when the Authority uses its own cash resources to finance capital expenditure rather than new external borrowing. This is a prudent approach when investment returns are low.

The Authority is required to provide for an element of the accumulated capital expenditure each year through a charge to revenue known as the Minimum Revenue Provision (MRP). Planned MRP repayments are shown in table 3 below.

Table 3: Minimum Revenue Provision

	2019/20 Estimate £m	2020/21 Estimate £m	2021/22 Estimate £m	2022/23 Estimate £m
Minimum Revenue Provision	0.829	0.808	0.859	0.846

The Council's Minimum Revenue Provision statement is shown in Part D of this strategy document.

The Council's underlying need to borrow is measured by the Capital Financing Requirement (CFR). This increases with new debt-financed capital expenditure and reduces with MRP and capital receipts. The CFR is expected to decrease by £0.251M by the end of 2020/21. Based on the above figures for expenditure and financing, the Council's estimated CFR is shown in table 4 below.

Table 4: Prudential Indicator Estimates of Capital Financing Requirement

	31.3.2020 Estimate £m	31.3.2021 Estimate £m	31.3.2022 Estimate £m	31.3.2023 Estimate £m
Total CFR	5.769	5.518	4.779	4.238

Asset disposals: When a capital asset is no longer needed, it may be sold so that the proceeds, known as capital receipts, can be spent on new assets or to repay debt. The Council expects to receive a total of £0.280m of capital receipts in the financial years 2019/20 to 2022/23 as shown in table 5 below.

Table 5: Capital Receipts

	2019/20 Estimate £m	2020/21 Estimate £m	2021/22 Estimate £m	2022/23 Estimate £m
Estimated Capital Receipts	0	0.140	0.070	0.070

2. Treasury Management

Treasury management is concerned with keeping sufficient but not excessive cash available to meet the Council's spending needs, while managing the risks involved. Surplus cash is invested until required, while a shortage of cash could be met by short-term borrowing, to avoid both excessive credit balances and overdraft charges on the bank current account. The Authority is typically cash-rich in the short-term as revenue income is received before it is required to meet commitments. The revenue cash surpluses are used to finance capital expenditure to reduce the need for external borrowing.

Borrowing strategy: The Council's main objectives when borrowing are to achieve a low but certain cost of finance while retaining flexibility should plans change in future. The Council repaid its remaining £1.0m of borrowing in December 2019 and is now debt free.

Projected levels of the Council's total outstanding debt are shown in table 6 below, compared with the capital financing requirement.

Table 6: Prudential Indicator Gross Debt and the Capital Financing Requirement

	31.3.2020 Estimate £m	31.3.2021 Estimate £m	31.3.2022 Estimate £m	31.3.2023 Estimate £m
Estimated Long Term Borrowing	0	0	0	0
Capital Financing Requirement	5.8	5.5	4.8	4.2

Statutory guidance is that debt should remain below the capital financing requirement, except in the short-term. As can be seen from table 6, the Council expects to comply with this in the medium term.

Affordable borrowing limit: The Council is legally obliged to set an affordable borrowing limit (also termed the 'Authorised Limit' for external debt) each year. In line with statutory guidance, a lower 'Operational Boundary' is also required to be set as a warning level should debt approach the limit. This is detailed in table 7 below.

Table 7: Prudential Indicators: Authorised limit and operational boundary for external debt

	2019/20 limit £m	2020/21 limit £m	2021/22 limit £m	2022/23 limit £m
Authorised limit – total external debt	6.0	8.0	8.0	8.0
Operational boundary – total external debt	0	2.0	2.0	2.0

Further details on borrowing are in the Treasury Management Strategy at Part B of this Capital Strategy document.

Treasury investment strategy: Treasury investments arise from the investment of surplus funds including the use of the Council's reserves and balances and from positive cash flows. Investments made for service reasons or for pure financial gain are not generally considered to be part of treasury management.

The Council's policy on treasury investments is to prioritise security and liquidity over yield, that is, to focus on minimising risk rather than maximising returns. Cash that is likely to be spent in the near term is invested securely, for example with the government, other local authorities or selected high-quality banks, to minimise the risk of loss.

It is the Council's policy to limit investments to those of up to one year in order to maintain liquidity, reduce counterparty risk and to enable the Council to take advantage of increasing yield opportunities as interest rates are anticipated to rise modestly in the medium-term.

Further details on treasury investments are in the Treasury Management Strategy at Part B of this Capital Strategy document.

Risk management: The effective management and control of risk are prime objectives of the Authority's treasury management activities. The treasury management strategy therefore sets out various indicators and limits to constrain the risk of unexpected losses and details the extent to which financial derivatives may be used to manage treasury risks.

Governance: Decisions on treasury management investment and borrowing are made daily and are therefore delegated to the Chief Financial Officer, who must act in line with the Treasury Management Strategy approved by Council. Reports on treasury management activity are presented to Council and to The Audit and Standards Committee which is responsible for scrutinising treasury management activities.

3. Commercial Activities

With central government financial support for local public services declining in recent years, the Council has developed a Commercial Strategy as a framework to explore ways in which the authority can become more financially self-reliant by adopting a more entrepreneurial outlook. Among the areas covered by the Commercial Strategy is the potential investment in property assets as a means to generate additional revenue

income. The strategy was adopted in late 2018 (Finance and Democracy Committee 24th September 2018) and is accessible at the link below:

Fylde Council Commercial Strategy

Since adoption of the Commercial Strategy there have been no acquisitions of property assets solely to generate future income streams, although the parameters and expectations of such a consideration in the future are set out within the strategy.

Governance: Decisions relating to capital expenditure for all purposes, including for the acquisition of property assets, are made in accordance with the Financial Regulations of the Council, this requiring the approval of either the Finance and Democracy Committee (following consideration by the appropriate programme committee) or of the full Council.

4. Liabilities

The Council is required to meet its share of any future deficit of the Lancashire Local Government Pension Fund. Full details of the defined benefit pension scheme can be found in the Council's statutory financial accounts.

The Council has also set aside £1.946m (as at 31st March 2019) in a Business Rates Appeal Provision to cover risks arising from the costs of Business Rates appeals as a consequence of the transfer of such risks under the localisation of business rates arrangements introduced in 2013.

Provisions are made where an event has taken place that gives the Authority a legal or constructive obligation that probably requires settlement by a transfer of economic benefits or service potential, and a reliable estimate can be made of the amount of the obligation.

The Council also faces a number of contingent liabilities for which it has not set aside a specific sum. A contingent liability arises where an event has taken place that gives the authority a possible obligation whose existence will only be confirmed by the occurrence or otherwise of uncertain future events not wholly within the control of the authority. Contingent liabilities also arise in circumstances where a provision would otherwise be made but either it is not probable that an outflow of resources will be required or the amount of the obligation cannot be measured reliably.

Governance: Decisions on incurring new discretional liabilities, are made in accordance with the Financial Regulations of the Council, this requiring the approval of either the Finance or Democracy Committee (following consideration by the appropriate programme committee) or by full Council.

Revenue Budget Implications

Although capital expenditure is not charged directly to the revenue budget, interest payable on loans and MRP are charged to revenue, offset by any investment income receivable. The net annual charge is known as financing costs; this is compared to the net revenue stream i.e. the amount funded from Council Tax, business rates and general government grants including New Homes Bonus.

Table 8: Prudential Indicator: Proportion of financing costs to net revenue stream

	2019/20 forecast	2020/21 budget	2021/22 budget	2022/23 budget
Financing costs (£m)	0.674	0.705	0.756	0.761
Proportion of net revenue stream	6.0%	6.0%	7.3%	7.3%

Further details on the revenue implications of capital expenditure are in table 3 of the Capital Strategy.

Sustainability: Due to the very long-term nature of capital expenditure and financing, the revenue budget implications of expenditure incurred in the next few years may extend for up to 50 years into the future. The Chief Financial Officer is satisfied that the proposed capital programme is prudent, affordable and sustainable.

5. Knowledge and Skills

The Council employs professionally qualified and experienced staff in senior positions with responsibility for making capital expenditure, borrowing and investment decisions. For example, the Chief Financial Officer is a qualified accountant with 36 years of Local Government finance experience. The Council supports accountancy staff to study towards relevant professional accountancy qualifications and the staff within the treasury team attend treasury seminars and workshops provided by CIPFA and other external service providers. Training is provided to Councillors as part of the Member training and development programme and more detailed treasury management training is offered to Councillors who serve on the Audit and Standards Committee by treasury management advisors Arlingclose Limited.

Where Council staff do not have the knowledge and skills required, use is made of external advisers and consultants that are specialists in their field. The Council currently employs Arlingclose Limited as treasury management advisers. This approach is more cost effective than employing such staff directly, and ensures that the Council has access to knowledge and skills commensurate with its risk appetite.

Part A. The Capital Programme

This section details the key aspects of the Councils Capital Programme including any proposed additional Capital Expenditure during the life of the Capital Strategy.

The Council has a current underlying need to borrow for capital schemes for the years 2019/20 to 2023/24 as set out in the Capital Programme of £2.423 million. Budget Proposals have been put forward to be approved for inclusion in the programme with a cost to the Council of £0.879m million as shown at Appendix F of the Medium Term Financial Strategy. These have also been highlighted within table 1 below. **Each of the proposed schemes will be fully financed from the Capital Investment Reserve and consequently no borrowing is required for these schemes.**

Table 1 shows the updated 5 year Capital Programme 2019/20 to 2023/24 by scheme, including the schemes proposed as part of the 2020/21 budget.

Table 2 shows the Financing of the updated 5 year Capital Programme 2019/20 to 2023/24.

Table 3 shows a summary of the updated 5 year Capital Programme 2019/20 to 2023/24 by Committee, including how the programme is to be financed.

Capital Programme: Table 1

UPDATED 5 YEAR CAPITAL PROGRAMME 2019/20 TO 2023/24 - BY SCHEME

	Estimate 2019/20 £000	Estimate 2020/21 £000	Estimate 2021/22 £000	Estimate 2022/23 £000	Estimate 2023/24 £000
FINANCE & DEMOCRACY COMMITTEE					
Accommodation Project - Phase 8 - Town Hall Car Park	33				
Purchase of Land Adjacent to Squires Gate Station	5				
Sub total	38	0	0	0	0
TOURISM & LEISURE COMMITTEE					
Fairhaven Lake & Promenade Gardens Restoration	268	2,083	125		
Fairhaven Adventure Golf		505			
Promenade Footways		75	40	40	40
Staining Playing Fields Development Scheme	186	94			
Ashton Gardens Play Area	20				
Ashton Gardens Nursery Improvements	30				
Coastal Signage Improvements		60			
Open Space access control measures		15			
Coastal Explorers		20			
Weeton Village Hall	7				
Fylde Sand Dunes Improvement Scheme	52				
Improvements to Children's Play Areas **- *Budget Proposal***		50			
Blackpool Road North Playing Fields drainage**- *Budget Proposal***		105			
Sub total	563	3,007	165	40	40
OPERATIONAL MANAGEMENT COMMITTEE					
Replacement Vehicles	619	562	119	306	971
Car Park Improvements	0	60	30	30	30
Public Transport Improvements	91	48	48	30	
Fairhaven and Church Scar Coast Protection Scheme	9,573				
Fairhaven and Church Scar Coast Public Realm Works	475				
Accommodation/ facilities at Snowdon Rd Depot		200			
North Beach Car Park: Development of Toilet Facilities	185				
Stanner Bank car park - barrier scheme	50				
Charging Infrastructure for Electric Taxis		150			
Snowdon Road Depot: – Welfare Improvements **- *Budget Proposal***		143			
Pleasant Street Car Park Toilet Refurbishment **- *Budget Proposal***		82			
Outdoor Digital Signage **- *Budget Proposal***		32			
Sub total	10,993	1,277	197	366	1,001

Capital Programme: Table 1 (Continued)

UPDATED 5 YEAR CAPITAL PROGRAMME 2019/20 TO 2023/24 - BY SCHEME

	Estimate 2019/20 £000	Estimate 2020/21 £000	Estimate 2021/22 £000	Estimate 2022/23 £000	Estimate 2023/24 £000
ENVIRONMENT, HEALTH & HOUSING COMMITTEE					
Disabled Facilities Programme	1,143	1,130	1,130	1,130	1,130
Housing Needs Grant	41				
Affordable Housing Scheme - Sunnybank Mill, Kirkham					
Church Road Methodist Church, St Annes	275				
Affordable Warmth Scheme	8				
Rapid Deployment CCTV Replacement Projects	27				
Cemetery and Crematorium - Infrastructure Works Phase 3a	294				
Cemetery and Crematorium - Infrastructure Phase 3b ***- Budget Proposal***		194			
Hydration points ***- Budget Proposal***		30	30		
Sub total	1,788	1,354	1,160	1,130	1,130
PLANNING COMMITTEE					
St Annes Regeneration Schemes	235	80			
St Annes Road West – Square to Pier link and Gateway	0	110			
Lytham Regeneration Schemes	400	300	100		
Kirkham Public Realm Improvements	5				
M55 Link Road - S106 monies for design work	103	1,000			
Ansdell / Fairhaven - Public Realm scheme	10				
St Annes Pier - Coastal Revival Fund	24				
Tree Planting	25				
Kirkham and Wesham Station	15				
Future High Street Fund: Kirkham	75	75			
Wesham Community Centre ***- Budget Proposal***		119			
Elswick Village Green - ***Budget Proposal***		115			
Kirkham Heritage Action Zone - ***Budget Proposal***	0	700	700	695	695
Sub total	892	2,499	800	695	695
Total Expenditure	**14,274**	**8,137**	**2,322**	**2,231**	**2,866**

Capital Programme: Table 2

UPDATED 5 YEAR CAPITAL PROGRAMME 2019/20 TO 2023/24 - FINANCING

	Estimate 2019/20 £000	Estimate 2020/21 £000	Estimate 2021/22 £000	Estimate 2022/23 £000	Estimate 2023/24 £000
FINANCING:					
Capital Receipts - General Asset Sales	0	90	45	45	45
Capital Receipts - Right to Buy Receipts	0	50	25	25	25
Better Care Fund / Disabled Facilities Grant	1,103	1,090	1,090	1,090	1,090
Disabled Facilities Grant Repayments - 'Housing Needs Grants'	41				
Section 106 Monies - St Annes	235	30			
Section 106 Monies - Lytham	130				
Section 106 Monies - Church Road Methodist Church, St Annes	275				
Section 106 Monies - M55 Link-Road	103				
Section 106 Monies - Public Transport Improvements	91	48	48	30	
Section 106 Monies - Staining Chain Lane Playing Fields	174				
Section 106 Monies - Kirkham and Wesham Station	15				
Section 106 Monies - Weeton Village Hall	7				
Section 106 Monies - Fylde Sand Dunes Improvement Scheme	25				
Section 106 Monies - Wesham Community Centre		45			
Section 106 Monies - Elswick Village Green		35			
Section 106 Monies - Kirkham Heritage Action Zone		260	85	0	115
Capital Investment Reserve	1,836	1,430	100		
Capital Investment Reserve - ***Budget Council Proposals March 2020***		799	80		
Capital Investment Reserve - Underwriting max £343k - Fairhaven		251			
M55 Link-Road Reserve		1,000			
Funding Volatility Reserve - Fairhaven Restoration Project	0	400			
Other External Finance (see analysis below)	9,687	2,052	730	735	620
Direct Revenue Finance	82				
Prudential Borrowing	470	557	119	306	971
Total Financing	**14,274**	**8,137**	**2,322**	**2,231**	**2,866**
Total surplus (-) / shortfall in year	0	0	0	0	0
Cumulative surplus (-) / shortfall	0	0	0	0	0

See note below for external funding available to finance the above schemes:

Other External Finance: Analysis					
LSP Performance Reward Grant	27				
Environment Agency - Fylde Coastal Preliminaries	9,206				
Lancashire County Council - Affordable Warmth Scheme	8				
Coastal Revival Fund - St Annes Pier	24				
Central Governement Grant - Future High Street Fund: Kirkham	75	75			
Staining Parish Council	11	14			
Friends of Staining Open Spaces	1				
John Lees Charitable Trust	0	30			
New Fylde Housing - DFG Contribution	40	40	40	40	40
Lancashire Environmental Fund - Fylde Sand Dunes Imp't Scheme	27				
Heritage Lottery Fund - Fairhaven Restoration Project	268	1,084	125		
Sport England - Fairhaven Restoration Project - confirmed		100			
United Utilities - Fairhaven Restoration Project		60			
Lytham Schools Foundation - Fairhaven Restoration Project		15			
Café Tenant Contribution		15			
RSPB - Fairhaven Restoration Project		8			
Lancashire Environmental Fund - Fairhaven Restoration Project		30			
Central Government - Charging Infrastructure for Electric Taxis		150			
Wesham Town Council		24			
Elswick Parich Council		10			
Kirkham Town Council		40	40	40	30
External Grants - Lancs Env Fund		30			
External Grants - Pocket Parks		15			
External Grants - Historic England		211	436	566	461
External Grants - Parks Improvements		12			
Private Sector / Other		89	89	89	89
	9,687	2,052	730	735	620

Capital Programme: Table 3

UPDATED 5 YEAR CAPITAL PROGRAMME 2019/20 TO 2023/24 - SUMMARY

	Estimate 2019/20 £000	Estimate 2020/21 £000	Estimate 2021/22 £000	Estimate 2022/23 £000	Estimate 2023/24 £000
Committee:					
Finance & Democracy Committee	38	0	0	0	0
Tourism & Leisure Committee	563	3,007	165	40	40
Operational Management Committee	10,993	1,277	197	366	1,001
Environment, Health & Housing Committee	1,788	1,354	1,160	1,130	1,130
Planning Committee	892	2,499	800	695	695
Total Expenditure	**14,274**	**8,137**	**2,322**	**2,231**	**2,866**
Financing:					
Capital Receipts - General Asset Sales	0	90	45	45	45
Capital Receipts - Right to Buy Receipts	0	50	25	25	25
Better Care Fund / Disabled Facilities Grant	1,103	1,090	1,090	1,090	1,090
Disabled Facilities Grant Repayments - 'Housing Needs Grants'	41				
Section 106 Monies - St Annes	235	30			
Section 106 Monies - Lytham	130				
Section 106 Monies - Church Road Methodist Church, St Annes	275				
Section 106 Monies - M55 Link-Road	103				
Section 106 Monies - Public Transport Improvements	91	48	48	30	
Section 106 Monies - Staining Chain Lane Playing Fields	174				
Section 106 Monies - Kirkham and Wesham Station	15				
Section 106 Monies - Weeton Village Hall	7				
Section 106 Monies - Fylde Sand Dunes Improvement Scheme	25				
Section 106 Monies - Wesham Community Centre		45			
Section 106 Monies - Elswick Village Green		35			
Section 106 Monies - Kirkham Heritage Action Zone	0	260	85	0	115
Capital Investment Reserve	1,836	1,430	100		
Capital Investment Reserve - ***Budget Council Proposals March 2020***	0	799	80	0	0
Capital Investment Reserve - Underwriting max £343k - Fairhaven		251			
M55 Link-Road Reserve	0	1,000			
Funding Volatility Reserve - Fairhaven Restoration Project		400			
Other External Finance	9,687	2,052	730	735	620
Direct Revenue Finance	82	0	0	0	0
Prudential Borrowing	470	557	119	306	971
Total Financing	**14,274**	**8,137**	**2,322**	**2,231**	**2,866**
Total surplus (-) / shortfall in year	0	0	0	0	0
Cumulative surplus (-) / shortfall	0	0	0	0	0

Part B. The Treasury Management Strategy

1. Introduction

Treasury management is the management of the Council's cash flows, borrowing and investments, and the associated risks. As an active investor, the Council, in common with all investors, is exposed to a number of financial risks including the loss of invested funds and the revenue effect of changing interest rates. The successful identification, monitoring and control of financial risk are therefore central to the Council's prudent financial management.

Treasury risk management at the Council is conducted within the framework of the Chartered Institute of Public Finance and Accountancy's Treasury Management in the Public Services: Code of Practice 2017 Edition (the CIPFA Code) which requires the Authority to approve a treasury management strategy before the start of each financial year. This report fulfils the Authority's legal obligation under the Local Government Act 2003 to have regard to the CIPFA Code.

Investments held for service purposes or for commercial profit are considered in the Investment Strategy (see Part C of this Capital Strategy).

2. Economic background

The UK's progress negotiating its exit from the European Union, together with its future trading arrangements, will continue to be a major influence on the Authority's treasury management strategy for 2020/21.

The global economy is entering a period of slower growth in response to political issues, primarily the trade policy stance of the United States. The UK economy has displayed a marked slowdown in growth due to both Brexit uncertainty and the downturn in global activity.

Inflation is running below target at 1.4%. Slower global growth should reduce the prospect of externally driven inflation pressures although political turmoil could push up oil prices.

Interest rate forecast: the forecast for the Bank Rate is 0.75% for the foreseeable future (see Table 1).
Investment yields remain low due to the UK and global economic outlooks.

Table 1: Arlingclose Interest Rate Forecast

Quarter Ending	Bank Rate %	Investment Rates		Borrowing Rates		
		3 month %	1 year %	5 year %	20 year %	50 year %
Mar 2020	0.75	0.75	0.85	2.30	3.00	3.00
Jun 2020	0.75	0.75	0.85	2.30	3.05	3.05
Sep 2020	0.75	0.75	0.85	2.35	3.05	3.05
Dec 2020	0.75	0.75	0.85	2.40	3.05	3.05
Mar 2021	0.75	0.75	0.85	2.40	3.10	3.10
Jun 2021	0.75	0.75	0.85	2.40	3.10	3.10
Sep 2021	0.75	0.75	0.85	2.40	3.10	3.10
Dec 2021	0.75	0.75	0.85	2.40	3.15	3.15
Mar 2022	0.75	0.75	0.85	2.40	3.15	3.15
Jun 2022	0.75	0.75	0.85	2.40	3.15	3.15
Sep 2022	0.75	0.75	0.85	2.40	3.20	3.20
Dec 2022	0.75	0.75	0.85	2.40	3.20	3.20

3. Treasury Balances Forecast

On 31st December 2019 the Authority had no external debt and £25m of investments. This is summarised in Table 2 below. The revised forecast of treasury balances is shown in Table 3.

Table 2: Existing Investment & Debt Portfolio Position at 31.12.19

	31.12.19 Actual Portfolio £m	31.12.19 Average Rate %
External Borrowing:		
Public Works Loan Board	0	-
Total External Borrowing	**0**	
Treasury investments:		
Short Term		
Banks - unsecured	2.0	0.60
Local Authorities	20.0	0.86
Money Market Funds	3.0	0.71
Total Treasury Investments	**25.0**	
Net Lending / (Borrowing)	**25.0**	

Table 3: Treasury Balances Forecast

	31.03.20 Estimate £m	31.03.21 Forecast £m	31.03.22 Forecast £m	31.03.23 Forecast £m	Notes
Capital Financing Requirement (CFR)	5.8	5.5	4.8	4.2	1
Less: Long Term Borrowing already taken	-	-	-	-	2
Cumulative Borrowing Requirement	**5.8**	**5.5**	**4.8**	**4.2**	3
Usable Reserves and Provisions at 31st March	13.7	12.6	12.1	10.9	4
Working Capital	10.2	5.0	5.0	5.0	5
Less: Internal Borrowing	(5.8)	(5.5)	(4.8)	(4.2)	6
Forecast cash available for Investment	**18.1**	**12.1**	**12.3**	**12.4**	7

Notes to Table 3

1. The CFR is the amount the Authority needs to borrow for a capital purpose. The CFR increases when Prudential Borrowing is used to finance the capital programme. The Authority's capital expenditure plans are the key driver of treasury management activity and are summarised within the Capital Programme.

2. This is the amount of debt that the Authority has already borrowed. The Council repaid the £1m of Public Works Loan Board debt in December 2019 and is now debt free.

3. This is the cumulative amount of new borrowing that is required to finance the Capital Programme. The timing of any new borrowing will be determined by the profile of capital expenditure and the availability of Internal Borrowing (Note 6), the expectation being that no additional external borrowing will be required in the short term.

4. This is the amount of usable reserves, balances and provisions which are available funds. The forecast changes to the amount of usable reserves and provisions are determined by the drawdown of reserves, balances and provisions as estimated in the Financial Forecast Update 2019/20 to 2023/24 and the Capital Programme.

5. Working Capital is a temporary surplus in day to day cash. The current balance represents an estimate of cash held at 31st March 2020.

6. Internal Borrowing occurs when the Authority uses its own cash resources to finance capital expenditure rather than new external borrowing. This is a prudent approach when investment returns are low. The amounts shown are the cumulative amount of borrowing required for each year. Over the life of this forecast, the estimated total amount of internal borrowing is £4.2m.

7. This is the forecast amount of cash available for investment after allowing for the funding of Internal Borrowing.

The underlying need to borrow for capital purposes is measured by the Capital Financing Requirement (CFR), while usable reserves and working capital are the underlying resources available for investment. The Authority's current strategy is to maintain borrowing and investments below their underlying levels, sometimes known as internal borrowing.

The Authority became debt free in 2019 and its capital plans do not currently imply any need to borrow over the forecast period. The cash available for investing is forecast to reduce over time as reserves are drawn down, working capital reduces and internal borrowing is used to fund the Capital Programme.

CIPFA's *Prudential Code for Capital Finance in Local Authorities* recommends that the Authority's total debt should be lower than its highest forecast CFR over the next three years. Table 2 shows that the Authority expects to comply with this recommendation during 2020/21.

4. Borrowing Strategy

The Authority currently holds no external debt. The balance sheet forecast in table 2 shows that the Authority does not expect to need to borrow in 2020/21. The Authority may however decide to take external borrowing to pre-fund future years' requirements, providing this does not exceed the authorised limit for borrowing of £9.0 million.

Objectives: The Authority's chief objective when borrowing money is to strike an appropriate risk balance between securing low interest costs and achieving certainty of those costs over the period for which funds are required. The flexibility to renegotiate loans in the event that the Council's long-term plans change is a secondary objective.

Strategy: Given the significant cuts to public expenditure and in particular to local government funding, the Council's borrowing strategy continues to address the key issue of affordability. With short-term interest rates currently much lower than long-term rates, it is likely to be more cost effective in the short-term to either use internal resources, or to borrow short-term loans instead. By doing so, the Council is able to reduce borrowing costs and reduce overall treasury risk. The benefits of internal borrowing will be monitored regularly and this strategy will be reviewed if the outlook for borrowing rates indicates a significant risk of a rise in borrowing rates, with the outcome being that external loans may be taken whilst borrowing rates are relatively cheap.

It may be necessary for the Council to borrow in the short-term to cover unexpected cash flow movements, although current cash flow projections suggest this will not be necessary.

Sources of borrowing: The approved sources of long-term and short-term borrowing are:

- Public Works Loan Board (PWLB) and any successor body
- UK Local Authorities
- Any institution approved for investments (see below)
- Any other bank or building society authorised to operate in the UK
- Any other UK public sector body
- UK public and private sector pension funds (except Lancashire County Pension Fund as it is the Council's own pension fund)
- Capital market bond investors
- UK Municipal Bonds Agency plc and other special purpose companies created to enable local authority bond issues

Other sources of debt finance: In addition, capital finance may be raised by the following methods that are not borrowing, but may be classed as debt liabilities:

- Leasing
- Hire purchase
- Sale and leaseback

The Authority has previously raised all of its long-term borrowing from the PWLB. The Council will also consider other sources of finance should it become necessary in the future, such as local authority loans and bank loans, which may be available at more favourable rates.

All decisions on borrowing will be reported as part of the Council's annual reporting cycle on Treasury Management and Prudential Indicators.

5. Investment Strategy

The Council holds significant invested funds, representing income received in advance of expenditure, monies held on behalf of the Collection Fund (Lancashire County Council, the Police and Crime Commissioner for Lancashire and Lancashire Combined Fire Authority) plus balances and reserves held.

Objectives: The CIPFA Code requires the Authority to invest its funds prudently, and to have regard to the security and liquidity of its investments before seeking the highest rate of return, or yield. The Authority's objective when investing money is to strike an appropriate balance between risk and return, minimising the risk of incurring losses from defaults and the risk of receiving unsuitably low investment income.

Strategy: It is the Council's current policy to limit investments to those of up to one year in order to maintain liquidity, reduce counterparty risk

Approved counterparties: The Authority may invest its surplus funds with any of the counterparty types in table 4 below, subject to the cash limits (per counterparty) and the time limits shown.

Table 4: Approved investment counterparties and limits

Investment Type / Minimum Credit Rating (Note 1)	Banks Unsecured (Note 2)	Banks Secured (Note 3)	Government (Note 4)
UK Government (Gilts & Debt Management Office)	n/a	n/a	£ Unlimited for up to 5 years
National Governments Rated A-	n/a	n/a	£2m each for up to 5 years
UK Treasury Bills	n/a	n/a	£ Unlimited for up to 1 year
UK Local Authorities	n/a	n/a	£5m each for up to 2 years
Institutions Rated A- (or above)	£1.5m each for up to 6 months	£2m each for up to 1 year	N/A
UK Unrated Building Societies (Note 5)	£1m each (maximum of £2m in total) for up to 3 months		
Money Market Funds (Note 6)	£2m per Fund (£12m in total)		
Pooled Funds (Note 6)	£2m per Fund (£5m in total)		
Real Estate Investment Trusts (7)	£2m in Total		
Registered Housing Providers (Note 8)	£2m in total for up to 5 years		
Any other organization (Note 9)	£100k each for up to 5 years		

This table must be read in conjunction with the notes below.

Notes to Table 4

1. Credit rating: Investment limits are set by reference to the lowest published long-term credit rating from a selection of external rating agencies. However, investment decisions are never made solely based on credit ratings, and all other relevant factors including external advice will be taken into account.

2. Banks unsecured: Includes accounts, deposits, certificates of deposit and unsecured bonds with banks and building societies. These investments are subject to the risk of credit loss via a bail-in should the regulator determine that the bank is failing or likely to fail. See below for arrangements relating to operational bank accounts.

3. Banks secured: Includes covered bonds, reverse repurchase agreements and other collateralised arrangements with banks and building societies. These investments are secured on the bank's assets, which limits the potential losses in the unlikely event of insolvency, and means that they are exempt from bail-in. Where there is no investment specific credit rating, but the collateral upon which the investment is secured

has a credit rating, the higher of the collateral credit rating and the counterparty credit rating will be used to determine cash and time limits.

4. Government: Includes loans, bonds and bills issued or guaranteed by national governments, regional and local authorities and multilateral development banks. These investments are not subject to bail-in, and there is generally a lower risk of insolvency. Investments with the UK Central Government may be made in unlimited amounts as a contingency in the event of a financial crisis.

5. Building Societies: The Building Societies regulatory framework and insolvency regime means that in the unlikely event of a Building Society liquidation, the Authority's deposits would be paid out in preference to retail depositors. Most Building Societies do not have a credit rating, therefore, a credit analysis will be undertaken by Treasury Advisor's Arlingclose which will determine a preferred list of Building Societies with whom to invest.

6. Pooled Funds: These Funds are shares in diversified investment vehicles which invest in any of the investment types above (Notes 2 to 4), plus equity shares and property. These funds provide wide diversification, together with the services of a professional Fund Manager. The Money Market Funds offer same-day liquidity and very low volatility and are used as an alternative to instant access bank accounts. The Cash Plus and Bond Funds may be used for investments for a longer period and the value of these investments may change in line with market prices but offer enhanced returns over the longer term. These funds have no defined maturity date but are available for withdrawal after a short notice period.

7. Real Estate Investment Trusts (REITS): REITS are pooled investments in property (real estate) funds. As with many property funds, REITs offer enhanced returns over the longer term as compared to other types of investment, but are more volatile especially as the share price reflects price fluctuations as well as changes in the value of the underlying properties. Investments in REIT shares cannot be withdrawn but can be sold on the stock market to another investor.

8. Registered providers: These are longer term Loans or bonds that are secured or guaranteed on the assets of Registered Providers of Social Housing and registered social landlords, formerly known as housing associations. These bodies are tightly regulated by the Regulator of Social Housing (in England). As a provider of public services, they retain the likelihood of receiving government support if needed.

9. Other organisation: This is subject to an external credit assessment and specific advice from the Council's treasury management adviser.

10. Foreign Countries: Investments with institutions domiciled in foreign countries rated AA+ or higher will be limited to £2m per foreign country. This limit does not apply to Pooled Funds as these funds spread their investments over many countries in order to reduce risk.

11. Operational bank accounts: The Council's own bank account which is used for all of the Council's operational activities will have a minimum credit rating of BBB- and assets greater than £25 billion. The Bank of England has stated that in the event of failure, banks with assets greater than £25 billion are more likely to be bailed-in than made insolvent, increasing the chance of the Council maintaining operational continuity. The balances in the Council's own bank account will ideally be kept below £2m. Due to cash flow fluctuations this limit may be exceeded on occasion and if the limit is exceeded for more than three working days the Chief Financial Officer will review the position.

12. Risk assessment and credit ratings: Credit ratings are obtained and monitored by the Council's treasury advisers, who will notify changes in ratings as they occur. Where a credit rating agency announces that a counterparty of the Council is on review for a possible credit rating downgrade (so that it may fall below the approved rating criteria), then only investments that can be withdrawn on the next working day will be made

until the outcome of the review is announced. This policy will not apply to credit rating 'negative outlooks' which indicate a long-term trend rather than an imminent change of credit rating.

13. Other information on the security of investments: Credit ratings are not the only predictors of investment default. Other information is also used to assess the credit quality of counterparties. This information includes credit default swap prices, financial statements, potential government support and reports in the financial press and analysis and advice from the Authority's treasury management adviser. No investments will be made with an organisation if there are substantive doubts about its credit quality, even though it may otherwise meet the above criteria.

When deteriorating financial market conditions affect the creditworthiness of all organisations, as happened in 2008 and 2011, this is not generally reflected in credit ratings, but can be seen in other market measures. In these circumstances, the Council will restrict its investments to those organisations of higher credit quality and reduce the maximum duration of its investments to maintain the required level of security. The extent of these restrictions will be in line with prevailing financial market conditions. If these restrictions mean that insufficient commercial organisations of high credit quality are available to invest the Authority's cash balances, then the surplus will be deposited with the UK Government via the Debt Management Office or invested in government treasury bills for example, or with other local authorities. This will cause a reduction in the level of investment income earned, but will protect the principal sum invested.

Liquidity management: The Council uses a detailed daily cash flow forecast to determine the maximum period for which funds may prudently be committed. The forecast is compiled on a prudent basis to minimise the risk of the Council being forced to borrow on unfavourable terms to meet its financial commitments. Limits on long-term investments are set by reference to the Council's medium-term financial plan and cash flow forecast.

Treasury Management Indicators

The Authority measures and manages its exposures to treasury management risks using the following indicators:

Security: The Authority has adopted a voluntary measure of its exposure to credit risk by monitoring the average credit rating of its investment portfolio. Unrated investments are assigned a score based on their perceived risk.

Credit risk indicator	Target
Portfolio average credit rating	A-

Liquidity – the Authority will manage its cash flow so as to not go overdrawn.

Yield – the benchmark for returns on investments is the 7 day LIBID (London Inter-Bank Bid Rate). Actual investment returns are monitored against budget.

Maturity structure of borrowing: This indicator is set to control the Authority's exposure to refinancing risk. The upper and lower limits on the maturity structure of borrowing will be:

Table 5: Maturity Structure of Debt

	Lower Limit	Upper Limit
Under 12 months	0%	100%
12 months to 2 years	0%	100%
2 years to 5 years	0%	100%
5 years to 10 years	0%	100%
10 years and above	0%	100%

No lower limit is set in order to allow flexibility when managing the debt portfolio in the current economic conditions.

Time periods start on the first day of each financial year. The maturity date of borrowing is the earliest date on which the lender can demand repayment.

Principal sums invested for periods longer than a year: This limit is set to ensure adequate liquidity of investments and is the maximum amount of funds the Council will invest longer term. This is shown in table 6 below.

Table 6: Limit for investments over 365 days

	2019/20	2020/21	2021/22
Limit for investments over 365 days	£5.0m	£5.0m	£5.0m

Related Matters

The CIPFA Code requires the Council to include the following in its Treasury Management Strategy.

- **Policy on use of financial derivatives** – the Council will only use financial derivatives (such as swaps, forwards, futures and options) where it can be clearly demonstrated to reduce the level of financial risks that the Council is exposed to. Embedded derivatives, including those present in pooled funds and forward starting transactions, will not be subject to this policy, although the risks they present will be managed in line with the overall treasury risk management strategy. In line with the CIPFA Code, the Council will seek external advice and will consider that advice before entering into financial derivatives to ensure that it fully understands the implications.
- **Markets in Financial Instruments Directive** – the Council has opted up to professional client status with its providers of financial services, including advisors, banks and brokers allowing it to access a greater range of services but without the additional regulatory protections afforded by individuals and small companies. Given the size and the range of the Councils treasury management activities, the Chief Financial Officer believes this to be the most appropriate status.

Financial Implications

The budget for investment income in 2020/21 is £109K, based on an average investment portfolio of £21 million at an interest rate of 0.51%. If actual levels of investments and borrowing, or actual interest rates, differ from those as forecast, performance against budget will be correspondingly different.

Part C. The Investment Strategy

Introduction

The Authority invests its money for three broad purposes:

- because it has surplus cash as a result of its day-to-day activities, for example when income is received in advance of expenditure (known as **treasury management investments**),
- to support local public services by lending to or buying shares in other organisations (**service investments**), and
- to earn investment income (known as **commercial investments** where this is the main purpose).

This investment strategy meets the requirements of statutory guidance issued by the government in January 2018, and focuses on the second and third of these categories.

Treasury Management Investments

The Authority typically receives its income (e.g. from taxes and grants) before it pays for its expenditure (e.g. through payroll and invoices). It also holds reserves for various purposes including future expenditure. These activities, plus the timing of borrowing decisions, lead to a cash surplus which is invested in accordance with guidance from the Chartered Institute of Public Finance and Accountancy

Contribution: The contribution that these investments make to the objectives of the Authority is to support effective treasury management activities.

Further details: Full details of the Authority's policies and its plan for 2020/21 for treasury management investments are covered in the Treasury Management Strategy at Part B.

Commercial Investments: Property

MHCLG defines property to be an investment if it is held primarily or partially to generate a profit.

Contribution: The Council holds a number of investments in commercial assets which generate a return which contributes to the general revenue resource available to be spent on local public services. The main revenue generating investments held by the Council are the Pleasure Island site in St Annes and Carr Bridge Caravan Park in Westby-with-Plumpton.

The following items of income and expense have been accounted for in the Financing and Investment Income and Expenditure line in the Comprehensive Income and Expenditure Statement in the authority's most recent Statement of Accounts as at 31st March 2019 as shown below:

	2017/18	2018/19
	£'000	£'000
Rental Income from Investment Property	(298)	(407)
Direct operating expenses arising from investment	223	219
	(66)	(188)
Changes in Fair Value of Investment Properties	(125)	(39)
Net (Gain) / Loss	**(191)**	**(227)**

There are no restrictions on the Authority's ability to realise the value inherent in its investment property or on the Authority's right to the remittance of income and the proceeds of disposal. The Authority has no contractual obligations to purchase, construct or develop investment property or repairs, maintenance or enhancement.

The following table summarises the movement in the fair value of investment properties over the most recent year for the Council's audited accounts.

	2017/18	2018/19
	£'000	£'000
Balance at start of year	3,030	3,155
Net gains /(losses) from fair value adjustments	125	39
Reclassification of Assets	-	-
Balance at end of year	**3,155**	**3,194**

Security: In accordance with government guidance, the Authority considers a property investment to be secure if its accounting valuation is at or higher than its purchase cost including taxes and transaction costs.

A fair value assessment of the Authority's investment property portfolio has been made within the past twelve months, and the underlying assets provide security for capital investment.

Risk assessment: The Authority assesses the risk of loss before entering into and whilst holding property investments by completing due diligence checks and relevant officer skill sets.

Liquidity: Compared with other investment types, property is relatively difficult to sell and convert to cash at short notice, and can take a considerable period to sell in certain market conditions. To ensure that the invested funds can be accessed when they are needed, for example to repay capital borrowed, the Authority minimises this risk by maintaining commercial investments remain proportionate to the size of the authority.

Governance: Decisions on commercial investments are made in line with the criteria and limits approved by Full Council in line with Financial Regulations, the Constitution and the Commercial Strategy which was approved by the Finance and Democracy Committee on the 24th September 2018 and is accessible at the link below:

Fylde Council Commercial Strategy

Specified and Non-Specified Investments

The Ministry of Housing, Communities and Local Government Guidance defines two types of investments – specified and non-specified investments.

Specified investments are:

- denominated in pound sterling,
- due to be repaid within 12 months of the arrangement,
- not defined as capital expenditure by legislation, and
- invested with one of:
    - the UK Government
    - a UK local authority, parish council or community council, or
    - a body or investment scheme of "high credit quality"

The Council defines "high credit quality" organisations and securities as:

- those having a credit rating of A- or higher that are domiciled in the UK for deposits up to one year,
- those domiciled in a foreign country with a sovereign rating of AA+ or higher for deposits of up to one year,
- those having a credit rating of BBB+ or higher for periods of up to 6 months,

For money market funds and other pooled funds "high credit quality" is defined as those having a credit rating of A- or higher.

Non-Specified Investments

Any investment not meeting the definition of a specified investment is classed as non-specified. The Council does not intend to make any investments denominated in foreign currencies and will not make any investments with low credit quality bodies, nor any that are defined as capital expenditure by legislation, such as company shares.

Non-specified investments will therefore be limited to long-term investments, i.e. those that are due to mature 12 months or longer from the date of arrangement, and investments with bodies and schemes not meeting the definition on high credit quality.

Non-Treasury Investments

Although not classed as treasury management activities and therefore not covered by the CIPFA Code or the DCLG Guidance, the Council may also purchase property for investment purposes and may also make loans and investments for service purposes. Such loans and investments will be subject to the Council's normal approval process for revenue and capital expenditure and need not comply with this treasury management strategy.

Borrowing in Advance of Need

Any decision to borrow in advance of need will be within approved Capital Financing Requirement estimates and will be considered carefully to ensure that value for money can be demonstrated and that the Council can ensure the security of such funds. Borrowing in advance will be made within the constraints that:

- it will be limited to no more than 100% of the expected increase in capital borrowing need (CFR) over the three year period to 2022/23.

All decisions on borrowing will be reported to the appropriate Committee as part of the Councils annual reporting cycle on Treasury Management and Prudential Indicators.

Capacity, Skills and Culture

Elected members and statutory officers:

The Council employs professionally qualified and experienced staff in senior positions with responsibility for making capital expenditure, borrowing and investment decisions. For example, the Chief Financial Officer is a qualified accountant with 36 years of Local Government finance experience. The Council supports accountancy staff to study towards relevant professional accountancy qualifications and the staff within the treasury team attend treasury seminars and workshops provided by CIPFA and other external service providers. Training is provided to Councillors as part of the Member training and development programme and more detailed treasury management training is offered to Councillors who serve on the Audit and Standards Committee by treasury management advisors Arlingclose Limited.

Where Council staff do not have the knowledge and skills required, use is made of external advisers and consultants that are specialists in their field. The Council currently employs Arlingclose Limited as treasury management advisers. This approach is more cost effective than employing such staff directly, and ensures that the Council has access to knowledge and skills commensurate with its risk appetite.

Commercial deals:

With central government financial support for local public services declining in recent years, the Council has developed a Commercial Strategy as a framework to explore ways in which the authority can become more financially self-reliant by adopting a more entrepreneurial outlook. Among the areas covered by the Commercial Strategy is the potential investment in property assets as a means to generate additional revenue income. The strategy was adopted by Finance and Democracy Committee on 24th September 2018.

Since adoption of the strategy there have been no acquisitions of property assets solely to generate future income streams, although the parameters and expectations of such a consideration in the future are set out within the strategy.

Governance: Decisions relating to capital expenditure for all purposes, including for the acquisition of property assets, are made in accordance with the Financial Regulations of the Council, this requiring the approval of either the Finance and Democracy Committee (following consideration by the appropriate programme committee) or of the full Council.

Part D. The Minimum Revenue Provision Statement

The Authority is required to provide for an element of the accumulated capital expenditure each year through a charge to revenue known as the Minimum Revenue Provision (MRP).

The Ministry for Housing, Communities and Local Government (MHCLG) regulations require the Authority to approve an MRP policy in advance of each year. This policy sets out how much the Authority will set aside from revenue each year in order to fund capital expenditure. Council is recommended to approve the following MRP statement:

I. For capital expenditure incurred **before** 1 April 2008 – the MRP is based on 4% of the adjusted CFR. This option provides for a 4% reduction in the borrowing need (CFR) each year.
II. For capital expenditure incurred **after** 1 April - the MRP policy for all unsupported capital expenditure (i.e. Prudential Borrowing) will be the estimated life of the assets in accordance with the Regulations.

Fylde Borough Council

Useable Reserves and Balances Policy

Policy on Useable Reserves and Balances

1 The Useable Reserves and Balances Policy

1.1 Setting the level of useable reserves and balances is just one of several related decisions in the formulation of the Council's Medium Term Financial Strategy.

1.2 In establishing and approving the Medium Term Financial Strategy, "the Council will ensure that it maintains a prudent level of reserves in line with best practice and relevant guidelines".

1.3 Any surplus balances will be considered in the light of the budget forecast and the risks associated with that forecast. Any changes to this Policy will require approval by Members.

2 Integrated Financial Planning

2.1 Under section 114 of the Local Government Finance Act 1988 the Chief Financial Officer is required to report to all Councillors if there is or is likely to be unlawful expenditure or an unbalanced budget. This would include situations where reserves have become seriously depleted and it is forecast that the authority will not have the resources to meet its expenditure in a particular financial year.

2.2 There are no statutory minimum levels of general reserves but in line with best practice and CIPFA advice it is suggested that 5% of the total net budget requirement is set as the minimum for the reserve balances. For Fylde this equates to approximately £500k based on a net budget requirement for 2020/21 of around £10m.

However, during 2008/09, due to the downturn in the economy, the Council had to take urgent in year action to make further service cuts in order to maintain minimum balances at that time. In order to remain financially robust over the medium term, Budget Council in February 2009, based on the advice of the Chief Financial Officer, agreed to increase the minimum level of balances to £750k. This recommendation remains in place in order for the Council to maintain a future stable financial environment for the Council in light of the current economic climate and risks.

In making a recommendation as to the level of balances which should be maintained, the Chief Financial Officer will pay particular attention to:-

- The overall financial standing of the authority (level of borrowing, debt outstanding, council tax collection rates, etc.)
- The authority's track record in budget and financial management including the robustness of the Council's Medium Term Financial Strategy
- The authority's capacity to manage in-year budget pressures
- The strength of the financial information and reporting arrangements
- The authority's virement and end of year procedures in relation to revised budget and cash limit under/over-spends at authority and departmental level
- The adequacy of the authority's insurance arrangements to cover major unforeseen risks.

2.3 The level of earmarked reserves will be reviewed in the preparation of each update to the Medium Term Financial Strategy and annually as part of the closure of accounts process. The creation of any new Earmarked Reserves will be subject to Member approval.

2.4 The Council's General Fund balances at 31st March 2019 was £3.927m.

3 Reporting Framework

3.1 Any recommended changes to the level of useable reserves held will be reported within the Medium Term Financial Strategy or in the consideration of the Annual Accounts and will take account of the strategic, operational and financial risks facing the authority at that time.

3.2 In making any recommendation the Chief Financial Officer will provide Members, (in line with the requirements of the Local Government Act 2003) with an opinion on the robustness of the budget estimates and on the adequacy of the Council's useable reserves.

4 Earmarked General Fund Reserves

4.1 Earmarked general fund reserves are a means of voluntary and prudently building up funds to meet known future or predicted liabilities. When establishing reserves the Council must adhere to the International Financial Reporting Standards (IFRS) and in particular the need to distinguish between reserves (set aside for future liabilities) and provisions (mandatory set asides for actual liabilities existing).

In approving any new earmarked reserves the Council needs to identify the purpose of the reserve, the protocol for its use and the procedures for its management and control. The earmarked reserves as at 31st March 2018 and expected as at 31st March 2019 are set out in a note at the end of this Appendix. The note identifies any earmarked reserves that can be released to revenue if required.

5 Presentation of the Reserves & Balances

5.1 These have been presented in a way which is intended to be an easy to follow and useful summary format. These Reserves & Balances are also fully detailed in the Annual Statement of Accounts, but are presented in a more technical format to ensure that the Council comply with the new International Financial Reporting Standards (IFRS).

6 Earmarked Reserves – Proposals for 2020/21

6.1 Having reviewed the current useable reserves and balances it is now proposed for 2019/20:

i. In order to minimise the need for additional borrowing in the future, a transfer be made to the Capital Investment Reserve in 2019/20 and 2020/21 equivalent to the balance of the revenue surplus for those years, after allowing for all approved transfers to other reserves, currently estimated at £0.832m in 2019/20 and £1.288m in 2020/21 to provide sufficient resource for any capital projects that may arise.

6.2 The capital schemes that remain to be funded from the Capital Investment Reserve and the forecast balance at the end of each year throughout the forecast are set out in the table below.

Capital Investment Reserve - Analysis of forecast balances, contributions and expenditure

	2019/20	2020/21	2021/22	2022/23	2023/24
	£000	£000	£000	£000	£000
Opening balance at start of year	**4,385**	**3,381**	**2,189**	**2,009**	**2,009**
Schemes approved at Budget Council 3rd March 2014					
Lytham Park Cemetery Infrastructure	- 294				
Coastal Protection Schemes	- 400				
Schemes approved at Budget Council 3rd March 2015					
Fleet replacement schedule - updated estimate of replacement costs	- 182				
Schemes approved by Council 4th December 2017					
Coast Protection Scheme - Public Realm Enhancements	- 360				
Fairhaven Gardens Restoration Scheme - Public Realm Enhancements		- 120			
Schemes approved at Budget Council 5th March 2018					
Ansdell / Fairhaven - Public Realm scheme	- 10				
Kirkham Town Centre - Public Realm scheme	- 5				
Wood Steet St Annes - Public Realm scheme		- 50			
Staining Playing Fields Development Scheme		- 50			
Schemes approved by Council 5th March 2019					
Accommodation/ facilities at Snowdon Rd Depot		- 200			
Ashton Gardens Play Area	- 20				
Ashton Gardens Nursery Improvements	- 30				
Coastal Signage Improvements		- 60			
Open Space access control measures		- 15			
Coastal Explorers		- 20			
Tree Planting	- 25				
Lytham Regeneration Scheme	- 270	- 300	- 100		
North Beach Car Park: Development of Toilet Facilities	- 185				
Stanner Bank car park - barrier scheme	- 50				
St Annes Road West – Square to Pier link and Gateway Improvements		- 110			
Further transfer to Capital Investment Reserve - Outturn 2018/19					
Fairhaven Adventure Golf		- 505			
Fairhaven Heritage Lottery Fund Restoration Scheme		- 251			
Purchase of Land Adjacent to Squires Gate Station	- 5				
Schemes proposed for approval by Council 4th March 2020					
Updated forecast transfers for 2019/20 & 2020/21	832	1,288			
Improvements to Children's Play Areas		- 38			
Blackpool Road North Playing Fields drainage		- 105			
Snowdon Road Depot: – Welfare Improvements		- 143			
Pleasant Street Car Park Toilet Refurbishment		- 82			
Outdoor Digital Signage		- 32			
Cemetery and Crematorium - Infrastructure Phase 3b		- 194			
Hydration points		- 30	- 30		
Wesham Community Centre		- 50			
Elswick Village Green		- 25			
Kirkham Heritage Action Zone		- 100	- 50		
Forecast balance at end of year	**3,381**	**2,189**	**2,009**	**2,009**	**2,009**

Note: The above analysis includes provision for the underwriting of Fairhaven HLF Bid in the sum of £251k. The underwriting of the Fairhaven Lake & Gardens project was approved by Council on 16th July 2018 in the maximum sum of £343,000.

Useable Reserves and Balances Position

1. Earmarked Reserves

Reserve	Purpose	How and When Used	Balance 31/03/19 £000	Budgeted Transfers in for 2019/20 £000	Budgeted Use/ Transfers out 2019/20 £000	Estimated Balance 31/03/20 £000	Comments
ICT Investment Reserve	Voluntary set aside for the funding of new IT initiatives and development of IT systems - this fund was established from savings in revenue ICT expenditure .	To be used to fully fund ICT developments and investment in moving this important support function forward.	**40**			**40**	Part-used in 2017/18 to provide suitable equipment for new Council chamber. The balance is to be retained for future IT development requirements.
Performance Reward Grant Reserve	Created in 2009/10, this is a voluntary set aside of performance reward grant (PRG). Although Fylde Borough Council is the Accountable Body for the Fylde PRG, The Fylde Local Strategic Partnership (LSP) are the appointed decision making body in relation to the allocation of the PRG.	Used to set aside Performance Reward Grant funding in order to support LSP approved projects.	**27**			**27**	The LSP approved some legacy funding for projects prior to it's wind-up in March 2013. The remaining balance of funds is earmarked for the replacement of CCTV equipment.
MMI Insurance Reserve	Created in 2011/12, this is a set aside to cover the likely liability in respect of the MMI scheme of arrangement.	Used to meet the cost of future scheme run off.	**80**			**80**	Not available for release as to be fully utilised to fund the scheme run-off.
Capital Investment Reserve	Created in 2012/13, this is a voluntary revenue set aside established to fund capital expenditure and thus minimise the future need to borrow.	As required to meet the cost of capital expenditure.	**4,385**	**832**	**-1,836**	**3,381**	Whilst the balance at 31/03/20 is projected to be £3.381m, after taking account of the previously approved schemes scheduled to be delivered in later years that are to be funded from this reserve, along with the capital bids that form part of the 2020/21 buudget proposals the **un-committed** balance at 31/03/20 is reduced to £0.721m prior to any later transfers into the reserve in later years.
Community Right to Bid/Challenge Reserve	Created in 2012/13, this is a set aside of grant awarded to fund costs involved in potential future community right to bid.	Used to meet any potential costs arising from the community right to bid/challenge initiatives.	**46**			**46**	Not available for release as the monies are ear-marked for meeting community right to potential bid/challenge costs.

Useable Reserves and Balances Position

1. Earmarked Reserves (cont'd)

Funding Volatility Reserve	Created in 2013/14 from additional Business Rates received under the Business Rate Retention Scheme, this is a voluntary set-aside established to provide a degree of protection to the Council's finances against future volatility in central government funding allocations and to fund investment in activity to stimulate Economic Development in the Borough.	To be used to cushion the impact of future funding reductions and to fund investment in activity to stimulate Economic Development in the Borough.	**5,221**		**-20**	**5,201**	For release to support the revenue budget as and when necessary to cushion the impact of future funding reductions and to fund investment in activity to stimulate Economic Development in the Borough. The first call on this reserve is as match funding for the Fairhaven lottery bid in the maximum sum of £400k, with a further £20k being approved to support the development of a Greater Lancashire Plan at the Finance & Democracy Committee of September 2019. A budget proposal for 2020/21 is for the next priority call upon the reserve to be in respect of the regeneration of St Annes town centre.
M55 Link Road Reserve	Established at Council in July 2016 to fund a contribution of up to £1m towards the accelerated delivery of the link road.	To be used in line with ongoing negotiations with delivery partners for the road.	**1,000**			**1,000**	Not available for release as the reserve is ear-marked for a contribution to the link road scheme.
EU Exit Funding Reserve	Created in 2018/19, this is a voluntary set-aside of government grant received to be used to enhance capacity and capability in making preparations for exiting the Eurpoean Union.	To be used in line with the purpose of this government funding.	**18**	**35**		**53**	To be used in line with the purpose of this government funding.
Total Earmarked Reserves			**10,817**	**867**	**-1,856**	**9,828**	

2. General Fund Reserve

General Fund	An unallocated general working balance reserve fund to help cushion the impact of uneven costs of running council's day to day services or the impact of unexpected events or emergencies.	In line with the annual budget and medium term forecast as approved by Council, taking in to account strategic, operational and financial risks facing the council over the medium term.	**3,927**			**3,927**	This is the position in line with the Council's current financial forecast.
Total General Fund Reserves			**3,927**	**0**	**0**	**3,927**	
		Total	**14,744**	**867**	**-1,856**	**13,755**	

Appendix I

SPECIAL EXPENSES POLICY

At its meeting of 3rd March 2008, the Council implemented a differential taxation policy by introducing special expense charges as set out in the following recommendations:

i) That the resolutions of the former Policy and Resources Committee of 15 January 2001, relating to special expenses (minute 13), be rescinded in relation to categories (a) and (b) as set out in the minute, so that items falling within those categories (parks, gardens, open spaces and games sites) or within this resolution but outside those categories (Christmas lights/trees) will become the council's special expenses under section 35(2)(d) of the Local Government Finance Act 1992 and that the items of Special Expenses as listed in paragraph 9.4 be approved.

ii) That the principle of differential taxation be agreed and the impact is set out in Table A of Appendix E.

For clarification the special expense charge relates to costs incurred in respect of the provision of recreational resources on parks, playing fields, open spaces and gardens located within Lytham and St Annes, together with the costs of Christmas lights and/or trees in those same locations.

Until the Special Expenses Policy applicable to 2013/14 was approved by Council, annual fluctuations in the cost of concurrent services charged as special expenses resulted in corresponding fluctuations in amounts payable by residents. The 2013/14 Special Expenses Policy set the charge for 2013/14 at the same level as for 2012/13. Up until 2015/16 each element of the Council Tax remained at the same level. For 2019/20 a 2.64% increase was applied to each of the individual elements of the Council Tax charge i.e. the borough-wide charge and the special expense charge, in order that both elements were increased to an equivalent extent.

For 2020/21 an average Band D Council Tax of £210.71 is proposed (that being an increase of £4.11 or 1.99% as compared to the 2019/20 charge). This equates to a proposed 2.21% increase in respect of each of the individual elements of the Council Tax charge.

Therefore, the special expenses policy for 2020/21 shall be:

• the annual special expense charge per property will be set for 2020/21 at the 2019/20 level plus 2.21%, that being £77.60 per band D property;

• the annual borough wide charge per property will be set for 2020/21 at the 2019/20 level plus 2.21%, that being £165.39 per band D property; and

• the budget resource to be allocated to delivering concurrent services and chargeable as special expenses for 2020/21 will be set at a sum equivalent to the annual special expense charge per property (band D equivalent) multiplied by the tax base for the special expense area.

For the purposes of charging special expenses, both the special expense costs and the tax bases relating to the areas of Lytham and St Annes will each be aggregated and the Council Tax charge per property at each band level will be the same across the whole area.

	VAT Code	Unit Of Charge	Variable Charge Discretionary (D) Prescribed (P)	Approved 2019/20 Fees & Charges £	**Draft 2020/21 Fees & Charges £**
OPERATIONAL MANAGEMENT COMMITTEE					
Waste Operations					
Bulky Household Waste Collections					
- Up to 3 Items	d	Up to 3 Items	D	21.60	**21.60**
- 4 to 10 Items	d	4 to 10 Items	D	43.25	**43.25**
- Over 10 Items (Charge per hour)	d	Over 10 Items (Per hour)	D	80.95	**80.95**
- Collection of a single fridge or single freezer or single unit combined fridge/freezer	d	Per Unit	D	43.25	**43.25**
- Garden shed (max size 6" X 6" / 1.83m x 1.83m)	d	Per Shed	D	49.50	**49.50**
Commercial Waste:					
- Grey Sacks	d	Per 50 Sacks	D	78.70	**81.25**
- 660L Bulk Bin (Collection Charges)	d	Per Empty	D	3.60	**3.67**
- 660L Bulk Bin (Disposal Charges)	d	Per Empty	D	7.05	**7.32**
- 1100L Bulk Bin (Collection Charge)	d	Per Empty	D	5.65	**5.76**
- 1100L Bulk Bin (Disposal Charge)	d	Per Empty	D	11.75	**12.21**
- Bulk Bin Lease	d	Per Year	D	130.20	**132.77**
- Bulk Bin Sale	d	Per Bulk Bin	D	510.00	**510.00**
Commercial Waste Replacement Bin Parts (if purchased bin)					
- Lid	d	Per lid	D	91.80	**91.80**
- Lock	d	Per lock	D	51.50	**51.50**
- Wheels X 1	d	Per 1 x wheel	D	63.00	**63.00**
- Wheels X 2	d	Per 2 x wheel	D	81.50	**81.50**
- Wheels X 3	d	Per 3 x wheel	D	99.50	**99.50**
- Wheels X 4	d	Per 4 x wheel	D	118.00	**118.00**

VAT Codes:
a = Standard Rate **c** = Exempt **d** = Outside Scope **e** = Zero Rated

	VAT Code	Unit Of Charge	Variable Charge Discretionary (D) Prescribed (P)	Approved 2019/20 Fees & Charges £	**Draft 2020/21 Fees & Charges £**
Schedule 2 Waste					
- Grey Sacks	d	Per 50 Sacks	D	41.42	**42.25**
- 660L Bulk Bin	d	Per Empty	D	3.57	**3.67**
- 1100L Bulk Bin	d	Per Empty	D	5.63	**5.63**
- Bulk Bin Lease	d	Per Year	D	130.17	**132.77**
- Bulk Bin Sale	d	Per Bulk Bin	D	510.00	**510.00**
Recycling 4 Business:					
- Blue Sacks –Paper/Card	d	Per 50 Sacks	D	45.80	**46.70**
Wheeled Bin Rates:					
- Provision of Green Box to household still on original recycling scheme	N/A		D	Free	**Free**
- Provision of Blue Bag to household still on original recycling scheme	N/A		D	Free	**Free**
- Provision of one Wheeled bin (grey, green, blue or brown) at new build properties	d	Per Bin	D	34.00	**34.00**
- Provision of full set of wheeled bins (grey, green, blue and brown) at a new build property	d	Per Set	D	105.00	**105.00**
- Provision of full set of three wheeled bins (grey, blue and brown) at a new build property	d	Per Set	D	80.00	**80.00**
- Provision of lost, stolen, damaged or additional (if eligible) wheeled bin including delivery	d	Per Bin	D	34.00	**34.00**
- Provision of lost, stolen, damaged grey and green wheeled bins lid or wheels (including delivery and fitting)	d	Per Bin	D	13.75	**13.75**
- Provision of second hand replacement bin (grey, green, blue or brown) where available	d	Per Bin	D	17.00	**17.00**
- Provision of a bulk bin to multiple-occupancy properties for recycling	d	Per bin	D	510.00	**510.00**
- Provision of a bulk bin to multiple-occupancy properties for the collection of residual waste	d	Per bin	D	510.00	**510.00**
- Provision of two black sacks per week to properties unsuitable for wheeled bins for collection of residual waste.	N/A	Per 2 Sacks	D	Free	**Free**

VAT Codes:
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	VAT Code	Unit Of Charge	Variable Charge Discretionary (D) Prescribed (P)	Approved 2019/20 Fees & Charges £	**Draft 2020/21 Fees & Charges £**
Green Waste Subscription Service:					
- Annual Subscription Fee	d	Per 240L bin	D	30.00	**30.00**
- Charges for replacement subscription sticker	d	Per sticker	D	5.00	**5.00**
Fleet Management Services:					
- MOT Class 1 – One off customer	d	Per MOT	P	25.00	**25.00**
- MOT Class 1 - Motor Trade Customers	d	Per MOT	P	25.00	**25.00**
- MOT Class 1 - FBC Staff, relatives, members	d	Per MOT	P	25.00	**25.00**
- MOT Class 2 – One off customer	d	Per MOT	P	25.00	**25.00**
- MOT Class 2 - Motor Trade Customers	d	Per MOT	P	25.00	**25.00**
- MOT Class 2 - FBC Staff, relatives, members	d	Per MOT	P	25.00	**25.00**
- MOT Class 3 - One off customer	d	Per MOT	P	35.00	**35.00**
- MOT Class 3 - Motor Trade Customers	d	Per MOT	P	35.00	**35.00**
- MOT Class 3 - FBC Staff, relatives, members	d	Per MOT	P	35.00	**35.00**
- MOT Class 4 – One off Customer	d	Per MOT	p	42.00	**42.00**
- MOT Class 4 – Motor Trade Customers	d	Per MOT	P	37.00	**37.00**
- MOT Class 4 – FBC Staff, relatives, members	d	Per MOT	P	37.00	**37.00**
- MOT Class 4 – Repeat customers (5 or more tests in 12 months)	d	Per MOT	P	37.00	**37.00**
- MOT Class 4 – Fylde Licenced Taxi-drivers (must be FBC registered)	d	Per MOT	P	37.00	**37.00**
- MOT Class 5 – One off Customer	d	Per MOT	P	55.00	**55.00**
- MOT Class 5 – Motor Trade Customers	d	Per MOT	P	50.00	**50.00**

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	VAT Code	Unit Of Charge	Variable Charge Discretionary (D) Prescribed (P)	Approved 2019/20 Fees & Charges £	**Draft 2020/21 Fees & Charges £**
Fleet Management Services continued:					
- MOT Class 5 – FBC Staff, relatives, members	d	Per MOT	P	50.00	**50.00**
- MOT Class 5 – Repeat customers (5 or more tests in 12 months)	d	Per MOT	P	50.00	**50.00**
- MOT Class 7 – One off customer	d	Per MOT	P	55.00	**55.00**
- MOT Class 7 – Motor Trade Customer	d	Per MOT	P	50.00	**50.00**
- MOT Class 7 – FBC Staff, relatives, members	d	Per MOT	P	50.00	**50.00**
- MOT Class 7 – Repeat Customers	d	Per MOT	P	50.00	**50.00**
Taxi Test – Retest (If applicable)	d	Per MOT	D	18.50	**18.50**
Minor Repairs – Labour Per hour (Plus parts)	a	Per hour labour	D	37.00	**37.00**
Use of Diagnostics	a	Per Use	D	40.00	**40.00**
Dog Control Charges:					
Cost of collection and kennelling	d	Per Day	D	20.00	**20.00**
Cost to collect stray dog from Kennels	d	Per Collection of Stray	D	70.00	**70.00**
Cost of return of stray dog by dog warden	d	Per Return of Stray	D	30.00	**30.00**
Fixed Penalty Notice for PSPO Breach	d	Per Fixed Penalty Notice	P	100.00	**100.00**
Land Charges					
Note: Land Charges Fees will be in accordance with Local Authority Property Search Services Costing and Guidance and Guidance for Registering Authorities on setting fees for Local Land Charge Services in England.					
Local Land Charges					

VAT Codes:
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	VAT Code	Unit Of Charge	Variable Charge Discretionary (D) Prescribed (P)	Approved 2019/20 Fees & Charges £	**Draft 2020/21 Fees & Charges £**
Car Parks					
St Annes					
St. Annes Square: 9:00 a.m. to 6:00 p.m. (All Days)					
- Cars etc. – up to 0.5 Hours	a	Per Session	D	0.80	**0.80**
- Cars etc. – 0.5 to 1 hour	a	Per Session	D	1.40	**1.40**
- Cars etc. – 1 to 2 hours	a	Per session	D	2.50	**2.50**
- Car etc. – 2 to 3 hours	a	Per session	D	3.80	**3.80**
- At other times	N/A	Free	D	Free	**Free**
St. Annes Swimming Pool: 9:00 a.m. to 6:00 p.m.					
- Cars etc. - up to 1 hour	a	Per Session	D	1.20	**1.20**
- Cars etc. - 1 to 2 hours	a	Per Session	D	2.20	**2.20**
- Cars etc. - 2 to 3 hours	a	Per Session	D	2.90	**2.90**
- Cars etc. - 3 to 4 hours	a	Per Session	D	3.40	**3.40**
- Cars etc. - over 4 hours	a	Per Session	D	4.50	**4.50**
- At Other times for passenger vehicles:	N/A	Free	D	Free	**Free**
- Overnight Motorhome Parking (per vehicle 6 p.m. to 10 a.m. following day)	a	Per Session	D	5.30	**-**
- Motorhome Up to 24 hours (1 day)	a	Per Session	D	8.40	**10.00**
- Motorhome 24 to 48 hours (1 to 2 days)	a	Per Session	D	15.80	**18.00**
- Motorhome 48 to 72 hours (2 to 3 days)	a	Per Session	D	22.00	**25.00**
- YMCA staff permit	a	Annual	D	100.00	**-**

VAT Codes:
a = Standard Rate **c** = Exempt **d** = Outside Scope **e** = Zero Rated

	VAT Code	Unit Of Charge	Variable Charge Discretionary (D) Prescribed (P)	Approved 2019/20 Fees & Charges £	**Draft 2020/21 Fees & Charges £**
Wood Street:					
9:00 a.m. to 6:00 p.m. (All Days)					
- Cars etc. –up to 0.5 hour	a	Per Session	D	0.80	**0.80**
- Cars etc. - 0.5 to 1 hour	a	Per Session	D	1.40	**1.40**
- Cars etc. – 1 to 2 hours	a	Per Session	D	2.50	**2.50**
- Cars etc. – 2 to 3 hours	a	Per Session	D	3.80	**3.80**
- At Other times	N/A	Free	D	Free	**Free**
North Beach:					
9:00 a.m. to 6 p.m. (All Days)					
- Cars etc. - up to 1 hour	a	Per Session	D	0.90	**0.90**
- Cars etc. - 1 to 2 hours	a	Per Session	D	1.50	**1.50**
- Cars etc.- 2 to 4 hours	a	Per Session	D	2.30	**2.30**
- Cars etc.- Over 4 hours	a	Per Session	D	4.00	**4.00**
- At other times for passenger vehicles	N/A	Free	D	Free	**Free**
- Overnight Motorhome Parking (per vehicle 6 p.m. to 10 a.m. following day)	a	Per Session	D	4.00	**-**
- Motorhome Up to 24 hours (1 day)	a	Per Session	D	7.00	**7.00**
- Motorhome 24 to 48 hours (1 to 2 days)	a	Per Session	D	14.00	**14.00**
- Motorhome 48 to 72 hours (2 to 3 days)	a	Per Session	D	20.00	**20.00**
St. Albans Road	N/A	Free	D	Free	**Free**

VAT Codes:
a = Standard Rate **c** = Exempt **d** = Outside Scope **e** = Zero Rated

	VAT Code	Unit Of Charge	Variable Charge Discretionary (D) Prescribed (P)	Approved 2019/20 Fees & Charges £	**Draft 2020/21 Fees & Charges £**
North Promenade:					
9:00 a.m. to 6:00 p.m.					
- Cars etc. - up to 1 hour	a	Per Session	D	1.20	**1.20**
- Cars etc. - 1 to 2 hours	a	Per Session	D	2.20	**2.20**
- Cars etc.- 2 to 3 hours	a	Per Session	D	2.90	**2.90**
- Cars etc.- 3 to 4 hours	a	Per Session	D	3.40	**3.40**
- Cars etc.- Over 4 hours	a	Per Session	D	4.50	**4.50**
- At other times	N/A	Free	D	Free	**Free**
Fairhaven Road:					
9:00 a.m. to 6:00 p.m. (All Days)					
- Cars etc. - up to 1 hour	a	Per Session	D	1.20	**1.20**
- Cars etc. - 1 to 2 hours	a	Per Session	D	2.20	**2.20**
- Cars etc.- 2 to 3 hours	a	Per Session	D	2.90	**2.90**
- Cars etc.- 3 to 4 hours	a	Per Session	D	3.40	**3.40**
- Cars etc.- Over 4 hours	a	Per Session	D	4.50	**4.50**
- At other times	N/A	Free	D	Free	**Free**
- Coaches	a	Per day	D	Free	**5.00**
Fairhaven					
St. Pauls Avenue:					
9:00 a.m. to 6:00 p.m. (All Days)					
- Cars etc. - up to 1 hour	a	Per Session	D	1.20	**1.20**
- Cars etc. - 1 to 2 hours	a	Per Session	D	2.20	**2.20**
- Cars etc.- 2 to 3 hours	a	Per Session	D	2.90	**2.90**

VAT Codes:
a = Standard Rate **c** = Exempt **d** = Outside Scope **e** = Zero Rated

	VAT Code	Unit Of Charge	Variable Charge Discretionary (D) Prescribed (P)	Approved 2019/20 Fees & Charges £	**Draft 2020/21 Fees & Charges £**
St. Pauls Avenue continued:					
- Cars etc.- 3 to 4 hours	a	Per Session	D	3.40	**3.40**
- Cars etc.- Over 4 hours	a	Per Session	D	4.50	**4.50**
- At other times	N/A	Free	D	Free	**Free**
Fairhaven Lake	N/A	Free	D	Free	**Free**
Stanner Bank:					
9:00 a.m. to 6:00 p.m. (All Days)					
- Cars etc. - up to 0.5 hour	a	Per Session	D	-	**0.60**
- Cars etc. - 0.5 to 1 hour	a	Per Session	D	1.20	**1.20**
- Cars etc. - 1 to 2 hours	a	Per Session	D	2.20	**2.20**
- Cars etc.- 2 to 3 hours	a	Per Session	D	2.90	**2.90**
- Cars etc.- 3 to 4 hours	a	Per Session	D	3.40	**3.40**
- Cars etc.- Over 4 hour	a	Per Session	D	4.50	**4.50**
- At other times	N/A	Free	D	Free	**Free**
- Business Permit	a	Annual	D	100.00	**-**
- Lost ticket/vehicle release charge	a	Per Session	D	-	**4.50**
Lytham					
Pleasant Street: 9:00 a.m. to 6:00 p.m. (All Days)					
- Cars etc. - up to 0.5 hour	a	Per Session	D	0.80	**0.80**
- Cars etc. - 0.5 to 1 hour	a	Per Session	D	1.40	**1.40**
- Cars etc. - 1 to 2 hours	a	Per Session	D	2.50	**2.50**
- Cars etc.- 2 to 3 hours	a	Per Session	D	3.80	**3.80**
- Cars etc.- 3 to 5 hours	a	Per Session	D	6.30	**6.30**

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	VAT Code	Unit Of Charge	Variable Charge Discretionary (D) Prescribed (P)	Approved 2019/20 Fees & Charges £	**Draft 2020/21 Fees & Charges £**
Pleasant Street continued:					
- Cars etc.- 5 to 7 hours	a	Per Session	D	8.40	**8.40**
- Cars etc. – 7-9 hours	a	Per Session	D	10.50	**10.50**
- At other times	N/A	Free	D	Free	**Free**
- Business Permit	a	Annual	D	335.00	**350.00**
- Resident Permit	a	Annual	D	285.00	**300.00**
- North Clifton Street Restricted permit (1995)	a	Annual	D	20.00	**25.00**
Lytham Station: 9:00 a.m. to 6:00 p.m. (All Days)					
- Cars etc. - up to 1 hour	a	Per Session	D	0.90	**0.90**
- Cars etc. - 1 to 2 hours	a	Per Session	D	1.50	**1.50**
- Cars etc.- 2 to 4 hours	a	Per Session	D	2.30	**2.30**
- Cars etc.- Over 4 hours up to 6 p.m.	a	Per Session	D	2.90	**2.90**
- At other times	N/A	Free	D	Free	**Free**
- Cars etc. – 1 to 2 days	a	Per Session	D	5.30	**5.30**
- Cars etc. – 2 to 3 days	a	Per Session	D	7.90	**7.90**
- Cars etc. – 3 to 4 days	a	Per Session	D	10.50	**10.50**
- Cars etc. – 5 to 7 days	a	Per Session	D	12.60	**12.60**
- Annual Permits (All)	a	Annual	D	160.00	**170.00**
Lytham Green (Bath Street & Dicconson Terrace): 9:00 a.m. to 6:00 p.m. (All Days)					
- Cars etc. - up to 1 hour	a	Per Session	D	1.20	**1.20**
- Cars etc. - 1 to 2 hours	a	Per Session	D	2.20	**2.20**
- Cars etc.- 2 to 3 hours	a	Per Session	D	2.90	**2.90**

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	VAT Code	Unit Of Charge	Variable Charge Discretionary (D) Prescribed (P)	Approved 2019/20 Fees & Charges £	**Draft 2020/21 Fees & Charges £**
Lytham Green (Bath Street & Dicconson Terrace) continued					
Cars etc.- 3 to 4 hours	a	Per Session	D	**3.40**	**3.40**
Cars etc.- Over 4 hours	a	Per Session	D	**4.50**	**4.50**
At other times	N/A	Free	D	**Free**	**Free**
Administrative Buildings					
Town Hall, St.Annes: 9:00 a.m. to 6:00 p.m. (Sat – Sun and Bank holidays)					
- Cars etc. – up to 1 hour	a	Per Session	D	**1.20**	**1.20**
- Cars etc. – 1 to 2 hours	a	Per Session	D	**2.20**	**2.20**
- Cars etc. – 2 to 3 hours	a	Per Session	D	**2.90**	**2.90**
- Cars etc. – 3to 4 hours	a	Per Session	D	**3.40**	**3.40**
- Cars etc. – Over 4 hours	a	Per Session	D	**4.50**	**4.50**
- At other times	N/A	Free	D	**Free**	**Free**
Public Offices, St.Annes: 9:00 a.m. to 6:00 p.m. (All days)					
- Cars etc. - up to 1 hour	a	Per Session	D	**1.20**	**1.20**
- Cars etc. – 1 to 2 hours	a	Per Session	D	**2.20**	**2.20**
- Cars etc. – 2 to 3 hours	a	Per Session	D	**2.90**	**2.90**
- Cars etc. – 3 to 4 hours	a	Per Session	D	**3.40**	**3.40**
- Cars etc. – Over 4 hours	a	Per Session	D	**4.50**	**4.50**
- At other times	N/A	Free	D	**Free**	**Free**

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	VAT Code	Unit Of Charge	Variable Charge Discretionary (D) Prescribed (P)	Approved 2019/20 Fees & Charges £	**Draft 2020/21 Fees & Charges £**
General					
Fylde Resident's Permit Scheme - Restricted to certain car parks	a	Annual	D	25.00	**25.00**
Long Stay Business Permit	a	Annual	D	-	**110.00**
Horse Box Permit (North Beach and Fairhaven Road)	a	Annual	D	15.00	**15.00**
Any Permit Replacement	a	As Required	D	15.00	**15.00**
Parking Dispensation	a	Per Agreed Period	D	As Negotiated Max £16/day	**As Negotiated Max £16/day**
Penalty Charge Notices (PCNs) PCNs are issued for a variety of contraventions. Contraventions are divided into less serious (Lower Rate) and more serious (Higher Rate) with amounts set by Central Government. A full list of the various contraventions and whether they are lower or higher rate can be viewed at www.patrol-uk.info/contravention-codes-list. This list is subject to minor periodic variation. Only Off Street Parking (Car Parks) contravention codes apply to Fylde Council.					
- Lower Rate PCN	d	Per Offence	P	50.00 (14 day discount 25.00)	**50.00 (14 day discount 25.00)**
- Higher Rate PCN	d	Per Offence	P	70.00 (14 day discount 35.00)	**70.00 (14 day discount 35.00)**
Additional Charge to PCN if Charge Certificate Issued	d	Per Offence	P	50% of PCN	**50% of PCN**
Additional Charge to PCN if registered with court as debt	d	Per Offence	P	8.00	**8.00**

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	VAT Code	Unit Of Charge	Variable Charge Discretionary (D) Prescribed (P)	Approved 2019/20 Fees & Charges £	**Draft 2020/21 Fees & Charges £**
PLANNING COMMITTEE					
Planning					
Pre–application Advice:					
Large Scale Major Development	a	Per Enquiry	D	1,000.00	**1,000.00**
Significant Major Development	a	Per Enquiry	D	750.00	**750.00**
Small Scale Major Development	a	Per Enquiry	D	500.00	**500.00**
Minor Development (A)	a	Per Enquiry	D	350.00	**350.00**
Minor Development (B)	a	Per Enquiry	D	250.00	**250.00**
Householder Meeting	a	Per Enquiry	D	100.00	**100.00**
Householder Written Only	a	Per Enquiry	D	50.00	**50.00**
(N.B the above charges relate to a revised scheme of charging introduced for 2016/17. Accordingly there are no comparative charges for 2015/16).					
Custom and Self-Build Register	d	Per Year	D	-	**120.00**
Printing Charges:					
A4 Documents including Decision Notes, Completion Certificates and Plans:					
Up to 14 Copies	N/A	Up to 14 Copies	D	No Charge	**No Charge**
15 Copies	a	15 Copies	D	2.00	**2.00**
Further copies	a	Per Copy	D	15p	**15p**
A3 Documents including Plans:					
Up to 7 Copies	N/A	Up to 7 Copies	D	No Charge	**No Charge**
8 Copies	a	8 Copies	D	2.00	**2.00**
Further Copies	a	Per Copy	D	25p	**25p**

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A combination of the above shall be treated on the basis of 10p per copy for the A4 and 20p per copy for the A3. When the trigger of £1.50 is reached in any combination charging should commence.					
A2 Plans:					
1st Copy	a	1st Copy	D	4.30	**4.30**
Additional Copies	a	Per Additional Copy	D	3.00	**3.00**
A1 Plans:					
1st Copy	a	1st Copy	D	8.50	**8.50**
Additional Copies	a	Per Additional Copy	D	5.75	**5.75**
Publications:					
Adopted Fylde Borough Local Plan to 2032	e	Per document	D	75.00	**75.00**
Fylde Borough Local Plan to 2032 Revised Preferred Option	e	Per document	D	50.00	**50.00**
Fylde Borough Local Plan As Altered 2005	e	Per document	D	46.00	**46.00**
Postage	c	Per document		3.00	**3.00**
Housing Land Availability	e	Per document	D	15.50	**15.50**
Postage	c	Per document		1.00	**1.00**
2002 Housing Needs Survey	e	Per document	D	51.00	**51.00**
Postage	c	Per document		3.00	**3.00**
House Extending Your Home	e	Per document	D	30.00	**30.00**
Postage	c	Per document		0.60	**0.60**
Strategic Housing Land Availability Assessment	e	Per document	D	3.30	**3.30**
Postage	c	Per document		0.50	**0.50**

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	VAT Code	Unit Of Charge	Variable Charge Discretionary (D) Prescribed (P)	Approved 2019/20 Fees & Charges £	**Draft 2020/21 Fees & Charges £**
Land at Wesham Hospital	e	Per document	D	2.20	**2.20**
Postage	e	Per document		0.50	**0.50**
Land at Queensway	e	Per document	D	2.20	**2.20**
Postage	e	Per document		0.50	**0.50**
Queen Mary School	e	Per document	D	5.50	**5.50**
Postage	e	Per document		0.50	**0.50**
Windows Doors and Architectural Joinery	e	Per document	D	5.50	**5.50**
Postage	e	Per document		0.50	**0.50**
Wimbourne Stables	e	Per document	D	2.20	**2.20**
Postage	e	Per document		0.50	**0.50**
Policy for Shop Front Design Guide	e	Per document	D	3.30	**3.30**
Postage	e	Per document		0.50	**0.50**
606 Clifton Drive North (Revised Development Brief)	e	Per document	D	2.20	**2.20**
Postage	e	Per document		0.50	**0.50**
Land at Weeton Road, Wesham	e	Per document	D	2.20	**2.20**
Postage	e	Per document		0.50	**0.50**
The Conversion of Fylde's Traditional Farm Buildings	e	Per document	D	3.30	**3.30**
Postage	e	Per document		0.50	**0.50**
Any document not included in the above list will be charged at the relevant charge per page as set out above					

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	VAT Code	Unit Of Charge	Variable Charge Discretionary (D) Prescribed (P)	Approved 2019/20 Fees & Charges £	**Draft 2020/21 Fees & Charges £**
Planning Fees					
Planning fees are charged at the national rates which are established and set by the Government.					
https://new.fylde.gov.uk/resident/planning/planning-application-fees/					
Building Control					
Full Plans					
Standard charge for erection or conversion of dwelling houses up to 300m2 and up to 3 storeys					
1 dwelling	a	Per application	D	690.00	**690.00**
2 dwellings	a	Per application	D	930.00	**930.00**
3 dwellings	a	Per application	D	1,170.00	**1,170.00**
4 dwellings	a	Per application	D	1,410.00	**1,410.00**
5 dwellings	a	Per application	D	1,650.00	**1,650.00**
Erection or conversion of 6 or more dwellings or flats	a	Per application	D	Negotiated fee	Negotiated fee
Erection of dwellings or flats where the total floor area exceeds 300m2	a	Per application	D	Negotiated fee	Negotiated fee
Standard charges for extensions to existing dwellings					
Extension with floor area not exceeding 10m2	a	Per application	D	375.00	**390.00**
Extension with floor area exceeding 10m2, but not exceeding 40m2	a	Per application	D	475.00	**500.00**
Extension with floor area exceeding 40m2, but not exceeding 80m2	a	Per application	D	650.00	**675.00**
Extension with floor area exceeding 80m2, but not exceeding 100m2	a	Per application	D	800.00	**825.00**

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	VAT Code	Unit Of Charge	Variable Charge Discretionary (D) Prescribed (P)	Approved 2019/20 Fees & Charges £	**Draft 2020/21 Fees & Charges £**
Standard charges for extensions to existing dwellings continued:					
Loft conversion up to 40m2 that does not includes a dormer window	a	Per application	D	375.00	**390.00**
Loft conversion up to 40m2 that includes a dormer window	a	Per application	D	475.00	**500.00**
Erection or extension of a detached or attached domestic garage not exceeding 40m2	a	Per application	D	275.00	**300.00**
Erection or extension of a detached or attached domestic garage or carport with floor area exceeding 40m2, but not exceeding 80m2	a	Per application	D	375.00	**400.00**
Conversion of domestic garage to habitable room	a	Per application	D	325.00	**350.00**
Notifiable electrical work carried out by a non-competent person (i.e. not Part P registered)	a	Per application	D	250.00	**250.00**
Reversion work from an approved inspector	a	Per application	D	Negotiated Fee	**Negotiated Fee**
Building work in relation to more than one building	a	Per application	D	Negotiated Fee	**Negotiated Fee**
Extension to a dwelling where floor area exceeds 80m2	a	Per application	D	Negotiated Fee	**Negotiated Fee**
Loft conversion (with or without a dormer) to a dwelling where floor area exceeds 40m2	a	Per application	D	Negotiated Fee	**Negotiated Fee**
Garage or carport where floor area exceeds 60m2	a	Per application	D	Negotiated Fee	**Negotiated Fee**
Regularisation of any work which would normally be subject to a set charge/negotiated fee	e	Per application	D	Minimum 150%	**Minimum 150%**
Standard charges to other works to dwellings:					
Renovation of a thermal element of a single dwelling or flat	a	Per application	D	150.00	**150.00**
Renovation of a thermal element to more than one dwelling or flat	a	Per application	D	Negotiated Fee	**Negotiated Fee**
Replacement windows (multi flat or single dwelling , up to 10 windows)	a	Per application	D	150.00	**150.00**
Replacement of more than 10 windows	a	Per application	D	Negotiated Fee	**Negotiated Fee**
Internal alterations (Incl. structural) and installation of fittings other than electrical work	a	Per application	D	Negotiated Fee	**Negotiated Fee**

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	VAT Code	Unit Of Charge	Variable Charge Discretionary (D) Prescribed (P)	Approved 2019/20 Fees & Charges £	**Draft 2020/21 Fees & Charges £**
Standard charges to other works to dwellings continued					
Fixed price based on cost of work:					
Up to £1,000	a	Per application	D	150.00	**150.00**
£1,000 to £5,000	a	Per application	D	250.00	**250.00**
£5,000 to £10,000	a	Per application	D	300.00	**300.00**
£10,000 to £20,000	a	Per application	D	400.00	**400.00**
£20,000 to £30,000	a	Per application	D	500.00	**500.00**
£30,000 to £40,000	a	Per application	D	600.00	**600.00**
£41,000 to £100,000	a	Per application	D	72.00 per £10k	**72.00 per £10k**
£101,000 to £1,000,000	a	Per application	D	48.00 per £10k	**48.00 per £10k**
Electrical Work					
Electrical work other than a rewire	a	Per application	D	Negotiated Fee	**Negotiated Fee**
Rewire of a dwelling including new consumer unit	a	Per application	D	Negotiated Fee	**Negotiated Fee**
Standard charges for work to non-domestic buildings:					
Extensions and new buildings (commercial)					
Not Exceeding 10m2 (industrial and storage)	a	Per application	D	300.00	**350.00**
Not exceeding 10m2 (other use classes)	a	Per application	D	350.00	**400.00**
Between 10m2 and 40m2 (industrial and storage)	a	Per application	D	400.00	**450.00**
Between 10m2 and 40m2 (other use classes)	a	Per application	D	500.00	**550.00**
Exceeding 40m2	a	Per application	D	Negotiated Fee	**Negotiated Fee**

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	VAT Code	Unit Of Charge	Variable Charge Discretionary (D) Prescribed (P)	Approved 2019/20 Fees & Charges £	**Draft 2020/21 Fees & Charges £**
Standard charges for work to non-domestic buildings continued					
All other work and alterations to non-domestic buildings					
Window replacement (up to 10 windows)	a	Per application	D	150.00	**150.00**
Window replacement (over 10 windows)	a	Per application	D	Negotiated fee	**Negotiated fee**
Renovation of a thermal element (cost up to £20,000)	a	Per application	D	150.00	**250.00**
Renovation of a thermal element (cost over £20,000)	a	Per application	D	Negotiated fee	**Negotiated fee**
Alterations and works not described elsewhere, including structural, shop and office fit-out and installation of controlled fittings. Based on cost of works:					
Up to £5,000	a	Per application	D	250.00	**300.00**
£5,000 to £10,000	a	Per application	D	300.00	**350.00**
£10,000 to £20,000	a	Per application	D	360.00	**400.00**
£20,000 to £30,000	a	Per application	D	450.00	**500.00**
£30,000 to £40,000	a	Per application	D	600.00	**600.00**
£41,000 to £100,000	a	Per application	D	72.00 per £10k	**72.00 per £10k**
£101,000 to £1,000,000	a	Per application	D	48.00 per £10k	**48.00 per £10k**
Miscellaneous Charges					
Re-open an archive file	a	Per file	D	90.00	**84.00**
Research and retrieval of manual records (other than for search records)	a	Per file	D	60.00	**60.00**
Subsequent site inspections on applications previously archived	a	Per file	D	-	**60.00**
Copy Decision Notices and Completion certificates	a	Per Notice	D	20.00	**20.00**
Demolition application to demolish existing property under Section 80 of the Building Act 1984 and issuing of counter notice under Section 81 of the Building Act 1984.	a	Per application	D	-	**150.00**
NOTES: **1) Where a negotiated fee is indicated factors such as design brief, competency, build duration, service level agreement, number of units/dwellings and type of construction are factored in to provide the individual charge.** **2) Where works are of estimated cost value and are being carried out simultaneously as a standard charge item for extensions to an existing dwelling the fee shall be reduced by 50%.** **3) Where the person is registered disabled and the proposals are for the benefit of that person the application is exempt from charge.**					

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	VAT Code	Unit Of Charge	Variable Charge Discretionary (D) Prescribed (P)	Approved 2019/20 Fees & Charges £	**Draft 2020/21 Fees & Charges £**
Building Notice					
Building Notice charge is equal to the Full Plans fee plus 10%					
1 dwelling	a	Per application	D	759.00	**759.00**
2 dwellings	a	Per application	D	1,023.00	**1,023.00**
3 dwellings	a	Per application	D	1,287.00	**1,287.00**
4 dwellings	a	Per application	D	1,551.00	**1,551.00**
5 dwellings	a	Per application	D	1,826.00	**1,826.00**
Erection or conversion of 6 or more dwellings or flats	a	Per application	D	Negotiated fee	**Negotiated fee**
Erection of dwellings or flats where the total floor area exceeds 300m2	a	Per application	D	Negotiated fee	**Negotiated fee**
Building Notice charges for extensions to existing dwellings					
Extension with floor area not exceeding 10m2	a	Per application	D	412.50	**429.00**
Extension with floor area exceeding 10m2, but not exceeding 40m2	a	Per application	D	522.50	**550.00**
Extension with floor area exceeding 40m2, but not exceeding 80m2	a	Per application	D	715.00	**742.50**
Extension with floor area exceeding 80m2, but not exceeding 100m2	a	Per application	D	880.00	**907.50**
Loft conversion up to 40m2 that does not includes a dormer window	a	Per application	D	412.50	**429.00**
Loft conversion up to 40m2 that includes a dormer window	a	Per application	D	522.50	**550.00**
Erection or extension of a detached or attached domestic garage not exceeding 40m2	a	Per application	D	302.50	**330.00**
Erection or extension of a detached or attached domestic garage or carport with floor area exceeding 40m2, but not exceeding 80m2	a	Per application	D	412.50	**440.00**
Conversion of domestic garage to habitable room	a	Per application	D	357.50	**385.00**
Notifiable electrical work carried out by a non-competent person (i.e. not Part P registered)	a	Per application	D	250.00	**250.00**

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	VAT Code	Unit Of Charge	Variable Charge Discretionary (D) Prescribed (P)	Approved 2019/20 Fees & Charges £	**Draft 2020/21 Fees & Charges £**
Building Notice charges for extensions to existing dwellings continued:					
Reversion work from an approved inspector	a	Per application	D	Negotiated Fee	**Negotiated Fee**
Building work in relation to more than one building	a	Per application	D	Negotiated Fee	**Negotiated Fee**
Extension to a dwelling where floor area exceeds 80m2	a	Per application	D	Negotiated Fee	**Negotiated Fee**
Loft conversion (with or without a dormer) to a dwelling where floor area exceeds 40m2	a	Per application	D	Negotiated Fee	**Negotiated Fee**
Garage or carport where floor area exceeds 60m2	a	Per application	D	Negotiated Fee	**Negotiated Fee**
Building Notice charges to other works to dwellings:					
Renovation of a thermal element of a single dwelling or flat	a	Per application	D	165.00	**165.00**
Renovation of a thermal element to more than one dwelling or flat	a	Per application	D	Negotiated Fee	**Negotiated Fee**
Replacement windows (multi flat or single dwelling , up to 10 windows)	a	Per application	D	165.00	**165.00**
Replacement of more than 10 windows	a	Per application	D	Negotiated Fee	**Negotiated Fee**
Internal alterations (Incl. structural) and installation of fittings other than electrical work	a	Per application	D	Negotiated Fee	**Negotiated Fee**
Fixed price based on cost of work:					
Up to £1,000	a	Per application	D	165.00	**165.00**
£1,000 to £5,000	a	Per application	D	275.00	**275.00**
£5,000 to £10,000	a	Per application	D	330.00	**330.00**
£10,000 to £20,000	a	Per application	D	440.00	**440.00**
£20,000 to £30,000	a	Per application	D	550.00	**550.00**
£30,000 to £40,000	a	Per application	D	660.00	**660.00**

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	VAT Code	Unit Of Charge	Variable Charge Discretionary (D) Prescribed (P)	Approved 2019/20 Fees & Charges £	**Draft 2020/21 Fees & Charges £**
Building Notice charges to other works to dwelling continued:					
£41,000 to £100,000	a	Per application	D	£80.00 per £10k	**£80.00 per £10k**
£101,000 to £1,000,000	a	Per application	D	£50.00 per £10k	**£50.00 per £10k**
Electrical Work					
Electrical work other than a rewire	a	Per application	D	Negotiated fee	**Negotiated fee**
Rewire of a dwelling including new consumer unit	a	Per application	D	Negotiated fee	**Negotiated fee**

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	VAT Code	Unit Of Charge	Variable Charge Discretionary (D) Prescribed (P)	Approved 2019/20 Fees & Charges £	**Draft 2020/21 Fees & Charges £**
TOURISM AND LEISURE COMMITTEE					
Fairhaven Lake					
Motor Boat Hire:					
- Per Boat	c	Per 20 min	D	8.00	**8.00**
Rowing Boat Hire:					
- Per Boat	c	Per 30 min	D	6.00	**6.00**
Canoe Hire:					
- Per Boat	c	Per 30 min	D	5.00	**5.00**
Motor Launch:					
- Adult 16+	c	Per Trip	D	2.00	**2.00**
- Senior Citizen / Junior	c	Per Trip	D	1.00	**1.00**
- Child 5-15	c	Per Trip	D	1.00	**1.00**
- Under 5 years	c	Per Trip	D	Free	**Free**
Private Use:					
Windsurfing/Dinghy/Canoe:					
- 2 hr. period	c	Per 2 hr.	D	6.00	**6.00**
- Day	c	Per Day	D	12.00	**12.00**
- Season	c	Per Season	D	75.00	**75.00**
Crazy Golf:					
- Adult	c	Per Round	D	4.00	**4.00**
- Junior / Senior Citizen	c	Per Round	D	3.00	**3.00**
- Family Ticket (2 adults, 2 children)	c	Per Round	D	10.00	**10.00**
Motor Boat & Crazy Golf Family Ticket (2 adults, 2 children)	c	Per Trip/Round	D	14.00	**14.00**

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	VAT Code	Unit Of Charge	Variable Charge Discretionary (D) Prescribed (P)	Approved 2019/20 Fees & Charges £	**Draft 2020/21 Fees & Charges £**
Game Sites					
Bowling (Crown & Flat):					
- Adult Bowls	c	Two Hours	D	6.00	**6.00**
- Senior Citizen	c	Two Hours	D	5.00	**5.00**
- Junior Bowls	c	Two Hours	D	2.00	**2.00**
- Hire of Bowls – deposit	c		D	5.00	**5.00**
- Adult Contract	c	Annual	D	85.00	**85.00**
- Senior Citizen Contract	c	Annual	D	65.00	**65.00**
- Junior Contract	c	Annual	D	30.00	**30.00**
- Winter Contract only	c	Winter	D	20.00	**20.00**
Green Reservation per hour	c	Per Hour	D	35.00	**35.00**
Tennis:					
- Adult / Family court hire per hour	c	Per Hour	D	7.50	**7.50**
- Junior / Senior Citizen court hire per hour	c	Per Hour	D	4.50	**4.50**
- Hire of Rackets – deposit	c	Deposit	D	5.00	**5.00**
Club Reservation April – September					
(1 Court for one 3 hr. session per week)					

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	VAT Code	Unit Of Charge	Variable Charge Discretionary (D) Prescribed (P)	Approved 2019/20 Fees & Charges £	**Draft 2020/21 Fees & Charges £**
Sports Facilities					
(Park View Rd, Blackpool Rd)					
Football:					
- Occasional Match (approx.. 2 hours)	c	Per 2 hours	D	60.00	**60.00**
Season Bookings:					
One match every other week per team:					
- Adult	c	Per Season	D	230.00	**230.00**
- Junior 11V11	c	Per Season	D	135.00	**135.00**
- Junior 9V9	c	Per Season	D	110.00	**110.00**
- Junior 7V7	c	Per Season	D	90.00	**90.00**
- Junior 5V5	c	Per Season	D	60.00	**60.00**
Tournaments					
- Adult	c	Per Pitch	D	30.00	**30.00**
- Junior	c	Per Pitch	D	25.00	**25.00**
Hewitt Lecture Room:					
Per hour or part there of:					
Monday to Friday	c	Per Hour*	D	16.00	**16.00**
Saturdays & Bank Holidays	c	Per Hour*	D	22.00	**22.00**
Commercial Hire	c	Per Hour*	D	45.00	**45.00**
Share Room (Room 2)	c	Per Hour*	D	13.00	**13.00**
*Rate per hour in half hour periods					
Allotment Plots:					
Full plot yearly rent	d	Per Plot	D	55.00	**55.00**
Half plot yearly rent	d	Per Plot	D	27.50	**27.50**

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	VAT Code	Unit Of Charge	Variable Charge Discretionary (D) Prescribed (P)	Approved 2019/20 Fees & Charges £	**Draft 2020/21 Fees & Charges £**
ENVIRONMENT, HEALTH AND HOUSING COMMITTEE					
Cemetery & Crematorium					
The fees for a 'resident' apply where the deceased, immediately before their death was an inhabitant of the Borough of Fylde or a parishioner of any Parish comprised therein.					
Interments:					
For the Interment of:					
- The body of a stillborn child, or a child whose age at the time of death did not exceed 17 years. In a child's grave allocated by the Authority	d	Per Interment	D	0.00	**0.00**
- The body of a non-resident whose age exceeded 17 years at the time of death	d	Per Interment	D	882.00	**917.00**
- The body of a resident whose age exceeded 17 years at the time of death	d	Per Interment	D	588.00	**611.00**
- For interment in a vault of a non-resident (exclusive of the charges for brickwork)	d	Per Interment	D	882.00	**917.00**
- For the interment in a vault of a resident (exclusive of the charges for brickwork)	d	Per Interment	D	588.00	**611.00**
- Construction of a vault	d	Per Vault	D	Cost + 10%	**-**
- For the interment of cremated remains in a grave for a non-resident	d	Per Interment	D	223.00	**232.00**
- For the interment of cremated remains in a grave for a resident	d	Per Interment	D	149.00	**155.00**
For the purchase of exclusive right of burial in:					
- An earth grave, for 100 years for a non-resident	d	Per Grave	D	1,165.00	**1212.00**
- An earth grave, for 100 years for a resident	d	Per Grave	D	777.00	**808.00**
- An earth grave non-standard size for cremated remains, for 100 years for a non-resident	d	Per Grave	D	825.00	**-**
- An earth grave non-standard size for cremated remains, for 100 years for a resident	d	Per Grave	D	441.00	**-**
Removal & Re-fix of Memorials:					
- For removal and re-fix of memorials	d	Per Memorial	D	Cost + 10%	**Cost + 10%**

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	VAT Code	Unit Of Charge	Variable Charge Discretionary (D) Prescribed (P)	Approved 2019/20 Fees & Charges £	**Draft 2020/21 Fees & Charges £**
Cemetery & Crematorium Continued:					
Memorials					
For the right to erect:					
- A headstone not exceeding 3ft	c	Per Memorial	D	85.50	**89.00**
- A headstone on Foundation	c	Per Memorial	D	152.00	**158.00**
- Kerbings on permitted graves	c	Per Memorial	D	74.00	**77.00**
- For each extra inscription (Inc. VAT)	a	Per Inscription	D	37.00	**38.50**
Cremations:					
For the cremation:					
- Of the body of a stillborn child or of a child whose age at the time of death exceeded one month but did not exceed 17 years.	c	Per Cremation	D	0.00	**0.00**
- Of the body of a person whose age at the time of death exceeded 17 years	c	Per Cremation	D	724.00	**753.00**
- Early morning & adult simplicity cremations by appointment with the Crematorium Registrar	c	Per Cremation	D	483.00	**499.00**
- Direct cremations at a time agreed with the crematorium	c	Per Cremation	D	399.00	**399.00**
- Saturday morning service traditional cremations	c	Per Cremation	D	1086.00	**1130.00**
Memorial Wall Plaques:					
- Single wall plaque including inscription to 70 characters.	a	Per Plaque	D	238.00	**248.00**
- Double wall plaque including 2 inscriptions to 140 characters.	a	Per Plaque	D	476.00	**496.00**
- Double wall plaque including reserved section to 70 characters.	a	Per Plaque	D	350.00	**365.00**
- Second inscription on existing plaque	a	Per Plaque	D	126.00	**131.00**
Memorial Wall Lease Fee					
- Lease fee per section	a	Per Section	D	35.00	**45.00**

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	VAT Code	Unit Of Charge	Variable Charge Discretionary (D) Prescribed (P)	Approved 2019/20 Fees & Charges £	**Draft 2020/21 Fees & Charges £**
Cremations Continued:					
Memorial Niche:					
- For a purchase of a new niche to include interment of first casket.	c	Per Niche	D	410.00	**427.00**
- For the purchase of a refurbished niche to include first casket.	c	Per Niche	D	236.00	**245.00**
- For the interment of a second casket in an existing niche.	c	Per Internment	D	53.00	**55.00**
- Single inscription on niche cover	a	Per Inscription	D	102.00	**106.00**
Extra Letters on Existing Memorial Stone:					
- Extra Lettering on existing kerbstones	a	Per Inscription	D	126.00	**131.00**
- For cleaning and re-blacking original inscription (per section)	a	Per Section	D	51.00	**53.00**
- For other types of memorial works	a	Per Occasion	D	Cost + 50%	**Cost + 50%**
Book of Remembrance:					
- For a two line entry	a	Per entry	D	48.00	**50.00**
- For an entry up to five lines	a	Per entry	D	96.00	**100.00**
- For an entry up to eight lines	a	Per entry	D	144.00	**150.00**
- For an entry up to five lines to include a floral emblem, badge, crest or other design	a	Per entry	D	170.00	**177.00**
- For an entry up to eight lines to include a floral emblem, badge, crest or other design	a	Per entry	D	216.00	**225.00**
Copies of Book Entries on Folded Memorial Card:					
- For a two line entry	a	Per Card	D	31.00	-
- For an entry up to five lines	a	Per Card	D	46.00	-
- For an entry up to eight lines	a	Per Card	D	52.00	-
- For an entry up to five lines to include a floral emblem, badge, crest, or other design	a	Per Card	D	121.00	-
- For an entry up to eight lines to include a floral emblem, badge, crest, or other design	a	Per Card	D	152.00	-

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	VAT Code	Unit Of Charge	Variable Charge Discretionary (D) Prescribed (P)	Approved 2019/20 Fees & Charges £	**Draft 2020/21 Fees & Charges £**
Private Sector Housing					
- Enforcement Notice (Housing Act 2004)	d	Per Notice	D	427.00	**427.00**
- HMO Licence (Housing Act 2004):	d	Per Application	D	937.00	**-**
- Part 1 – receipt of application	d	Per Application	D	**-**	**103.00**
- Part 2 – administration of the license (5 years)	d	Per Application	D	-	**388.00**
- Additional costs – assistance and completing the form	d	Per Application	D	-	**147.00**
- HMO Licence Renewal (Housing Act 2004)	d	Per Application	D	309.00	**309.00**
- Immigration housing inspection	d	Per Inspection	D	133.00	**133.00**
Tenancy Support					
- Items taken from home and taken into storage	a	Per Removal	D	50.00	**50.00**
- Weekly storage costs	a	Per Removal	D	10.00	**10.00**
- Items removed from storage and taken to home	a	Per Removal	D	50.00	**50.00**
Discounted Market Sale					
- Processing purchaser applications to check eligibility, discounted is reflected or resale and restrictive covenant on property for resale	a	Per Property Sale	D	-	**251.00**

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	VAT Code	Unit Of Charge	Variable Charge Discretionary (D) Prescribed (P)	Approved 2019/20 Fees & Charges £	**Draft 2020/21 Fees & Charges £**
Environmental Health Charges					
Drainage Services					
- Clearance of blocked drain	a	Per Clearance	D	120.00	**125.00**
- CCTV drain investigation	a	Per investigations	D	120.00	**125.00**
- Combined clearance and CCTV investigation	a	Per Clearance / Investigation	D	235.00	**240.00**
Removal of Illegal Traveller Encampments:					
- Work associated with illegal encampments up to removal order stage	a	Per Encampment	D	350.00	**350.00**
- Should the encampment remain, then work associated with execution of removal order – per hour	a	Per hour	D	120.00	**120.00**
- Legal costs and removal to be charged in addition to the above	a	Per Encampment	D	At Cost	**At Cost**
Fixed Penalty Notice – Householder Duty of Care					
- Fixed penalty charge to householder	d	Per penalty	D	400.00	**400.00**
- Fixed penalty charge to householder – reduced if paid within 14 days	d	Per penalty	D	240.00	**240.00**
Fixed Penalty Notice – Fly Tipping					
- Fixed penalty charge to fly tipping suspect	d	Per penalty	D	400.00	**400.00**
- Fixed penalty charge to fly tipping suspect - reduced if paid within 14 days	d	Per penalty	D	200.00	**200.00**
Air Pollution Control (Environment Protection Act 1990)					
Fees are charged at the national rates which are established and set by the Government.					
https://www.gov.uk/government/publications/environmental-permitting-charging-scheme					
List of Authorised Processes:					
- Commercial Interest	a	Per Property / Site Per Hour	D	75.00	**75.00**

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	VAT Code	Unit Of Charge	Variable Charge Discretionary (D) Prescribed (P)	Approved 2019/20 Fees & Charges £	**Draft 2020/21 Fees & Charges £**
- Fylde Residents / Students (Academic Research)	d	Per Property / Site Per Hour	D	Free	**Free**
Public Register Entries:					
- Commercial Interest – per hour	a	Per Property / Site Per Hour	D	110.00	**110.00**
- Fylde Residents / students (Academic Research)	d	Per Property / Site Per Hour	D	Free	**Free**
Contaminated Land Enquiries:					
- Contaminated Land Enquires: Desk top study – records /search and basic written response where no more than one site identified - per hour	a	Per Property / Site Per Hour	D	110.00	**110.00**
- Contaminated Land Enquiries: Where in addition to above, basic written response detailed landfill gas or chemical data is requested or the enquiry covers more than one site.	d	Per Property / Site Per Hour	D	Individual costs to be negotiated	**Individual costs to be negotiated**
Other Environmental Information:					
- Commercial Interest – Per Hour	a	Per Hour	D	110.00	**110.00**
- Fylde Residents / Students (Academic Research)	d	Per Session	D	Free	**Free**
Street Trading Consents:					
- Class 1: Commercial – Annual	d	Per Application	D	460.00	460.00
- Class 1: Commercial – Renewal	d	Per Application	D	430.00	430.00
- Class 2 : Charitable Organisations (no more than one day duration)	d	Per Application	D	0.00	0.00
Volunteer Surrender of food:					
- Documentation / Certification (Per Hour – minimum 1 hour)	d	Per Application	D		
Food Hygiene Rating Scheme:					
- FBO Request for Food Hygiene Rating Revisit	d	Per Revisit	D	128.00	130.00
General Fees & Charges:					
- Work carried out in default of a notice (Initial Costs)	a	Per Investigation	D	120.00	**120.00**
- Plus cost per premises / site works	a	Per Site / Premises	D	65.00	**65.00**

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	VAT Code	Unit Of Charge	Variable Charge Discretionary (D) Prescribed (P)	Approved 2019/20 Fees & Charges £	**Draft 2020/21 Fees & Charges £**
Private Water Supplies Regulations 2009					
- Risk Assessment	a	Per Assessment	P	500.00 (MAX)	**500.00 (MAX)**
- Sampling	a	Each Visit	P	100.00 (MAX)	**100.00 (MAX)**
- Investigation	a	Each Investigation	P	100.00 (MAX)	**100.00 (MAX)**
- Granting an authorisation	a	Each Authorisation	P	100.00 (MAX)	**100.00 (MAX)**
- Analysing a sample (reg 10)	a	Each Sample	P	25.00 (Max)	**25.00 (Max)**
- Analysing a sample taken during check monitoring	a	Each Sample	P	100.00 (Max)	**100.00 (Max)**
- Analysing a sample taken during audit monitoring	a	Each Sample	P	500.00 (Max)	**500.00 (Max)**
Licences					
Site Licensing Fees – The Mobiles Homes Act 2013:					
- New Site Application	d	Per Application	D	320.00	**320.00**
- Transfer Existing Site Licence	d	Per Application	D	190.00	**190.00**
- Alteration of Conditions	d	Per Application	D	375.00	**375.00**
- Depositing Site Rules	d	Per Application	D	80.00	**80.00**
- Annual Licence Fee – Per Site	d	Per Site	D	250.00	**250.00**
- Annual Licence Fee - Pitch Fee	d	Per Pitch	D	5.00	**5.00**
Street Café:					
- Grant	d	Per Application	D	312.00	**312.00**
- Renewal	d	Per Application	D	230.00	**230.00**
Sex Shop:					
- Grant	d	Per Application	D	1710.00	**1710.00**

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	VAT Code	Unit Of Charge	Variable Charge Discretionary (D) Prescribed (P)	Approved 2019/20 Fees & Charges £	**Draft 2020/21 Fees & Charges £**
Public / Private Hire:					
- Vehicle	d	Per Application	D	190.00	**190.00**
- Hackney Carriage Vehicle Licences	d	Per Application	D	190.00	**190.00**
- Hackney Carriage Drivers Licences	d	Per Application	D	94.00	**94.00**
Plate Charges:					
- Full Set	d	Per Application	D	21.00	**21.00**
- Rear Plate & Mount	d	Per Application	D	11.25	**11.25**
- Rear Plate Only	d	Per Application	D	5.25	**5.25**
- Rear Mount Only	d	Per Application	D	6.00	**6.00**
- Front Plate & Mount	d	Per Application	D	7.00	**7.00**
- Front Plate Only	d	Per Application	D	2.75	**2.75**
- Front Mount Only	d	Per Application	D	4.25	**4.25**
- Button & Keys	d	Per Application	D	1.50	**1.50**
- Pouch	d	Per Application	D	1.25	**1.25**
- Private Hire Door Stickers	d	Per Pair	D	6.15	**6.15**
Drivers					
- New (annual)	d	Per Application	D	94.00	**94.00**
- New (3 yearly)	d	Per Application	D	235.00	**235.00**
- Private Hire Operators 1-5 Vehicles (5 yearly)	d	Per Application	D	312.00	**312.00**
- Private Hire Operators 6-10 Vehicles (5 yearly)	d	Per Application	D	333.00	**333.00**
- Private Hire Operators 11 Vehicles (5 yearly)	d	Per Application	D	358.00	**358.00**

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	VAT Code	Unit Of Charge	Variable Charge Discretionary (D) Prescribed (P)	Approved 2019/20 Fees & Charges £	**Draft 2020/21 Fees & Charges £**
- Replacement Driver Badges	d	Per Application	D	10.50	**10.50**
- Driver Licence Renewals (Private Hire or Hackney)	d	Per Application	D	78.00	**78.00**
- Driver Licence Renewals (Private Hire or Hackney 3 yearly)	d	Per Application	D	184.50	**184.50**
- Drivers Combined New	d	Per Application	D	130.50	**130.50**
- Drivers Combined New (3 yearly)	d	Per Application	D	235.00	**235.00**
- Drivers Combined Existing	d	Per Application	D	84.50	**84.50**
- Driver Combined Existing (3 yearly)	d	Per Application	D	184.50	**184.50**
- Transfer Licence Fee	d	Per Application	D	37.00	**37.00**
Notes: We do not issue refunds with respect to Taxi/PHV Licences					
- Fare Cards	d	Per Application	D	2.65	**2.65**
- Knowledge Test	d	Per Test	D	19.00	**19.00**
Licensing & Registration:					
- Grant of Animal Boarding Establishment (Initial application including one inspection)	d	Per Application	D	131.50	**110.00**
- Additional fee payable on approval of 2 year licence	d	Per Application	D	N/A	**69.00**
- Additional fee payable on approval of 3 year licence	d	Per Application	D	N/A	**138.00**
- Renewal of Animal Boarding Establishment (Initial application including one inspection)	d	Per Application	D	131.50	**106.00**
- Additional fee payable on approval of 2 year licence	d	Per Application	D	N/A	**69.00**
- Additional fee payable on approval of 3 year licence	d	Per Application	D	N/A	**138.00**
- Grant of Dog Breeding Establishment Licence (Initial application including one inspection)	d	Per Application	D	131.50	**110.00**
- Additional fee payable on approval of 2 year licence	d	Per Application	D	N/A	**69.00**

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	VAT Code	Unit Of Charge	Variable Charge Discretionary (D) Prescribed (P)	Approved 2019/20 Fees & Charges £	**Draft 2020/21 Fees & Charges £**
-					
- Additional fee payable on approval of 3 year licence	d	Per Application	D	N/A	**138.00**
- Renewal of Dog Breeding Establishment (application including one inspection)	d	Per Application	D	131.50	**106.00**
- Additional fee payable on approval of 2 year licence	d	Per Application	D	N/A	**69.00**
- Additional fee payable on approval of 3 year licence	d	Per Application	D	N/A	**138.00**
- Dangerous Wild animal Licence	d	Per Application	D	230.00	**230.00**
- Selling Animals as Pets (Initial application including one inspection)	d	Per Application	D	131.50	**110.00**
- Additional fee payable on approval of 2 year licence	d	Per Application	D	N/A	**69.00**
- Additional fee payable on approval of 3 year licence	d	Per Application	D	N/A	**138.00**
- Renewal of Selling Animals as Pets (Initial application including one inspection)	d	Per Application	D	131.50	**94.00**
- Additional fee payable on approval of 2 year licence	d	Per Application	D	N/A	**69.00**
- Additional fee payable on approval of 3 year licence	d	Per Application	D	N/A	**138.00**
- Hiring of Horses Licence	d	Per Application	D	230.00	**144.00**
- Hiring of Horses Licence Renewal	d	Per Application	D	206.00	**135.00**
- Scrap Metal Collectors	d	Per Application	D	343.00	**343.00**
- Scrap Metal Site	d	Per Application	D	348.50	**348.50**
- Second Hand Dealer Registration	d	Per Application	D	125.50	**125.50**
- Skin Piercing Registration – Premises	d	Per Application	D	172.00	**172.00**
- Skin Piercing Registration - Persons	d	Per Application	D	172.00	**172.00**
Notes: Skin piercers include acupuncturists, tattooists, ear piercers and electrologists'. Both skin piercers and their premises have to be registered with an Authority. Normally there is one registered proprietor for each premises, although there may be a number of practitioners. Each and every additional practitioner will be required to register					

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	VAT Code	Unit Of Charge	Variable Charge Discretionary (D) Prescribed (P)	Approved 2019/20 Fees & Charges £	**Draft 2020/21 Fees & Charges £**
General: Alterations or additions to the above licences, registrations and consents, which result in the need to visit premises and issue documentation will be charged at half the standard fee. - Many of the Licences are issued from the 1st January each year. Where application is made part way through a year, 1/12 of the standard fee will be charged for each full month remaining plus an administration fee of £54.00 - Where a licence is surrendered part way through a year a 1/12 refund of the standard fee will be charged for each full calendar month remaining, less an administration fee of £54.00 - Licence fee levels for 2020/21 have been assessed to ensure the fee equates to no more than the cost of providing the licence.					
Gambling Act 2005 – Premises Licence Fees					
Casino Premises Licence:					
- **Annual Fee**	d	Per Application	D to P max	271.50	**271.50**
- Variation Fee	d	Per Application	D to P max	195.00	**195.00**
- Transfer Fee	d	Per Application	D to P max	156.50	**156.50**
- Reinstatement of Licence	d	Per Application	D to P max	156.50	**156.50**
-					
Bingo Premises Licence:					
- New Application	d	Per Application	D to P max	200.00	**200.00**
- Annual Fee	d	Per Application	D to P max	246.00	**246.00**
- Provisional Statement Fee	d	Per Application	D to P max	156.50	**156.50**

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	VAT Code	Unit Of Charge	Variable Charge Discretionary (D) Prescribed (P)	Approved 2019/20 Fees & Charges £	**Draft 2020/21 Fees & Charges £**
Bingo Premises Licence continued:					
- Premises Licence fee holder of provisional statements	d	Per Application	D to P max	31.00	**31.00**
- Variation Fee	d	Per Application	D to P max	195.00	**195.00**
- Transfer Fee	d	Per Application	D to P max	156.50	**156.50**
- Reinstatement of Licence	d	Per Application	D to P max	156.50	**156.50**
Bingo Premises (Other) Licence:					
- New Application	d	Per Application	D to P max	200.00	**200.00**
- Annual Fee	d	Per Application	D to P max	246.00	**246.00**
- Provisional Statement Fee	d	Per Application	D to P max	156.50	**156.50**
- Provisional Licence fee for holders of provisional statements	d	Per Application	D to P max	31.00	**31.00**
- Variation Fee	d	Per Application	D to P max	195.00	**195.00**
- Transfer Fee	d	Per Application	D to P max	156.50	**156.50**
- Reinstatement of Licence	d	Per Application	D to P max	156.50	**156.50**
Adult Gaming Centre Premises Licences:					
- New Application	d	Per Application	D to P max	200.00	**200.00**
- Annual Fee	d	Per Application	D to P max	246.00	**246.00**
- Provisional Statement Fee	d	Per Application	D to P max	156.50	**156.50**
- Premises Licence fee for holders of provisional statements	d	Per Application	D to P max	31.00	**31.00**
- Variation Fee	d	Per Application	D to P max	195.00	**195.00**
- Transfer Fee	d	Per Application	D to P max	156.50	**156.50**
- Reinstatement of Licence	d	Per Application	D to P max	156.50	**156.50**

VAT Codes:
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	VAT Code	Unit Of Charge	Variable Charge Discretionary (D) Prescribed (P)	Approved 2019/20 Fees & Charges £	**Draft 2020/21 Fees & Charges £**
Tracks:					
- New Application	d	Per Application	D to P max	200.00	**200.00**
- Annual Fee	d	Per Application	D to P max	246.00	**246.00**
- Provisional Statement fee	d	Per Application	D to P max	156.50	**156.50**
- Premises licence fee for holder of provisional Statement	d	Per Application	D to P max	31.00	**31.00**
- Variation Fee	d	Per Application	D to P max	195.00	**195.00**
- Transfer Fee	d	Per Application	D to P max	156.50	**156.50**
- Reinstatement of licence	d	Per Application	D to P max	156.50	**156.50**
- Fee for notification of change of circumstance	d	Per Application	P	50.00	**50.00**
- Fee for copy of licence	d	Per Application	P	25.00	**25.00**
Licensing Act Charges					
Licensed Premises Fees: Non-Domestic Rateable Value					
Application / Initial Fee					
Band A: 0 - 4300	d	Per Application	P	100.00	**100.00**
Band B: 4301 - 3300	d	Per Application	P	190.00	**190.00**
Band C: 33001 - 87000	d	Per Application	P	315.00	**315.00**
Band D: 87001 - 125000	d	Per Application	P	450.00	**450.00**
Band E: 125001 and Over	d	Per Application	P	635.00	**635.00**

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	VAT Code	Unit Of Charge	Variable Charge Discretionary (D) Prescribed (P)	Approved 2019/20 Fees & Charges £	**Draft 2020/21 Fees & Charges £**
Annual / Renewal Charge					
Band A: 0 - 4300	d	Per Application	P	70.00	**70.00**
Band B: 4301 - 3300	d	Per Application	P	180.00	**180.00**
Band C: 33001 - 87000	d	Per Application	P	295.00	**295.00**
Band D: 87001 - 125000	d	Per Application	P	320.00	**320.00**
Band E: 125001 and Over	d	Per Application	P	350.00	**350.00**
Note: Where the premises are in Band D or Band E, and where the primary or exclusive function is to supply alcohol for consumption on the premises the fees will be as follows.					
Annual / Renewal Charge Band D: 87001 - 125000	d	Per Application	P	640.00	**640.00**
Band E: 125000 and Over	d	Per Application	P	1050.00	**1050.00**
Personal Licence: Renewable after 10 years	d	Per Application	P	37.00	**37.00**
Other Fees & Charges: Application for copy of licence or summary on theft, loss etc. of premises licence or summary	d	Per Application	P	10.50	**10.50**
Notification of Change of name or address (holder of premises licence)	d	Per Application	P	10.50	**10.50**
Application to vary to specify individual as premises supervisor	d	Per Application	P	10.50	**10.50**
Application to transfer premises licence	d	Per Application	P	23.00	**23.00**
Interim authority notice	d	Per Application	P	23.00	**23.00**
Application for making a provisional licence	d	Per Application	P	23.00	**23.00**
Application for a copy certificate or summary on theft, loss of certificate or summary	d	Per Application	P	315.00	**315.00**
Notification of change of name or alteration of club rules	d	Per Application	P	10.50	**10.50**
Change of relevant registered address of club	d	Per Application	P	10.50	**10.50**
Temporary event notices	d	Per Application	P	10.50	**10.50**

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	VAT Code	Unit Of Charge	Variable Charge Discretionary (D) Prescribed (P)	Approved 2019/20 Fees & Charges £	**Draft 2020/21 Fees & Charges £**
Application of copy of notice on theft, loss etc. of temporary event notice	d	Per Application	P	21.00	**21.00**
Application for copy of licence on theft, loss etc. of personal licence	d	Per Application	P	10.50	**10.50**
Notification of change of name or address (personal licence)	d	Per Application	P	10.50	**10.50**
Notice of interest in any premises	d	Per Application	P	21.00	**21.00**
Note: All the prescribed Licensing Act 2003 fees are currently prescribed in regulations to the act. New legislation is anticipated whereby such fees shall be locally set but the date for this currently unknown.					

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	VAT Code	Unit Of Charge	Variable Charge Discretionary (D) Prescribed (P)	Approved 2019/20 Fees & Charges £	**Draft 2020/21 Fees & Charges £**
FINANCE AND DEMOCRACY COMMITTEE					
Revenues & Benefits Service					
Council Tax Administration					
Recovery of admin costs in issuing summonses & liability orders	d	Each	D	72.50	**72.50**
Business Rates (NNDR) Administration					
Recovery of admin costs in issuing summonses & liability orders	d	Each	D	72.50	**72.50**
Electoral Services					
Register of Electors Sale of copies :- (a) Data Format	d	Each	P	20.00 plus £1.50 per 1000 names (or part)	**20.00** **plus £1.50 per 1000 names (or part)**
- (b) Printed Format	d	Each	P	10.00 plus £5.00 per 1000 names (or part)	**10.00** **plus £5.00 per 1000 names (or part)**
Price of a copy of return or declaration of election expenses (or accompanying document)	d	Each side	P	**0.20**	**0.20**
Sale of marked copies of Register / Absent Voters List - (a) Printed Format	d	Each	P	10.00 plus £2.00 per 1000 names (or part)	**10.00** **plus £2.00 per 1000 names (or part)**
- (b) Data Format	d	Each	P	10.00 plus £1.00 per 1000 names (or part)	**10.00** **plus £1.00 per 1000 names (or part)**

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	VAT Code	Unit Of Charge	Variable Charge Discretionary (D) Prescribed (P)	Approved 2019/20 Fees & Charges £	**Draft 2020/21 Fees & Charges £**
Estates					
Fees for Disposal of Freehold (including lease premiums / reverse premiums)					
Commercial, Charities and Community Groups:					
Up to £5,000	c	Per transaction	D	500.00	**500.00**
£5,000 - £10,000	c	Per transaction	D	825.00	**825.00**
£10,000 - £25,000	c	Per transaction	D	1,000.00	**1,000.00**
£25,000 - £50,000	c	Per transaction	D	1,250.00	**1,250.00**
Over £50,000	c	Per transaction	D	3% of transaction	**3% of transaction**
Charities and Community Groups					
Up to £5,000	c	Per transaction	D	100.00	-
£5,000 - £10,000	c	Per transaction	D	150.00	-
£10,000 - £25,000	c	Per transaction	D	250.00	-
£25,000 - £50,000	c	Per transaction	D	350.00	-
Over £50,000	c	Per transaction	D	1% of transaction	-
Fees for Disposal of Leaseholds					
Commercial:					
New Lease Rent up to £7,500 pa	c	Per transaction	D	750.00	**750.00**
New Lease Rent over £7,500 pa	c	Per transaction	D	950.00	**950.00**
Lease Renewal	c	Per transaction	D	550.00	**750.00**

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	VAT Code	Unit Of Charge	Variable Charge Discretionary (D) Prescribed (P)	Approved 2019/20 Fees & Charges £	**Draft 2020/21 Fees & Charges £**
Fees for Disposal of Leaseholds continued					
Charities and Community Groups:					
New Lease Rent up to £7,500 pa	c	Per transaction	D	250.00	**250.00**
New Lease Rent over £7,500 pa	c	Per transaction	D	350.00	**350.00**
Lease Renewal	c	Per transaction	D	150.00	**250.00**
Fees for Easements, Licences and Agreements					
Commercial:					
Garden Licences	c	Per transaction	D	250.00	-
Less than 1 year	c	Per transaction	D	350.00	**350.00**
Over 1 year	c	Per transaction	D	500.00	**500.00**
Licence Renewals	c	Per transaction	D	50.00	**150.00**
Charities and Community Groups:					
Garden Licences	c	Per transaction	D	50.00	-
Less than 1 year	c	Per transaction	D	50.00	**50.00**
Over 1 year	c	Per transaction	D	150.00	**150.00**
Licence Renewals	c	Per transaction	D	50.00	**50.00**
Fees for Assignment, Alterations and User Clause					
Commercial:					
Assignment without Guarantor / Rent Deposit	c	Per transaction	D	650.00	**750.00**

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	VAT Code	Unit Of Charge	Variable Charge Discretionary (D) Prescribed (P)	Approved 2019/20 Fees & Charges £	**Draft 2020/21 Fees & Charges £**
Fees for Assignment, Alterations and User Cause continued					
Assignment with Guarantor / Rent Deposit	c	Per transaction	D	950.00	**950.00**
Licence to alter / vary terms within a lease	c	Per transaction	D	950.00	**950.00**
Commercial:					
Change of User Clause	c	Per transaction	D	750.00	**Negotiable – minimum £850**
Charities and Community Groups:					
Assignment without Guarantor / Rent Deposit	c	Per transaction	D	150.00	**250.00**
Assignment with Guarantor / Rent Deposit	c	Per transaction	D	250.00	**350.00**
Licence to alter / vary terms within a lease	c	Per transaction	D	350.00	**500.00**
Change of User Clause	c	Per transaction	D	150.00	**450.00**
Fees for Surrender /Re-Gear of Leasehold Interest					
Commercial:					
Surrender	c	Per transaction	D	750.00*	**750.00***
Re-Gear of Leasehold	c	Per transaction	D	1,250.00*	**1,250.00***
* represents a minimum – premium fees apply					
Fees for Statutory Management / Covenant Breach					
Commercial:	c	Per transaction	D	750.00	**750.00**
S146 Notice	c	Per transaction	D	650.00	**650.00**
Other Covenant Breaches					
Charities and Community Groups:					
S146 Notice	c	Per transaction	D	250.00	**250.00**

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	VAT Code	Unit Of Charge	Variable Charge Discretionary (D) Prescribed (P)	Approved 2019/20 Fees & Charges £	**Draft 2020/21 Fees & Charges £**
Fees for Assignment, Alterations and User Cause continued					
Other Covenant Breaches	c	Per transaction	D	150.00	**150.00**
Note – All Transactions					
All transactions (most cases will be within the set price scale but more complex cases charges may exceed this)	c	Per transaction	D	500.00 – 1250.00	**500.00-1500.00**
Filming and Photography					
Licence Agreement*	c	Per transaction	D	-	**350.00**
Student Filming and Photography	c	Per transaction	D	-	**50.00**
*Plus additional charge for use of land, property, parking and overnight storage / welfare facilities per request	c	Per transaction	D	-	**Negotiable**
Civic Room Hire					
Civil and Naming Ceremonies					
Monday - Friday	c	Per Ceremony	D	350.00	**350.00**
Saturday - Sunday and Bank Holidays	c	Per Ceremony	D	550.00	**550.00**
Corkage Charge – Celebratory drinks package with customers own drinks	c	Per Bottle	D	10.00	**10.00**

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Appendix K

Responses to the Budget Consultation

Respondent 1: Mr Tim Ashton

My feedback on the council's budget proposals are as follows:

- More money for the Borough's Christmas Lights
- Please plant more trees in the borough
- Investment in parks and open spaces
- An increased events budget
- An increased arts budget

Kind regards

Tim Ashton