

Date of issue: Friday, 26 January 2018

MEETING:	CABINET Councillor Swindlehurst Councillor Hussain Councillor Anderson Councillor Carter Councillor Mann Councillor Nazir Councillor Pantelic Councillor Sadiq	Leader of the Council and Cabinet Member for Regeneration & Strategy Deputy Leader of the Council and Cabinet Member for Transformation & Performance Environment & Leisure Planning & Transport Regulation & Consumer Protection Corporate Finance & Housing Health & Social Care Children & Education
DATE AND TIME:	MONDAY, 5TH FEBRUARY, 2018 AT 6.30 PM	
VENUE:	VENUS SUITE 2, ST MARTINS PLACE, 51 BATH ROAD, SLOUGH, BERKSHIRE, SL1 3UF	
DEMOCRATIC SERVICES OFFICER: (for all enquiries)	NICHOLAS PONTONE 01753 875120	

NOTICE OF MEETING

You are requested to attend the above Meeting at the time and date indicated to deal with the business set out in the following agenda.



NEIL WILCOX

Director of Finance & Resources

AGENDA

PART I



Apologies for absence.

1. Declarations of Interest

All Members who believe they have a Disclosable Pecuniary or other Pecuniary or non pecuniary Interest in any matter to be considered at the meeting must declare that interest and, having regard to the circumstances described in Section 3 paragraphs 3.25 – 3.27 of the Councillors' Code of Conduct, leave the meeting while the matter is discussed..

The Chair will ask Members to confirm that they do not have a declarable interest.

All Members making a declaration will be required to complete a Declaration of Interests at Meetings form detailing the nature of their interest.

2.	Minutes of the Meeting held on 22nd January 2018	1 - 10	
3.	Revenue Financial Report - 2017-18 (Quarter 3)	11 - 28	All
4.	Five Year Plan 2018/19 - 2022/23	29 - 48	All
5.	Treasury Management Strategy 2018/19	49 - 76	All
6.	Capital Strategy 2018/24	77 - 96	All
7.	Revenue Budget 2018-19	97 - 158	All
8.	Council Tax and Business Rates Discretionary Relief	159 - 254	All
9.	Annual Early Years Childcare Sufficiency Report	255 - 268	All
10.	Establishment of Trading Partnership with OPSL	269 - 274	All
11.	References from Overview & Scrutiny	To Follow	All
12.	Notification of Forthcoming Decisions	275 - 284	All
13.	Exclusion of Press and Public		

It is recommended that the Press and Public be excluded from the meeting during consideration of the item in Part 2 of the Agenda, as it involves the likely disclosure of exempt information relating to the financial or business affairs of any particular person (including the Authority holding the information) as defined in Paragraph 3 of Part 1 of Schedule 12A of the Local Government Act 1972 (amended).

PART II

14. **Establishment of Trading Partnership with OPSL: Appendix A Business Case** 285 - 292

Press and Public

You are welcome to attend this meeting which is open to the press and public, as an observer. You will however be asked to leave before the Committee considers any items in the Part II agenda. Please contact the Democratic Services Officer shown above for further details.

The Council allows the filming, recording and photographing at its meetings that are open to the public. By entering the meeting room and using the public seating area, you are consenting to being filmed and to the possible use of those images and sound recordings. Anyone proposing to film, record or take photographs of a meeting is requested to advise the Democratic Services Officer before the start of the meeting. Filming or recording must be overt and persons filming should not move around the meeting room whilst filming nor should they obstruct proceedings or the public from viewing the meeting. The use of flash photography, additional lighting or any non hand held devices, including tripods, will not be allowed unless this has been discussed with the Democratic Services Officer.

Note:-

Bold = Key decision

Non-Bold = Non-key decision

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Cabinet – Meeting held on Monday, 22nd January, 2018.

Present:- Councillors Swindlehurst (Chair), Hussain (Vice-Chair), Anderson (until 7.33pm), Carter, Mann, Nazir, Pantelic and Sadiq

Also present under Rule 30:- Councillors Strutton and Wright

Apologies for Absence:- None.

PART 1

78. Declarations of Interest

Item 9: Private Street Works Whittle Parkway Highway Improvement Works – Councillor Anderson declared that some family members worked in businesses located in the roadway. He withdrew from the meeting during consideration of the item.

79. Minutes of the Meeting held on 18th December 2017

Resolved – That the minutes of the meeting of the Cabinet held on 18th December 2017 be approved as a correct record.

Cabinet, 6th October 2017: Strategic Acquisition of Town Centre Site

The Cabinet was informed that it had been decided under the authority delegated to the Interim Director of Place & Development to proceed with the proposal to take over the company which owned the freehold of Nova House, Slough to ensure the protection of residents by carrying out the necessary fire safety works. The decision followed detailed due diligence and was subject to the resolution of any final legal matters.

80. 2018-19 Housing Rents and Service Charges

The Head of Finance (Transformation) introduced a report that presented the changes in housing rents and service charges for 2018/19 for social housing and asked that they be recommended to full Council on 30th January 2018.

It was proposed that Council house dwelling rents would decrease by 1% from Monday 2nd April 2018 and that garage rents, heat, utility, ancillary charges and service charges rise by 3% based on the September CPI inflation figure. The Cabinet noted that the decrease was in line with the legislative requirement that social rents be reduced by 1% less than the amount payable by the tenant in the preceding 12 months each year until 2019-20. The Government had indicated that from 2020 a greater degree of discretion would be given back to Council's which would help to invest in repairs and stabilise the decline in rental income.

After due consideration, the Cabinet agreed to recommend the proposed rent and service charges to full Council.

Recommended –

- (a) That Council house dwelling rents for 2018/19 decrease by 1% over the 2017/18 rent with effect from Monday 2nd April 2018. This was in line with current government guidelines and legislation.
- (b) That Garage rents, heating, utility and ancillary charges increase by 3.0% with effect from Monday 2nd April 2018. This was based upon the September CPI figure.
- (c) That Service charges increase by 3.0% with effect from Monday 2nd April 2018. This was based upon the September CPI figure.
- (d) That 'Other committee' property rents increase by an average of 3.0% from Monday 2nd April 2018 in line with the September CPI figure.

81. Heart of Slough North West Quadrant Update

The Leader of the Council introduced a report that updated that Cabinet on negotiations with Slough Urban Renewal (SUR) on the granting of an option to redevelop the North West Quadrant site.

Following the acquisition of the land by the Council in April 2017, detailed work had been undertaken with SUR to determine whether it could satisfy the Council's requirements in relation to the quality and design mix; programme and deliverability; economic development outcomes; profit distribution and risk profile. The recommendation was that SUR be granted an option for the redevelopment and the Cabinet was asked to consider and note the Appendices 1, 2 and 3, which contained exempt information, setting out the draft vision statement, legal issues and report of the external development consultant.

The Cabinet emphasised the strategic importance of the site and the wider opportunities to contribute to the major regeneration of the town centre. It was agreed that the work undertaken since the acquisition had demonstrated that SUR was the best option to deliver the regeneration of the site. Further reports would come back to Cabinet to approve the masterplan prior to the submission of the planning application. A range of other issues were raised including the short term actions to improve the appearance of the site. A proposal was made to amend recommendation (g) to clarify that Cabinet's approval would be required before the plans for the site were submitted and that the determination of SURs application would be a matter for the formal planning process. All of the recommendations, including the amended recommendation (g), were agreed.

Resolved –

- (a) That the granting be agreed of an option to SUR to redevelop the site referred to as the North West Quadrant and to agree that Council officers should proceed on the basis that the site will be disposed of to, and developed by, SUR, subject to Cabinet approval of the final sum for each phase, which for the Council, will represent no less than the best consideration reasonably obtained (i.e. best value); and
- (b) That Subject to (a) above, delegated authority be given to the Director of Finance & Resources (Section 151 Officer), following consultation with the Leader of the Council, to agree:
 - i) The final terms of the option in line with the agreed Heads of Terms; and
 - ii) Expenditure of up to £150,000 of reasonable development costs at NWQ, including the replacement of hoarding, the cost of which is to be recoverable from the regeneration project through the minimum land value payable by SUR.
- (c) That the content of Appendix One, which illustrates the vision, track record and expertise of SUR to deliver the NWQ site on behalf of the Council be noted.
- (d) That the content of Appendix Two be noted, which confirms the Council's ability to use SUR to procure the development, and sets out how the standard option agreement has been amended to consider: additional governance, the phased and extended nature of the scheme, economic development, and the additional development management expertise required.
- (e) That the content of Appendix Three, prepared by an independent firm of Chartered Surveyors specialising in development consultancy, which supports the conditional disposal to SUR as a reasonable and effective route offering best value to the Council be noted.
- (f) That it be agreed that the redevelopment of the NWQ should, where possible, facilitate and maximise development opportunities emerging in the town centre where these opportunities deliver wider social and regenerative benefits for Slough.
- (g) That it be noted that further reports would be made to Cabinet on (i) the Masterplan for the development of the NWQ site to update SUR's current indicative Masterplan document; and (ii) the planning application for outline planning consent for the whole of the NWQ site and full planning consent for Phase 1; to seek Cabinet's approval that SUR submit the planning application prior to it being taken through the planning process for determination.

82. Update on Tower & Ashbourne Houses

The Service Lead Neighbourhoods introduced an update on the rehousing of tenants and buyback of leasehold properties of Tower and Ashbourne Houses and the future redevelopment of the site.

It had previously been agreed that due to a range of compliance and anti-social behaviour issues, tenants would be decanted from the two blocks and the options be explored for redevelopment. An Initial Demolition Notice had been issued in 2015 and the Cabinet was asked to confirm that both blocks be demolished. All tenants had been successfully rehoused and all but two leaseholders had accepted offers and moved out. If negotiations with them broke down, the option of applying for Compulsory Purchase Orders would need to be considered. A detailed option appraisal for affordable housing had been carried out and a proposal of 195 units had been developed to replace the existing 104 social units.

The Cabinet welcomed the progress that had been made and asked a number of questions about the state of the negotiations with the remaining two leaseholders and the impact on the timetable for the redevelopment. A firm timescale could not be confirmed until negotiations, or any possible CPO action, were concluded and it was therefore agreed that the Cabinet receive an update report on the work programme and designs prior to the submission of a planning application. Members agreed that the necessary action be taken to move forward with the demolition and redevelopment and all of the recommendations were approved.

Resolved –

- (a) That Tower House and Ashbourne Houses be demolished;
- (b) That the allocation of funds of £1.57m in the 2018/19 HRA capital programme to this project be approved in addition to the underspend (estimated £2.68m) to be carried forward from 2017/18 to complete the emptying of the blocks, including the potential requirement to take CPO action;
- (c) That the allocation of funds of £1.57m in the 2018/19 HRA capital programme be recommended to full Council;
- (d) That officers proceed with submitting a planning application for a new scheme; and
- (e) That the Director for Finance & Resources, Neighbourhood Services Lead and Cabinet Member for Corporate Finance & Housing, in conjunction with the recommendations of the Housing Option Appraisal, determine the funding for the remodelling of the site.

- (f) That an update report be provided to the Cabinet on the indicative work programme and design prior to the submission of a planning application.

83. Update on Housing Option Appraisal

The Lead Member for Corporate Finance & Housing and the Service Lead Neighbourhoods introduced an update report on the Housing Option Appraisal. The Cabinet had previously agreed that the option of stock transfer had been discounted and the report set out other options to improve and invest in social housing in the medium and long term.

The options included exploring shared ownership schemes, specific mechanisms to raise private finance or institutional investment, maximising the potential of the Council owned housing companies and continuing discussions with housing associations. The Cabinet agreed that the options proposed all provided opportunities to contribute to the Council's commitment to providing social and affordable housing and they should be taken forward in the next phase of the options appraisal.

Speaking under Rule 30, Councillor Strutton asked about the progress of plans for modular housing. An update was provided and it was noted that whilst the Council would always seek to provide permanent housing where possible, there were some former garage sites which may be suitable for modular housing and detailed plans were being developed.

Resolved –

- (a) That following the Budget announcement, the Council reviews whether to apply for additional funding from the Government/Homes and Communities Agency . This could focus on a bid for additional borrowing headroom and/or loan funding for remodelling;
- (b) That the Council pursues an option to raise private finance through pension fund or institutional investment to deliver new affordable rented housing in the borough, and specifically for the proposed remodelling of the Tower and Ashbourne site (subject to planning permission);
- (c) That the Council develop a bespoke model for Shared Ownership in Slough, offered initially on a limited basis to test demand;
- (d) That the Council keep open the option to discuss partnerships with housing associations;
- (e) That the Council continue to pursue opportunities for new delivery through Herschel Homes and James Elliman Homes recognising that the objectives set for these companies primarily relate to the acquisition of market rented housing for use as temporary

accommodation, and accommodation for key workers and vulnerable groups such as care leavers;

- (f) That the Council continue to investigate options for the optimal reinvestment of One-for-One retained Right to Buy receipts into social housing in the borough, in the light of the establishment of the establishment of the Council's Partnership Venture with Osborne's, and the opportunity that DISH may present, for the benefit of the Council's social housing objectives;
- (g) That the Council develop an Active Asset Management Strategy based on the analysis within the Asset Performance Evaluation - to be updated annually;
- (h) That within the Asset Management Strategy, the Council appraise the options for those assets which are under-performing relative to the rest of the stock with a view to remodelling, redeveloping or re-providing in the context of increasing supply.

84. Care Leavers Council Tax Exemption Policy

The Director of Finance & Resources introduced a report on the proposal to introduce a policy to provide an exemption from Council Tax for care leavers.

It was recognised that young adults transitioning from care to independent accommodation often struggled to manage their finances and a Council Tax exemption would provide them with greater financial stability. The Council had an ongoing role as a Corporate Parent and the policy would provide an exemption for care leavers up to the age of 25. There were 42 Care Leavers living in Slough with a Council Tax liability currently and a further 13 living outside of the borough who would be eligible for support.

The Cabinet strongly supported the proposal and asked how eligible care leavers would be made aware of and provided with support. A proactive approach would be taken and practical support on the process would be available if required.

Speaking under Rule 30, Councillor Strutton welcomed the policy and highlighted that the Health Scrutiny Panel had recently discussed the further support that could be provided to care leavers such as access to the cycle hire scheme. Any recommendations from the Panel would be considered by Cabinet at a future meeting.

At the conclusion of the discussion, the Cabinet agreed the policy.

Resolved –

- (a) That the policy for Care Leavers exemption from Council Tax as set out in Appendix A be approved.

Cabinet - 22.01.18

- (b) That the policy be monitored throughout the year and a report to Cabinet on the outcomes of the policy and the implications including successes to be delivered within the year.

85. Local Welfare Provision Policy

The Lead Member for Corporate Finance & Housing introduced a report that sought approval for the revised Council policy for 2018-19 in respect of Local Welfare Provision.

The policy was broadly unchanged from the current year however the Cabinet expressed concern about the potential additional demand for support arising from the roll out Universal Credit in April 2018. It was noted that the funding had been profiled to take account of this and it was agreed that the Cabinet would consider a progress report in six months to determine whether any additional resources or actions were needed. In response to a question it was confirmed that the Council was seeking to raise awareness that Universal Credit would be introduced to help people manage their finances accordingly.

At the conclusion of the discussion the policy was approved.

Resolved –

- (a) That the policy for Local Welfare Provision 2018-19 as set out in Appendix C to the report be approved.
- (b) That Cabinet receive a report on the first half year spend and the reasons for the spend including the impact of Universal Credit as soon as this was available.

86. References from Overview & Scrutiny

There were no references from Overview & Scrutiny.

87. Notification of Forthcoming Decisions

The Cabinet considered and endorsed the Notification of Key Decisions published on 22nd December 2017 which set out the decisions expected to be taken by the Cabinet over the next three months.

Resolved – That the published Notification of Decisions be endorsed.

(Having declared an interest in the following item, Councillor Anderson withdrew from the meeting)

88. Private Street Works – Whittle Parkway Highway Improvement Works

The Cabinet considered a report that sought resolution to take the necessary action to undertake highway improvement works to Whittle Parkway, Slough.

Cabinet - 22.01.18

The background to the issue was summarised and it was recognised that Whittle Parkway was unadopted and required highway works to address a number of safety concerns and bring it up to standard. Funding for the works was available as set out in the Section 106 Agreement for 1 Whittle Parkway, however, the landowner had not given consent for the works and adoption was required to carry out the necessary improvement to lighting and pavements etc. It was also recommended that the Council investigate measures to improve road safety and ease congestion between Walpole Road and Whittle Parkway.

Councillors Strutton and Wright addressed the Cabinet under Rule 30 and highlighted that there were a number of access and safety issues that needed to be addressed in the vicinity beyond the proposed works to Whittle Parkway. They stated a wider approach was needed to address congestion and safety issues including more proactive enforcement action.

The Cabinet noted the concerns and agreed that officers should explore the wider options to address the traffic problems in the locality. A report back to the Cabinet, and if appropriate involving scrutiny, should be made at a future date if significant works or actions were identified. It was proposed and agreed that recommendation (e) be amended to make clear that investigations to improve road safety and ease congestion between Walpole Road and Whittle Parkway section should be followed by the necessary works should be carried out arising from the investigations. The Cabinet recognised that this had been a difficult issue with no agreement between the parties involved, however, in the absence of consent from the landowner to carry out the important safety and improvement works it would be necessary to adopt the section of highway set out. The recommendations were therefore approved.

Resolved –

- (a) That Whittle Parkway was not paved, metalled, flagged, made good and lighted to the satisfaction of the Council as the street works authority in accordance with Section 205 (1) of the Highways Act 1980.
- (b) That the Transport and Highways Team apply the strict criteria for a private street works scheme as set out in part of XI of the Highways Act 1980 and Sections 205 to 218 (The Private Street works code) on Whittle Parkway.
- (c) That the specification of the highways works shown in 290-SBC-GEN-WP-100DR D 0002 for the estimate of £86,572.42 which was the probable expenses of the works and provisional apportionment of the probable expenses to 'The Trust' be approved.
- (d) That the Council adopt the section of the highway as set out in drawing 290-SBC-GEN-WP-100DR D 0002 pursuant to Section 228 of the Highways Act 1980.

Cabinet - 22.01.18

- (e) That the Council investigate measures to improve road safety and ease congestion between Walpole Road and Whittle Parkway section and undertake any work arising from these investigations as required.
- (f) That officers consider further measures to address wider road safety, transport and highway issues in the vicinity of the Huntercombe Spur.

Chair

(Note: The Meeting opened at 6.32 pm and closed at 7.51 pm)

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SLOUGH BOROUGH COUNCIL

REPORT TO: Cabinet **DATE:** 5th February 2018

CONTACT OFFICER: Neil Wilcox, Director of Finance & Resources (Section 151)
(For all enquiries) (01753) 875358

WARD(S): All

PORTFOLIO: Councillor Nazir, Lead Member for Corporate Finance & Housing

PART I
NON-KEY DECISION**REVENUE FINANCIAL REPORT – 2017-18 (QUARTER 3)****1 Purpose of Report**

This report provides Cabinet with an update on the latest revenue financial position for the Council for the 2017-18 financial year.

2 Recommendation(s)/Proposed Action

The Cabinet is requested to resolve:

- a) That the latest financial position be noted,
- b) That the budget virements as listed in paragraph 7 be approved, and
- c) That the write offs as requested in paragraph 8 be approved.

3. The Slough Joint Wellbeing Strategy, the JSNA and the Five Year Plan

This report indirectly supports all of the strategic priorities and cross cutting themes. The maintenance of excellent governance within the Council helps to ensure that it is efficient, effective and economic in everything it does. It helps to achieve the corporate objectives by detailing how the Council is delivering services to its residents within the financial parameters of the approved budget.

4 Other Implications**(a) Financial**

The financial implications are contained within this report.

(b) Risk Management

Risk	Mitigating action	Opportunities
Legal	N/A	N/A
Property	N/A	N/A
Human Rights	N/A	N/A
Health and Safety	N/A	N/A

Employment Issues	N/A	N/A
Equalities Issues	N/A	N/A
Community Support	N/A	N/A
Communications	N/A	N/A
Community Safety	N/A	N/A
Financial	N/A	N/A
Timetable for delivery	N/A	N/A
Project Capacity	N/A	N/A
Other	N/A	N/A

(c) Human Rights Act and Other Legal Implications

None.

(d) Equalities Impact Assessment

There is no identified need for the completion of an EIA.

5 **Key Messages**

5.1 **GENERAL FUND**

5.1.1 **The Forecast Position**

The total estimated net commitment for the year across all service areas is **£104.899m** this compares with a net budget for the council of **£103.548m**. This represents a budget pressure of **£1.351m**. However, there are planned in year savings of **£0.699m** that are still expected to be achieved, which will result in a net overspend and budget pressure of **£0.651m**. This is **£0.638m** less than last month and is summarised in the table below and full details are shown in Appendix A.

SUMMARY - FORECAST (YEAR END) POSITION						
Directorate	Net Current Budget	Projected Outturn	Planned In Year Savings	Variance	Last Month Variance	Change Since Last Month
	£'M	£'M	£'M	£'M	£'M	£'M
Adults & Communities	36.957	37.906	-0.699	0.250	0.357	-0.107
Children Learning & Skills	28.981	29.335	0.000	0.354	0.354	0.000
Place & Development	21.578	21.864	0.000	0.285	0.197	0.088
Finance & Resources	16.032	15.794	0.000	-0.238	0.381	-0.619
Total General Fund	103.548	104.899	-0.699	0.651	1.289	-0.638
% of revenue budget over/(under) spent				0.63%	1.25%	

5.1.2 Since last month the position has improved by **£0.638m**. This is due to the following reasons:

- a) **Additional Savings - £107k** within the Adult and Communities Directorate to offset the income shortfall on the Cemeteries & Crematorium and Registrars services.

- b) **Contract Renegotiation - £350k** – The Place and Development Directorate now expects a saving resulting from the expected renegotiation of contracts.
- c) **One off income - £252k** – Further expenditure has been identified within the Finance & Resources Directorate as being eligible for funding from one off sources.

5.1.3 The main causes for the forecast budget pressure are as follows:

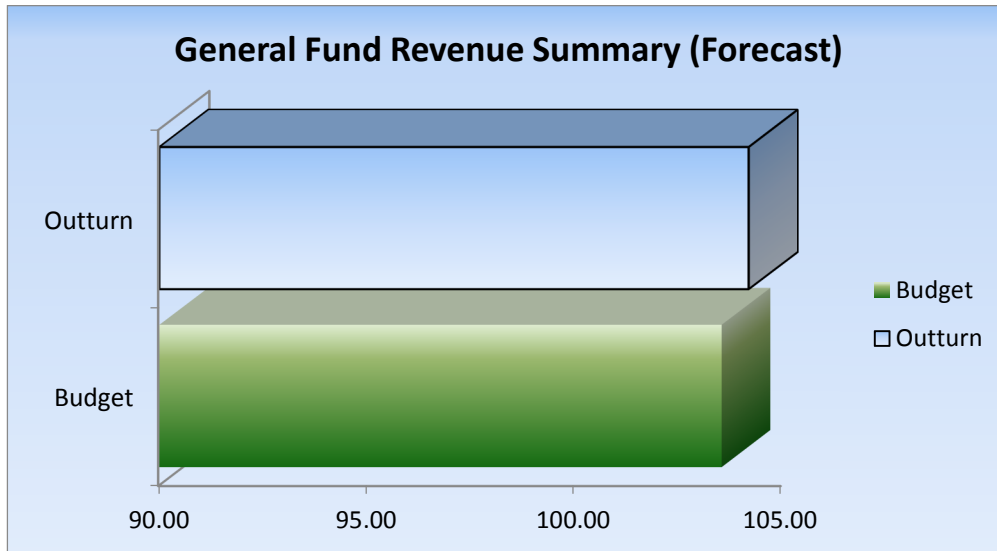
- a) **Children & Learning Skills Directorate** – This service is forecasting an overspend of **£354k** mainly due to a significant budget pressure on the Transport budget for SEND children. This is due to an increasing number of children being eligible for this service. There is also a one off budget pressure of **£140k** relating to historic commitments for Children Services prior to the formation of Slough Children Services Trust.
- b) **Place & Development** – There is an overspend of **£285k** mainly as a result of budget pressures totalling **£0.494m** in Temporary Accommodation and Homelessness owing to a sharp increase in the number of people becoming eligible for statutory housing.
- c) **Adult & Communities** – is expected to overspend by **£250k** as a result of the income shortfall in Cemeteries & Crematorium and the Registrar services. .

These are all explained in greater detail later in the report.

5.1.4 Management Actions

- a) These figures include planned in year savings of **£0.699m** for the Adult and Communities Directorate and the latest review of these actions shows the Directorate is on track to deliver these plans in full. If achieved, this will reduce the overspend for this Directorate to **£250k** however, the service is continuing to examine all possible measures to reduce the overspend even further.
- b) There are plans to secure a one off saving of **£350k** from contract revaluations. This will be used to reduce the forecast budget pressure in the Place & Development Directorate. Managers are however, continuing to explore all options to reduce the remaining overspend.

A summary of the year end forecast is shown in the graph below.

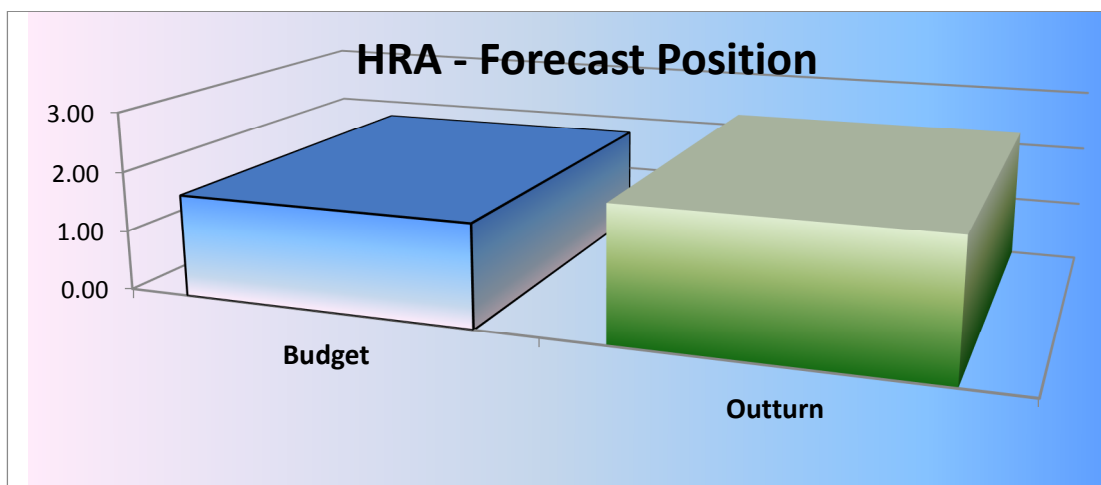


5.2 HOUSING REVENUE ACCOUNT (HRA)

5.2.1 The HRA is budgeted to spend **£38.2m** in this financial year, with budgeted income of **£36.5m** expected, these result in a planned net budget for the HRA of **£1.7m**. The extra **£1.7m** will be funded from the Housing Development Fund.

5.2.2 Based on actual expenditure incurred and income received so far plus planned commitments and further income expected, the HRA is forecasting a overspend of **£0.500m** due to additional commitments on Housing Repairs. Full details are given in paragraph 6.6 and this is summarised in the table and graph below.

HOUSING GENERAL FUND SUMMARY			
Directorate	Annual Budget	Projected Outturn	Variance
	£'M	£'M	£'M
HRA Expenditure	38.219	38.719	0.500
HRA Income	-36.517	-36.517	0.000
HRA Outturn Position (as at Year End)	1.702	2.202	0.500



5.2.3 Management Actions

There are no management action required for this service area as the budget is currently forecast to overspend but this will be carried forward to the next financial year.

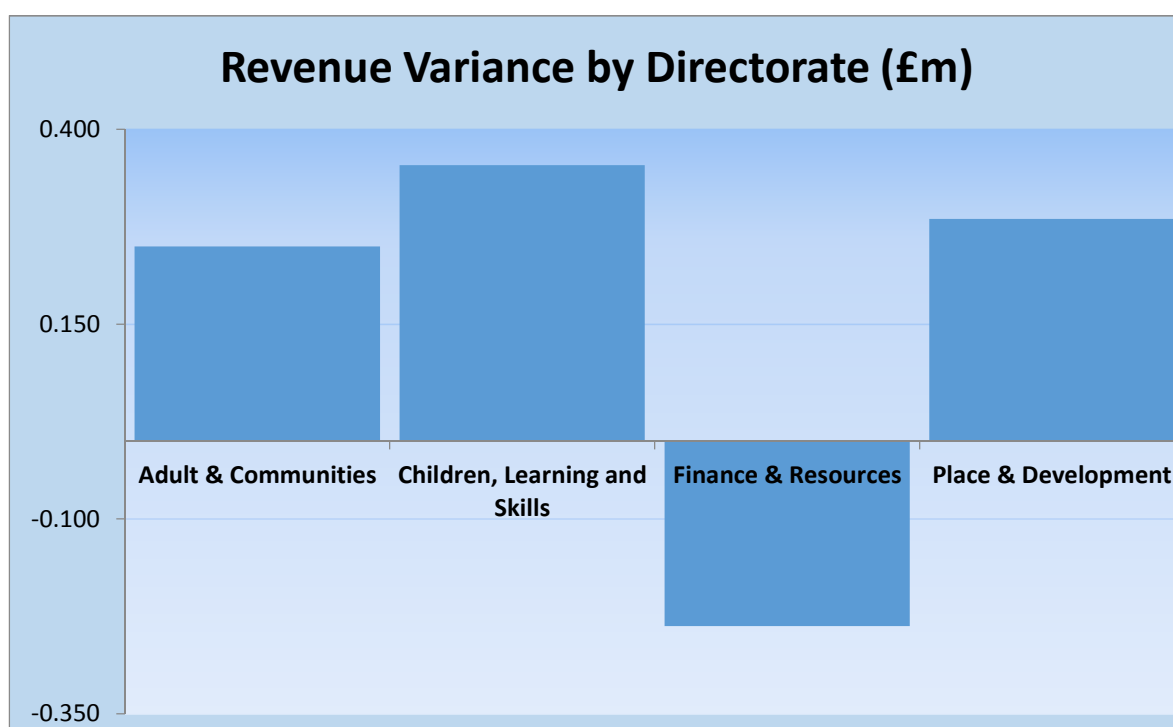
EXECUTIVE REPORT

6 General Fund Revenue Expenditure

6.1.1 **Outturn by Directorate**

The year-end forecast indicates that there will be an overspend of **£0.621m** (0.63%) of the revenue budget. These are for the three Directorates: Children Learning & Skills (**£0.354m**), Place & Development (**£0.285m**) and Adult & Community Services (**£0.250m**). These forecasts are based on the latest understanding of the current expenditure and commitments expected for the rest of year.

6.1.2 The latest forecast by Directorate is summarised in the graph below.



6.2 **ADULTS & COMMUNITIES**

6.2.1 This area now includes the services of Enforcement & Regulation, Wellbeing & Community as well as Community and Skills following the recent corporate restructure. The new Directorate has an underlying budget pressure of **£0.949m**.

6.2.2 This is primarily due to lower than budgeted income expected for Cemeteries & Crematorium (**£367k**); Registrars (**£120k**) and Parks & Open Spaces (**£90k**). The Cemeteries & Crematorium income shortfall is due to the closure of the facility and the resulting fall in activity. However, with planned savings of **£0.699m** still expected to be achieved, the forecast year end position is for a budget pressure of **£0.250m**. This is an improvement of over **£100k** and is in addition to the planned savings of **£0.699k** still expected to be delivered this year. Service Leads are continuing to explore all avenues to reduce the deficit further still.

A summary of the Directorate's budget position is shown below

Directorate	Full Year Budget	Projected Outturn	Planned Savings	Full Year Variance	Last Month Variance	Change
	£'M			£'M	£'M	£'M
Adult Social Care	31.935	32.634	-0.699	0.000	0.000	0.000
Public Health	-0.612	-0.612	0.000	0.000	0.000	0.000
Enforcement & Regulation	0.195	0.787	0.000	0.592	0.645	-0.053
Wellbeing & Community	3.654	3.612	0.000	-0.042	-0.019	-0.023
Community and Skills	1.785	1.485	0.000	-0.300	-0.269	-0.031
TOTAL	36.957	37.906	-0.699	0.250	0.357	-0.107

6.2.3 Management Action

The Directorate has a variety of in year saving initiatives to address the underlying forecast budget pressure. Over the past month over **£200k** in additional savings was achieved and a total of over **£500k** since the start of the year. These plans are reviewed in depth monthly and current indications are that the remaining savings are on track to be delivered in full by the end of the year. A further review of planned commitments will take place to ensure that only essential and committed expenditure is incurred for the remainder of the year so that the remaining budget pressure is minimised as much as possible.

6.3 CHILDREN, LEARNING & SKILLS (CLS)

6.3.1 This Directorate is forecasting a budget pressure of **£354k** this is unchanged from last month. This latest position is summarised in the table below.

Service	Full Year Budget	Projected Outturn	Full Year Variance	Last Month Variance	Change
	£'M	£'M	£'M	£'M	£'M
CLS Directorate	0.929	0.917	-0.012	-0.012	0.000
SCST	24.065	24.205	0.140	0.140	0.000
Early Years and Development	1.258	1.239	-0.019	-0.019	0.000
Access and Inclusion	1.956	2.350	0.394	0.394	0.000
Education Str'n'ds & Inclusive Learning	0.665	0.516	-0.149	-0.149	0.000
SEND	0.444	0.444	0.000	0.000	0.000
Sub Total	29.316	29.670	0.354	0.354	0.000
Schools	-0.336	-0.336	0.000	0.000	0.000
TOTAL	28.981	29.335	0.354	0.354	0.000

6.3.2 The main reason for the overall overspend is in the Access & Inclusion Service which is expected to overspend by **£394k**. This is due to an overspend on the Transport budget for SEND children. This budget pressure has steadily worsened all year. There is also a budget pressure of **£140k** relating to historic commitments for Children Services prior to SCST.

6.3.3 Management Action

The Education Finance Team and the service are part way through a review of the overall budget. It is expected that this current overspend will ultimately be contained using one off resources.

6.4 PLACE & DEVELOPMENT

- 6.4.1 This new Directorate has a forecast overspend of **£0.285m** – an increase of **£88k** from last month. The movement is the result of two adjustments to existing variances. A total of **£440k** of the saving on the Asset, Infrastructure & Regeneration (AIR) service area has been transferred to offset the budget pressure on the on Strategic Management budget of the former RHR Directorate.
- 6.4.2 At the same time a one off saving expected from contract revaluations is expected to yield additional revenue of approximately **£350k**. This has been used to reduce the budget pressure on the Housing Service. The latest position is shown in the table below.

Directorate	Full Year Budget	Projected Outturn	Full Year Variance	Last Month Variance	Change
Environment Services	12.326	12.726	0.400	0.400	0.000
Strategic Housing	1.017	1.511	0.494	0.844	-0.350
Neighbourhood Services	1.039	1.039	0.000	0.000	0.000
Assets, Infrastructure & Regeneration	7.197	6.588	-0.609	-1.047	0.438
TOTAL	21.578	21.864	0.285	0.197	0.088

- 6.4.3 The reason for the remaining budget pressure is follows:

Environmental Service

The latest forecast is a pressure of **£400k** – for the following reasons: the actual rate of inflation charged to the contract being more than the level budgeted (**£140k**); higher landfill costs resulting from the increase in waste volumes; and the profit share arrangement with Amey is also likely to be less than planned. This budget pressure is unchanged from last month.

Housing Services

This service is facing a budget pressures totalling **£0.844m** in the areas of Temporary Accommodation and Homelessness (which are forecast to overspend by **£0.622m**) and Home Improvements (is expected to exceed its budget by **£0.222m**). Whilst the underlying picture is unchanged, this has now been offset by the one off income expected from contract negotiations which is expected to save **£0.350m** resulting in a revised budget pressure of **£0.494m**.

Asset, Infrastructure & Regeneration (AIR)

The budget pressures on the Environmental and Housing services are offset by a surplus income savings of **£609k** from capital investments within the AIR service.

6.4.4 Management Action

The contract revaluation is expected to yield **£350k** and this will reduce the underlying budget pressure. Further measures are needed if the Directorate to reduce the remaining pressure of **£0.285k**.

6.5 FINANCE & RESOURCES

6.5.1 This new Directorate is forecasting a budget saving of **£0.238m**. This is **£0.619m** less than previously reported due to transfer to **£440k** of the savings in the AIR service to cover unachieved savings in the Strategic Management service area of the former RHR Directorate. In addition, qualifying expenditure totalling **£252k** within the Contracts, Commissioning & Procurement service will now be covered by one off funding receipts.

6.5.2 The current summary for this Directorate is shown in the table below.

Directorate	Full Year Budget	Projected Outturn	Full Year Variance	Last Month Variance	Change
	£'M	£'M	£'M	£'M	£'M
Strategic Management	-0.141	-0.141	0.000	0.440	-0.440
Corporate Resources	2.088	2.153	0.065	0.000	0.065
Corporate & Member Services	1.300	1.290	-0.010	-0.010	0.000
Communications	0.228	0.228	0.000	0.000	0.000
Strategy & Engagement	0.858	0.827	-0.031	-0.048	0.017
Organisation Development & HR	1.242	1.242	0.000	0.000	0.000
Planning and Building Control	0.567	0.554	-0.013	-0.013	0.000
Improvement and Development	0.398	0.341	-0.057	-0.057	0.000
Transactional Services	8.379	8.601	0.222	0.230	-0.008
Chief Executive Office	0.338	0.268	-0.070	-0.070	0.000
Corporate & Departmental	-0.139	-0.482	-0.343	-0.343	0.000
Contracts, Commissioning & Procurement	0.914	0.914	0.000	0.252	-0.252
TOTAL	16.032	15.794	-0.238	0.381	-0.619

6.5.3 The main budget variances are the following:

Transactional Services

The arvarto contract (Phase 1) is expected to overspend by **£222k** due to the impact of the unexpected level of increase in the rate of inflation on the annual contract price increase, reductions in Government administration subsidy grant, and a savings target related to the introduction of Agresso and the assumed reduction in the arvarto transactional charges which has not proved possible to achieve to-date.

Corporate Resources

Corporate Resources has a budget pressure of **£65k** this is the result of a shortfall in recharged income.

6.5.4 Management Action

There are no management actions required for this service area as the budget is currently forecast to underspend.

6.6 HOUSING REVENUE ACCOUNT (HRA)

- 6.6.1 The HRA is budgeted to spend **£38.219m** this financial year and with budgeted income of **£36.517m** expected, a plan was for a net budget for the HRA of **£1.702m**. This deficit is to be made up by a transfer from the Housing Development Fund.
- 6.6.2 The latest forecast is for the HRA is to spend **£2.202m** more than budgeted and **£0.500m** more than originally planned due to an increase in the estimated commitments for Housing Repairs.
- 6.6.3 The Housing Development Fund will make a planned contribution of **£1.7m** towards this shortfall leaving expected year end variance of **£500k**. As this is a ringfenced account it will be carried forward within the HRA into the next financial year. Full details are shown in the table below.

Housing Revenue Account - Budget Monitor 2017/18			
Division	Year End Forecast		
	Budget	Outturn	Variance
	£ 000's	£ 000's	£ 000's
HRA Expenditure	38,219	38,719	500
<i>Breakdown:</i>			
<i>Tenant Services</i>	<i>2,097</i>	<i>2,097</i>	<i>0</i>
<i>Neighbourhood Housing Areas North/South/East/Resilience</i>	<i>1,327</i>	<i>1,327</i>	<i>0</i>
<i>Areas & Investigation</i>	<i>531</i>	<i>531</i>	<i>0</i>
<i>Tenant Participation</i>	<i>270</i>	<i>270</i>	<i>0</i>
<i>Housing Allocations/Lettings</i>	<i>210</i>	<i>210</i>	<i>0</i>
<i>Leaseholder Team</i>	<i>247</i>	<i>247</i>	<i>0</i>
<i>Housing Repairs</i>	<i>8,500</i>	<i>9,000</i>	<i>500</i>
<i>Management & Services</i>	<i>5,620</i>	<i>5,620</i>	<i>0</i>
<i>Loans, Bad Debt, Council Tax</i>	<i>6,269</i>	<i>6,269</i>	<i>0</i>
<i>Depreciation and Funding Of Capital Projects (RCCO)</i>	<i>13,149</i>	<i>13,149</i>	<i>0</i>
HRA Income	36,517	36,517	0
<i>Breakdown:</i>			
<i>Dwelling Rents</i>	<i>(32,514)</i>	<i>(32,514)</i>	<i>0</i>
<i>Garage Rents</i>	<i>(476)</i>	<i>(476)</i>	<i>0</i>
<i>Shop Rent</i>	<i>(666)</i>	<i>(666)</i>	<i>0</i>
<i>Other Rents e.g. Ground, Wayleaves Land</i>	<i>(478)</i>	<i>(478)</i>	<i>0</i>
<i>Leaseholder Service Charges Income & Chargeable Works</i>	<i>(717)</i>	<i>(717)</i>	<i>0</i>
<i>General Service Charges</i>	<i>(1,651)</i>	<i>(1,651)</i>	<i>0</i>
<i>Interest</i>	<i>(16)</i>	<i>(16)</i>	<i>0</i>
Total HRA Outturn Position 31.07.17	1,702	2,202	500

6.7 SAVINGS SUMMARY

6.7.1 The Council committed to service area savings of **£6.398m** at the start of the year. The latest review of all savings shows that **£4.731m (73.9%)** is assessed as “*Green*” meaning the saving is either already fully achieved or will *definitely* be achieved by the end of the financial year.

6.7.2 A further **£1.657m (25.9%)** is assessed as “*Amber*” meaning it is not possible yet to determine that the saving will be fully achieved, in total. However, of these “*Amber*” rated initiatives it is known that, **£354k** is already saved or is expected to be saved by the end of the financial year and efforts are continuing to deliver the remaining **£1,303k**. Finally, only **£10k (0.2%)** has been deemed to be unachievable. The Service will seek to absorb this saving within existing budgets.

RAG SAVINGS SUMMARY					
RAG Status	Already Saved	Not Yet Saved	Will Not be Saved	TOTAL	%age
GREEN	4,731			4,731	73.9%
AMBER	354	1,303		1,657	25.9%
RED			10	10	0.2%
TOTAL	5,085	1,303	10	6,398	100%
%age	79.5%	20.4%	0.2%	100%	

6.7.3 When analysed by Directorate, Wellbeing, Children, Learning and Skills and Chief Executive Services are expected to deliver their savings in full in this financial year. However CCS and RHR are currently forecast to deliver 78% and 87% respectively. Both Directorates are still making efforts to deliver the remaining saving with the exception of CCS where it has been agreed that savings totalling £10k will not be delivered. This is summarised in the table below.

SAVINGS SUMMARY BY DIRECTORATE					
Directorate	Savings Agreed	Amount Saved	Slippage	%age	Comments
CCS	1,782	844	938	47	£10k will not be achieved
CE	50	50	0	100	All savings achieved
Wellbeing	1,450	1,450	0	100	All savings achieved
RHR	2,816	2,441	375	87	£365k is still to be achieved
CLS	350	350	0	100	All savings achieved
TOTAL	6,398	5,085	1,313	87%	£793k is still to be achieved

Full details are shown in Appendix B.

7 Virements

7.1 The following virements have been prepared since the start of the year. Cabinet is requested to approve the transfer of budgets between the services shown in accordance with the financial procedure rules.

Directorate	Amount £	Agresso Reference	Reason for Virement
Children Learning & Skills	380,630	SCS1718BUD0079	To re-establish the SEND budget within the ledger following its transfer back to the Council from the SCST
Children Learning & Skills	2,798,000	SCS1718BUD0057	To realign the budgets for Haybrook & Littledown Budget
Children Learning & Skills	977,000	SCS1718BUD0088	To adjust the budget for Pupil Premium, and 6th Form Funding following revised allocations from the DfE.
Place and Development	2,506,100	PL-206	To restructure the income budgets so that they better reflect current estimates, service structure and directorate responsibility.
Place and Development	263,000	PL-268	To correct align the budget for Corporate repairs budget from Properties Services to Facilities management

8 Write Offs

8.1 Write offs totalling **£436,050.81** have been agreed over the past 3 months. Cabinet is requested to approve these write offs in accordance with the council's financial procedures rules. These are detailed below.

Reason	NNDR	Council Tax	Former Tenant	Sundry Debtors	Total
	£	£	£	£	£
Unable to trace / Absconded	84,733.96	6,326.29	6,519.73	2,507.18	100,087.16
Vulnerable persons			49.08		49.08
Deceased			23,903.69	62,869.08	86,772.77
Statute Barred/Unable to Enforce		27,334.71		-16,411.70	10,923.01
Instruction from SBC				8,383.65	8,383.65
Dissolved/Proposal to Strike/ Liquidation / Receivership	211,788.37				211,788.37
Uneconomical to pursue		0.01	934.08	8,805.80	9,739.89
Credit Balances			8,306.88		8,306.88
Sub Total	296,522.33	33,661.01	39,713.46	66,154.01	436,050.81
Pre April 2012		24,983.98	8,306.88	-16,036.11	17,254.75
Post April 2012	296,522.33	8,677.03	31,406.58	82,190.12	418,796.06
Total	296,522.33	33,661.01	39,713.46	66,154.01	436,050.81

9 Conclusion

- 9.1 The General Fund revenue position for the Council is forecasting an overspend of **£0.651m**.
- 9.2 The forecast for the Council's Housing Revenue Account (HRA) is forecasting an overspend of **£0.500m** which will be carried forward to the next financial year.

10 Appendices Attached

- 'A' - General Fund Revenue Summary
- 'B' - Savings Summary

11 Background Papers

- '1' - Supporting working papers held in finance

Appendix A
2017/18 – Period 9

Directorate	Revised Full Year Budget	Projected Outturn	Planned Savings	Full Year Variance	Last Month Variance	Change
	£'M			£'M	£'M	£'M
<u>Adults & Communities</u>						
Adult Social Care	31.935	32.634	-0.699	0.000	0.000	0.000
Public Health	-0.612	-0.612	0.000	0.000	0.000	0.000
Enforcement and Regulation	0.195	0.787	0.000	0.592	0.645	-0.053
Wellbeing & Community	3.654	3.612	0.000	-0.042	-0.019	-0.023
Community and Skills	1.785	1.485	0.000	-0.300	-0.269	-0.031
Directorate Total	36.957	37.906	-0.699	0.250	0.357	-0.107
<u>Children Learning & Skills</u>						
CLS - Directorate	0.929	0.917	0.000	-0.012	-0.012	0.000
SCST	24.065	24.205	0.000	0.140	0.140	0.000
Early Years and Development	1.258	1.239	0.000	-0.019	-0.019	0.000
Access and Inclusion	1.956	2.350	0.000	0.394	0.394	0.000
Education Standards & Inclusive	0.665	0.516	0.000	-0.149	-0.149	0.000
SEN	0.444	0.444	0.000	0.000	0.000	0.000
Sub Total	29.316	29.670	0.000	0.354	0.354	0.000
Schools (DSG)	-0.336	-0.336	0.000	0.000	0.000	0.000
Directorate Total	28.981	29.335	0.000	0.354	0.354	0.000
<u>Place & Development</u>						
Environment Services	12.326	12.726	0.000	0.400	0.400	0.000
Strategic Housing	1.017	1.511	0.000	0.494	0.844	-0.350
Neighbourhood Services	1.039	1.039	0.000	0.000	0.000	0.000
Assets, Infrastructure and Regeneration	7.197	6.588	0.000	-0.609	-1.047	0.438
Directorate Total	21.578	21.864	0.000	0.285	0.197	0.088
<u>Finance & Resources</u>						
Strategic Management	-0.141	-0.141	0.000	0.000	0.440	-0.440
Corporate Resources	2.088	2.153	0.000	0.065	0.000	0.065
Corporate & Member Services	1.300	1.290	0.000	-0.010	-0.010	0.000
Communications	0.228	0.228	0.000	0.000	0.000	0.000
Strategy & Engagement	0.858	0.827	0.000	-0.031	-0.048	0.017
Organisation Development & HR	1.242	1.242	0.000	0.000	0.000	0.000
Planning and Building Control	0.567	0.554	0.000	-0.013	-0.013	0.000
Improvement and Development	0.398	0.341	0.000	-0.057	-0.057	0.000
Transactional Services	8.379	8.601	0.000	0.222	0.230	-0.008
Chief Executive Office	0.338	0.268	0.000	-0.070	-0.070	0.000
Corporate & Departmental	-0.139	-0.482	0.000	-0.343	-0.343	0.000
Contracts, Commissioning & Procurement	0.914	0.914	0.000	0.000	0.252	-0.252
Directorate Total	16.032	15.794	0.000	-0.238	0.381	-0.619
Total General Fund	103.548	104.899	-0.699	0.651	1.289	-0.638

% of revenue budget over/(under)

0.63%

APPENDIX B

SAVINGS SUMMARY - 2017/18

Directorate	Service	Amount Agreed	Amount Saved	Slippage	Savings Item	RAG	Comments
CCS	Learning and Community Services	25	25	0	Expansion of Apprenticeship Scheme attracting additional SFA funding.	GREEN	
CCS	Learning and Community Services	10	10	0	Adult learning and skills - reduction in data and performance information	GREEN	
CCS	Public Protection	10	0	10	Additional Income from the switch of alarm monitoring	RED	CCTV not compliant to alarm reception centre
CCS	Public Protection	30	30	0	Re-commissioning Domestic Abuse Contract	GREEN	
CCS	Public Protection	10	10	0	Increase in income	GREEN	
CCS	Planning and Building Control	11	11	0	Extra additional income from pre-application and increased planning application	GREEN	
CCS	Planning and Building Control	4	4	0	Reducing specialist consultancy support	GREEN	
CCS	Public Protection	5	5	0	Partnership with approved trader scheme	GREEN	
CCS	Planning and Building Control	3	3	0	Re-negotiate landfill monitoring contract	GREEN	
CCS	Learning and Community Services	104	104	0	Reduction in overhead costs following the library service being brought "in house".	GREEN	
CCS	Wellbeing & Community Services	25	25	0	Community & Skills restructure 2015/16 – removal of service transition budgets	GREEN	
CCS	Contracts, Commissioning & Procurement	50	50	0	Reduction in budget lines across Procurement Team service area.	GREEN	
CCS	Learning and Community Services	780	0	780	Libraries' Contract Overpayment (one-off)	AMBER	Service still confident the full amount will be received

Directorate	Service	Amount	Amount Saved	Slippage	Savings Item	RAG	Comments
CCS	Legal	300	300	0	Increase internal legal capacity to reduce spend on external legal advice	GREEN	Met for this year only using one off resources
CCS	Planning and Building Control	35	35	0	Expected compensating savings following introduction of the fleet of electric vehicles (growth bid included)	GREEN	
CCS	Wellbeing & Community Services	2	2	0	Increase in Fees and Charges	GREEN	
CCS	Learning and Community Services	1	1	0	Increase in Fees and Charges	GREEN	
CCS	Wellbeing & Community Services	229	129	100	Increase in Fees and Charges	AMBER	Cemetery and Crematorium not fully open. Some alternative savings found, more being sought
CCS	Wellbeing & Community Services	73	25	48	Increase in Fees and Charges	AMBER	Registrars income less than expected when Curve opened; Some alternative savings found, more sought
CCS	Planning and Building Control	8	8	0	Increase in Fees and Charges	GREEN	
CCS	Public Protection	11	11	0	Increase in Fees and Charges	GREEN	
CCS	Public Protection	2	2	0	Increase in Fees and Charges	GREEN	
CCS	Public Protection	4	4	0	Increase in Fees and Charges	GREEN	
CE	Professional Services	50	50	0	Reduction in budget lines across HR service area.	GREEN	
		1,782	844	938			

Directorate	Service	Amount	Amount Saved	Slippage	Savings Item	RAG	Comments
Wellbeing	Public Health	156	156	0	Review and reduction of Public Health Contracts	GREEN	
Wellbeing	Adult Social Care	44	44	0	Use of Telecare and Equipment to reduce Personal Budget Levels	GREEN	
Wellbeing	Adult Social Care	200	200	0	Continuing Health Care (transfer of funding responsibility from NHS)	GREEN	
Wellbeing	Adult Social Care	220	220	0	Re-assessments to reduce Personal Budget levels	GREEN	
Wellbeing	Adult Social Care	250	250	0	Housing related support review	GREEN	
Wellbeing	Adult Social Care	150	150	0	Voluntary sector strategy planned funding reduction	GREEN	
Wellbeing	Adult Social Care	300	300	0	Adult Social Care Restructure	GREEN	
Wellbeing	Adult Social Care	100	100	0	Extend use of supported living provision to support moderate to severe needs Mental Health Clients following succesful Hope House project.	GREEN	
Wellbeing	Adult Social Care	30	30	0	Fees and charges increase for client contributions	GREEN	
		1,450	1,450	0			

Directorate	Service	Amount	Amount Saved	Slippage	Savings Item	RAG	Comments
RHR	Environmental Services (WASTE)	475	150	325	Amey 'profit' element in contract removed following new service provision in December 2017.	AMBER	Full savings will depend on the cost of new service specification & the new DLO/DSO operating costs.
RHR	Housing and Environment	50	50	0	Temporary Accommodation - Reduce staffing costs by transferring some of these to the subsidiary housing company	GREEN	
RHR	Housing and Environment	114	114	0	Home improvements- Income generation from fees	GREEN	
RHR	Housing and Environment	100	50	50	Savings from sourcing temporary accommodation through the activity of the subsidiary housing company.	AMBER	May be partly achieved due to the time needed for the new housing company to acquire suitable properties.
RHR	Housing and Environment	6	6	0	Home Improvements and Strategic Housing - Capitalisation	GREEN	
RHR	Finance & Audit	50	50	0	Increased Treasury Management Returns	GREEN	
RHR	Finance & Audit	165	165	0	Mortgages deposits being offered with rental	GREEN	Other savings found
RHR	Facilities	10	10	0	Maximise Use of Office Space	GREEN	
RHR	Facilities	5	5	0	FM Contracts Review	GREEN	
RHR	Transport and Highways	524	524	0	Capitalisation of Highway Maintenance	GREEN	
RHR	Transport and Highways	150	150	0	a) Replace council fleet & hire vehicles resulting in reduced maintenance & hire costs. b) Increase charges for Community Transport	GREEN	

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Directorate	Service	Amount	Amount Saved	Slippage	Savings Item	RAG	Comments
RHR	Transport and Highways	250	250	0	Reduction in Revenue budget as a result of new street lighting contract including further energy savings, reduction in scouting and reduction in cleaning of lanterns.	GREEN	
RHR	Transport and Highways	100	110	-10	Reduction in management costs for the current professional services contract.	GREEN	
RHR	Various	300	300	0	Creation of dedicated SUR Team and capitalise costs	GREEN	Slippage on the original proposal but alternatives found to the full value
RHR	Transport and Highways	17	17	0	Increase in Fees and Charges	GREEN	
RHR	Asset Management	500	500	0	Additional income generated via the Strategic Acquisition Fund in 17/18	GREEN	
		2,816	2,451	365			

Directorate	Service	Amount	Amount Saved	Slippage	Savings Item	RAG	Comments
CLS	Cambridge Education Contract	350	350	0	Review of Cambridge Education Trust Budgets to reflect reduction in Mott MacDonald profit element	GREEN	Saving now covered by from internal resources
		350	350	0			

SLOUGH BOROUGH COUNCIL

REPORT TO: Cabinet **DATE:** 5 February 2018

CONTACT OFFICER: Dean Tyler, Service Lead Strategy & Performance
(For all enquiries) (01753) 875847

WARD(S): All

PORTFOLIO: Councillor Swindlehurst, Leader of the Council and
Regeneration and Strategy

PART I
KEY DECISION**FIVE YEAR PLAN 2018/19 – 2022/23****1. Purpose of Report**

1.1 To recommend to the Council to agree the new Five Year Plan.

2. Recommendation(s)/Proposed Action

2.1 The Cabinet is requested to recommend that the refresh of the Five Year Plan attached as at Appendix A be agreed.

3. The Slough Joint Wellbeing Strategy, the JSNA and the Five Year Plan**3a. Slough Joint Wellbeing Strategy Priorities and Joint Strategic Needs Assessment**

The Five Year Plan relates to all aspects of the Slough Joint Wellbeing Strategy's priorities as set out below:

1. Protecting vulnerable children
2. Increasing life expectancy by focusing on inequalities
3. Improving mental health and wellbeing
4. Housing

The Five Year Plan has been developed using the evidence base of the Joint Strategic Needs Assessment.

3b. Council's Five Year Plan Outcomes

The review of the Five Year Plan refreshes the priorities to achieve the key outcomes for Slough:

- Slough children will grow up to be happy, healthy and successful
- Our people will be healthier and manage their own care needs
- Slough will be an attractive place where people choose to live, work and stay
- Our residents will live in good quality homes

- Slough will attract, retain and grow businesses and investment to provide opportunities for our residents

4 **Other Implications**

(a) Financial - the Five Year Plan is important in determining the priority outcomes against which resources will be allocated. The time frame for the Five Year Plan is aligned with our medium term financial planning and will roll forward each year, i.e. the new Plan looks ahead for the five years 2018/19 to 2022/23.

(b) Risk Management - There are no identified risks associated with the proposed actions.

(c) Human Rights Act and Other Legal Implications - There are no direct legal implications. The specific activity in the Strategy and other plans may have legal implications which will be brought to the attention of Cabinet separately. There are no Human Rights Act Implications.

(d) Equalities Impact Assessment - There is no requirement to complete an Equalities Impact Assessment (EIA) in relation to this report. EIAs will however be completed on individual aspects of any actions produced to sit underneath the Strategy, as required.

5 **Supporting Information**

5.1 The Five Year Plan was launched in 2015 to define the Council's ambition; the opportunities and challenges we face; the role of the Council in meeting these and the priority outcomes against which resources will be allocated.

5.2 The Five Year Plan is therefore an important element of our strategic narrative in explaining our ambitions for Slough's future. It also describes the role of the Council in achieving this, recognising the importance of working with our communities and putting people first in everything we do.

5.3 The Plan is updated every year and we also produce an Annual Report so that we can check progress.

5.4 The Leader and Cabinet have worked with officers to define their political priorities and ensure the priority outcomes reflect these. The Leader has been clear in his Foreword about his priority to ensure that investment and regeneration provide opportunities for people who live in Slough.

5.5 The Plan therefore sets out our vision, priority outcomes and how we will make this happen.

6 **Measuring progress**

6.1 We produce an Annual Report of progress with case studies and performance indicators setting out how we are delivering our priority outcomes.

6.2 The refresh of the Five Year Plan includes a summary of the success measures as a Balanced Scorecard of key performance indicators that will be used to keep track of how we are achieving the outcomes. Some of these indicators will need to be

reviewed before publication of the final document to ensure the key priorities for each of the outcomes are reflected and we will work with the Cabinet on this.

7 The Medium Term Financial Strategy and the Five Year Plan

- 7.1 The Medium Term Financial Strategy and Five Year Plan are closely connected. We refresh the Five Year Plan each year along with the budget to ensure we have clarity about the budget for the year ahead, and, through the Five Year Plan, clarity about the priority outcomes against which resources will be allocated.

8 Comments of Other Committees

- 8.1 We have worked with the Leader and Cabinet to ensure that the priority outcomes reflect the priorities of the new political leadership.
- 8.2 Overview and Scrutiny Committee discussed the role of Scrutiny in relation to the Five Year Plan at its meeting on 11 January. The Council's Scrutiny function will challenge and track progress of the outcomes.

9 Conclusion

- 8.1 The new Five Year Plan will provide the strategic direction for the Council over the next five years and will enable a clear focus of resources and activity.

10 Appendices Attached

Appendix A: Five Year Plan 2018/19 – 2022/23

11 Background Papers

None.

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Appendix A - Draft Five Year Plan 2018/19 – 2022/23

'Growing a place of opportunity and ambition'

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1. Leader's Foreword

This year 2018 sees Slough celebrate 80 years since the town received its charter and became a Borough.

In September 1938, we had a quarter of the population we have today. A three bedroom semi-detached house cost £600. A national traffic census recorded an average of 11 vehicles per hour – 264 a day whereas today Slough has an average daily flow of over 7,500 vehicles.

In 1938 Lydia Simmons was born and went on to become the country's first black female Mayor. We were proud to have her open Lydia Court, a new development of council flats, last year.

During these past 80 years, over a single lifetime like Lydia's, Slough has undergone significant change. The fact that Slough has always been a destination for people to create a better life for themselves is testament to our ability to adapt and cope with change over time.

Historically, our attraction as a destination has had its roots in our strong manufacturing base. More recently our industry has shifted to high tech companies which attract people with different skills.

Throughout our history the strength of our communities has remained a constant across various periods of tremendous change.

As Leader of the Council I am determined to ensure that the people of Slough are able to access and take up the opportunities that arise from change.

We have ambitious plans for the town. We are investing in our infrastructure from schools, health and leisure, to transport and housing. The arrival of Crossrail and the potential third runway at Heathrow will make us even more attractive as a place for business and investment.

This will regenerate the town and I want to be clear that the benefits of this will be shared across the borough. Among this growth and change the Council's leadership is determined to make sure that Slough nurtures an environment that keeps it a desirable place to live, work, rest and stay.

As well as greater local job opportunities we are working to enable further investment in our transport infrastructure to relieve pressure on our already overloaded roads as well as tackling air quality. This is important for the health and wellbeing of all of us.

The Five Year Plan sets out our priorities as well as our vision for Slough as place of opportunity and ambition.

This Five Year plan is focussed on improving the lives of people in Slough and ensuring that Slough the place continues to build a reputation as one that will be an attractive home for people and business for the next 80 years to come.

**Councillor James Swindlehurst
Leader of the Council**

2. Introduction

The Five Year Plan was launched in 2015 to define the council's vision and ambition; the opportunities and challenges we face; the role of the council in meeting these and the priority outcomes against which resources will be allocated.

The Five Year Plan is also important in explaining how and why the council is changing. To ensure it is always up to date the Five Year Plan is refreshed every year and we also produce an Annual Report so we can check progress. Last year, 2017, we carried out an in-depth review which reduced the number of outcomes from eight to five, combining some where there was overlap and duplication and removing others where they were more about ways of working than tangible outcomes.

This year we have worked with the Leader and Cabinet to ensure their priorities are reflected in the outcomes.

Opportunities and challenges

People are proud to live and work in Slough. We are ambitious for Slough's future and have bold plans in place to deliver the best outcomes for the town and its people.

The Leader has been clear about the opportunities for Slough's future. If we can continue to attract growth and shape and manage it effectively we can ensure we deliver benefits for local residents.

Our population of around 145,000 is young, growing and dynamic. We need to ensure their future from an early age and education, to local employment opportunities and the availability of housing to meet their needs. People are living longer today than ever before but this adds pressure on local services such as adult social care to meet more complex needs while enabling people to live independently for as long as possible. There are inequalities across our population including household income, living conditions, wellbeing and health.

As a council we need to have a strong local economy to generate income from business rates for our budget, particularly as our funding from Government disappears. We start from a position of strength in Slough. With a turnover of around £9 billion the underlying strength of our economy and reputation as a place to invest means growth provides a number of opportunities. Inward investment, regeneration and infrastructure improvements will bring real benefits to Slough, from housing and jobs, to better transport, shopping and leisure facilities.

By the time our grant from Government disappears we will be almost entirely reliant on income from business rates and Council Tax. Developing these twin sources of income and other opportunities is essential to our finances and paying for services.

We need to be clear about our priorities and how we will work to achieve these. This is why the Five Year Plan is so important as we will use it to:

- drive the decisions made in the medium and long term financial strategy
- focus on delivery of outcomes by prioritising resources
- provide a basis for discussions with partners about the services they provide
- develop a performance framework to which services and staff will be held accountable

The role of the Council

We will meet the challenges and opportunities we face by:

- demonstrating community leadership
- enabling people to help themselves
- supporting the most vulnerable
- shaping and managing the changing place

Our capacity to provide people with support is under growing pressure. We know that we can no longer provide services in the way that we have in the past – we will not be able to provide everyone with everything. We need to rethink and change not only what we do but how we do it.

We believe we can do more to close gaps and reduce inequalities by enabling people to take more responsibility for their own lives, for example, by living healthier lifestyles. We will build on the strengths of our communities and partnerships. Wherever possible we will also look to manage future demand for services through targeted intervention and prevention. We will always ensure the most vulnerable in our community know how to get the support they need.

As a Council we cannot stand still and need to adapt from the traditional approaches where departments focus on specific issues to a much more joined up approach. Our outcomes have been developed to ensure that our staff work across teams and departments to join up the way in which services are delivered.

We will develop an overall **Customer Strategy** that will guide our future ways of working as a Council and support the provision of our services. This will inform our approach to how we make the best use of our accommodation and buildings across the borough, the way in which we maximise digital technology and ensure we have the right IT to support this.

Our values

We will recruit, retain and develop high quality people who are committed to Slough and supported to do their job. Being clear about our values and behaviours means we can support our staff who want to continue to make a positive difference in their services to improve the lives of people in Slough. Our five **values** are:

- Responsive
- Accountable
- Innovative
- Ambitious
- Empowering

We will use these to drive our behaviours and how we work. We will recruit and manage people by checking how they are performing against these.

We have set a series of equality objectives to reduce inequalities and improve outcomes for local people in specific service areas. This is in line with our focus on putting people first as well as ensuring we meet our requirements under the Public Sector Equality Duty (Equality Act 2010).

3. Our priority outcomes – putting people first

Our communities are at the heart of everything we do. It is our responsibility to ensure that as we change the way we do things, we communicate and engage with people so that they understand what is happening around them and why – and that they have an opportunity to be part of the conversation.

Our response to the opportunities and challenges we face is to focus on five priority outcomes to improve the lives of people in Slough. **Resources will primarily be allocated to achieve these outcomes.** Resource allocation will be evidence based – there will need to be a demonstrable, evidenced link between the outcome and the key action.

Our priority outcomes – putting people first

- Slough children will grow up to be happy, healthy and successful
- Our people will be healthier and manage their own care needs
- Slough will be an attractive place where people choose to live, work and stay
- Our residents will live in good quality homes
- Slough will attract, retain and grow businesses and investment to provide opportunities for our residents

These cross cutting outcomes are important in ensuring that we are joining up resources to focus on shared priorities – this approach means we will increasingly be seen to be working as ‘One Council’.

Our partners are facing the same twin challenges as the Council – rising demand at a time when resources are diminishing. Like us, they cannot deliver their outcomes without additional support. We will work through the Slough Wellbeing Board to facilitate a wider partnership network across the public, private and voluntary sectors to coordinate action and resources to achieve the best results for Slough.

Many of our priorities cannot be achieved by us as a Council without the support of others. As well as working in partnership with the public and voluntary sectors we will continue to build partnerships with the private sector to attract investment and support delivery.

Outcome 1: Slough children will grow up to be happy, healthy and successful

We are committed to ensuring that Slough is a great place for our children to grow up and to live happy, healthy and successful lives.

Our educational outcomes for children and young people are already above the national average. At the Early Years Foundation Stage 71% of children achieved a good level of development. At Key Stage 1 66.7% achieved the expected standard or above in reading, writing & mathematics. At Key Stage 2 62% achieved the expected standard or above in reading, writing & mathematics. At Key Stage 4 55.8% achieved a Grade 5 or above in English and maths GCSE which is well above the national average, Slough is ranked 9th nationally. The proportion of good and outstanding schools in Slough is very high and well above regional and national averages.

We are working to enable children and young people to have physically and emotionally healthy lives, ensuring they are supported to be safe, secure and successful. We are continuing to focus on reducing the prevalence of children with excess weight at the start and end of primary school.

We have continuously invested in the creation of new school places, using our joint venture company, Slough Urban Renewal, to deliver school redevelopment plans which include improved teaching spaces, dining halls and libraries as well as new sports halls and playgrounds.

Young people have a vital role to play in shaping, creating and benefitting from the regeneration of our town. We will continue to support all young people into high quality employment, education and training. We will also provide them with opportunities to have their voices heard and to work with us in planning the future of Slough.

Next year we will ...

- Further embed our work with partners to safeguard children and young people in Slough
- Promote the voice of children and young people in service developments
- Develop a strategy for key worker housing to help meet the needs of our school workforce
- Match the ambition of our children by working with local schools and partners to ensure our young people can gain access to high paid, high skilled jobs in Slough

Our long term priorities are to...

- Work with our partners to ensure excellent outcomes for children and young people in Slough. We will do this through building on existing successful education and children's social care partnerships, ensuring that children and young people are at the centre of what we do.
- Reduce the numbers of Children Looked After and Care Leavers and young people with SEND who are Not in Education, Employment or Training
- Support the creation and promotion of pathways to high quality employment, including Apprenticeships
- Reduce the 'conveyor belt' to social care through improved early help and early intervention

Over the past year we have...

- Appointed a permanent Director of Children's Services for the first time in three years
- Ensured that 96% of children in Reception were allocated one of their top three choices of school
- Ensured that 94% of children were allocated one of their top three choices of secondary school
- Supported the voice of young people through the Youth Parliament, Young Inspectors and Commissioners, and an effective Children in Care Council
- Actively worked in partnership with Slough Children's Services Trust particularly in relation to Early Help and Child Sexual Exploitation supporting Slough's ambition to becoming a good Children's Service.
- Significantly enhanced the Council's role and responsibility as a Corporate parent
- Completed 3 primary school expansion projects providing 840 new school places
- Successfully transferred back to the Council Education Services previously provided by Cambridge Education Trust and SEND services that previously formed part of SCST

Health Choices Project

The Safer Slough Partnership has commissioned and funded Lime to develop the Healthy Choices Project in Slough. This project has come to fruition following research into Child Sexual Exploitation (CSE) risk in Slough that identified CSE and other risk factors as being prevalent for children and young people in Slough.

Key negative drivers in Slough included: less emotional contact time / higher rates of family dysfunction resulting in 'affection deficits', social media and prevalent 'near-peer' issues that put young people at risk.

Education is seen as pivotal to tackling broader "vulnerability" alongside support to practitioners who work in this arena. The Healthy Choices Project is therefore about reducing risks through encouraging healthier relationships, positive influences and behaviours.

Children and staff from 4 Slough schools are working with colleagues from Lime to co-design a comprehensive programme of education to be delivered in weekly sessions over a term. This includes specifically designed digital resources with complementary activities, exercises and learning materials to develop and improve decision-making; and a multi-disciplinary approach with data collection and delivery support for teachers. The project is currently in development stage and will be rolled out to all schools in September 2018.

Outcome 2: Our people will be healthier and manage their own care needs

Councils across the country are facing similar challenges relating to health, wellbeing, and independence of their adult residents. People are living longer, often with complex and long-term conditions, which increases demand for health and care services within the borough. In responding to these challenges we will focus on developing preventative approaches to enable our residents to become more able to support themselves. We will target those individuals most at risk of poor health and wellbeing outcomes to take up health checks; build capacity within the community to enable more people to manage their own health, care and support needs; and deliver a new model of public service that empowers residents to live independent and healthy lives. Throughout our plans we will ensure people are at the centre of the adult safeguarding process and are supported to manage any risks.

Next year we will:

- Support our residents to be more active
- Open a range of new leisure options including ice arena, Salt Hill activity centre, Langley sports centre and green gyms
- Support more people to take control of their care needs including a Direct Payment
- Support more people to have a health check

Our long term priorities are to:

- Work with our partners to improve the health and wellbeing of our residents
- Be the most active town/city in the country – More People - More Active -More Often
- Reduce loneliness and isolation – More People - More Connected - and Happy
- Reduce the need for long term social care through improved early help and prevention

Over the past year we have...

- Increased the number of health checks carried out in Slough to more than 2,300
- Completed 301 falls risk assessments
- Advanced our £55m leisure strategy with work underway on our new leisure centre
- Made notable progress on the refurbishment of the Ice Arena
- Opened and fully completed our community sports stadium Arbour Park
- Won an award for Transformation of Support Services by our adult social care team
- Seen another very successful event for World Mental Health Day 2017

The council organises Wellbeing Week in its commitment to improve the health and wellbeing of both staff and residents

In October 2017 the SBC employee wellbeing board encouraged staff to practice the Five Ways to Wellbeing: connect, be active, take notice, keep learning and give. The events throughout the action-packed week were focused around these five ways to increase wellbeing. To ensure staff had taken part in being active, a five-a-side football tournament was held at Arbour Park. Each team gave a suggested donation of £20 to support the work of mental health charity, Mind. World Mental Health Day also gave staff the opportunity to keep learning, at a special mental health event at The Curve. As part of taking notice, staff took part in a mindfulness session at lunchtime which focused on relaxation through meditation and being able to view things with kindness and curiosity. The employee wellbeing team also held a joint connect and give session that included cake, colouring and a chat. These sessions brought attention to the importance of good mental health and helped staff develop a sense of wellbeing.

Outcome 3: Slough will be an attractive place where people choose to live, work and stay

In Slough we are working with communities and partners to create a vibrant and attractive town that offers opportunities for all where our community is content and happy. Our parks and open spaces will be cleaner, safer and better promoted. We have made progress on a strategy and action plan to improve air quality within the borough. We are building a new state-of-the-art leisure facility on the Centre site in Farnham Road which will include an eight-lane swimming pool, a poolside sauna and steam room, a four-court sports hall and a gym. Leisure facilities are also being refurbished elsewhere including the extended Ice Arena, Salt Hill and Langley Leisure Centre.

We will continue to work with the community to ensure that Slough is a safe and welcoming place, and we will shape a recognisable identity for our town that will attract visitors and businesses.

As we implement our action plans we will ensure we bring our residents along with us every step of the way and engage the community to build on the sense of belonging and pride in Slough.

Next year we will...

- Establish a Town Team to ensure a clean and safe town centre
- Plant 1 million bulbs with our communities in our parks and open spaces
- Ask residents via a town wide place survey what they feel about the town and use the results to shape future plans
- Co-create strong and attractive neighbourhoods

Our long term priorities are to...

- Improve the Slough brand and develop our identity as a place of opportunity and ambition, co-produced with our communities and partners
- Improve air quality in the borough with innovative solutions
- Improve the quality of our natural environment and open spaces
- Actively manage the impact of new developments and infrastructure so that the town centre is a place where people can live, work, shop and enjoy.

Over the past year we have...

- Been named the best town or city to live and work in by Glassdoor
- Delivered the "Love Slough Parks" campaign
- Seen the highest engagement in Youth Parliament within the country
- Introduced a fleet of electric cars and bicycles
- Started the Clean, Safe and Vibrant project to transform the town centre
- Brought our libraries back in house
- Celebrated a year since the opening of The Curve
- Held a number of workshops for children including crafts, theatre, and reading days
- Brought our environmental services back in house
- Hosted the Slough 2040 conference which looked at proactively planning the future
- Organised a deep clean of the town centre
- Held a multi-agency walkabout of town centre to support driving change in the area

The Curve celebrates

The first year of operation at The Curve has been a huge success with thousands of people exploring the centre. The library and cultural centre has seen a 59 per cent increase in library membership and a 42 per cent increase in children's book borrowing. There have been births registered and marriages conducted at the register office and Venue @The Curve has hosted a variety of shows and events, including sell-out pantomime performances. This flagship building with a dramatic design that is a regional winner of the LABC 'Best public service building' has transformed the town centre and triggered further regeneration and investment. A week of activities was organised to celebrate the milestone birthday.

Outcome 4: Our residents will live in good quality homes

Slough is experiencing a growth in its population which, combined with the geographically small size of the borough, has put significant pressure on our housing supply. To meet the housing challenges faced by our town we will continue to work collaboratively with our partners including SUR and local landlords to provide more and better homes for our residents. New homes construction will continue to provide council housing for people on the council waiting list. We will implement the homelessness reduction act which will transform the way homelessness services are delivered and ensure that all eligible applicants are given the help they need. Our two new subsidiary housing companies will continue to provide better and more affordable homes for homeless households and key workers and lead the way in providing high standards of private sector housing. And a new licencing scheme for privately rented properties will help us regulate the private rented sector and improve the quality of housing across the borough.

Next year we will...

- Improve our services to homeless people and work to prevent homelessness
- Foster high quality privately rented homes by licensing more Houses in Multiple Occupation
- Continue to build more and better homes, particularly to replace council homes lost under the Right to Buy
- Improve opportunities for social housing tenants to downsize to more suitable homes.

Our long term priorities are to...

- Maintain our council housing to a high standard.
- Keep housing affordable for local people
- Drive up standards in the private rented sector

Over the past year we have...

- Launched a new housing strategy setting out our ambition to regenerate neighbourhoods and improve the quality and supply of housing in the borough
- Completed the Milestone development which includes 23 new council homes
- Built 11 new council homes at Lydia Court and 18 new council homes at Foxglove Court
- Opened our first emergency housing facility in over 40 years providing 12 double bedrooms
- Improved services for council tenants and started a new repairs contract with Osborne to invest £100m
- Co-located our Neighbourhood services with Osborne staff in Hawker House
- Established two subsidiary housing companies, James Elliman and Herschel Homes, giving us more control over the housing market whilst developing a rental portfolio

New council flats named Lydia Court

This year saw the opening of Lydia Court, a brand new block of council-owned apartments named after the country's first black female Mayor, Lydia Simmons. Lydia Court is a development of 11 new council homes, built on the site of the old Eschle Court, Elliman Avenue. The one, two and three bedroom apartments have been built for the council using our joint venture company, Slough Urban Renewal (SUR). SUR is a

partnership between SBC and Morgan Sindall Investments Ltd. which is driving regeneration across the town including leisure, housing, community and school buildings. Lydia Court includes a ground floor three bedroom apartment built to wheelchair standards, with its own front door access, dedicated parking and garden area. This specially designed property will be allocated to a family currently on the housing waiting list and housing officers are working with occupational therapists to ensure the needs of the family are met.

Outcome 5: Slough will attract, retain and grow businesses and investment to provide opportunities for our residents

Economic growth provides a number of opportunities to our town, including the creation of new jobs. Our goal is to generate and develop these opportunities. We will focus our work on creating a place where businesses want to locate by delivering infrastructure improvements such as good transport connections and communications networks to attract and support businesses. We will enable residents to develop skills to meet local employers' needs; deliver a Local Plan that supports economic growth; and maximise opportunities for local people from an expanded Heathrow Airport. Alongside all these key actions we will cultivate a vibrant town centre that will appeal to residents, businesses and visitors alike.

Next year we will...

- Launch the Building Better Opportunities project to increase employment in the 25+ group who are economically inactive or unemployed
- Ensure we have fit for purpose and sustainable infrastructure - from schools, health and leisure, to transport and housing
- Prepare for improvements to unlock gridlocked sites with a focus on Farnham Road and Chalvey
- Strengthen our relationships with business by delivering their HQ locations and town gateway opportunities

Our long term priorities are to...

- Collaborate on the Heathrow expansion
- Regenerate TVU and the town centre and maximise potential of Crossrail
- Work with major employers and Heathrow to reduce traffic congestion and emissions by encouraging the use of sustainable modes of transport

Over the past year we have...

- Held our first property investor day demonstrating our economic strengths
- Upgraded 7,500 of our 11,000 streetlights to energy efficient LED lights
- Acquired the former Thames Valley University site which will generate investment and create local jobs
- Generated £3.5 million which balanced our budget with no front line service cuts
- Secured funding for the Building Better Opportunities project which will provide assistance to East Berkshire residents that need support to go back to work
- Secured a memorandum of understanding framing our partnership with Heathrow
- Started a programme of work that will make our town centre safe, clean and vibrant
- Won recognition as the best place to live and work in the UK

Council purchase of TVU site triggers investment in regeneration

SBC is now the owner of a major development site in the heart of Slough which will net the town £550 million of investment. The former Thames Valley University (TVU) site, on the corner of Wellington Street and Stoke Road in the centre of Slough is now set to be transformed with new homes, new offices, shops and leisure facilities. This massive regeneration project is expected to bring more than 1,400 homes, 45,000 square feet of retail and leisure space, and 250,000 square feet of office space. The investment from the council will trigger the largest single local authority regeneration project seen outside of London. Negotiations with a development partner are expected to be complete by July.

4. The budget – *to follow*

- This short section will explain the important link between the Five Year Plan and the Medium Term Financial Strategy
- Once the budget has been approved this section will include graphs / pie charts to explain where our income comes from and how it is spent

5. Keeping track of progress

It is important that we are able to provide evidence of progress towards achieving better outcomes to improve people's lives.

We have identified a high level set of key performance indicators in the table below. These will form part of our Annual Report of progress against the outcomes. They will also be included in future annual refreshes of the Five Year Plan so that we have a consistent set of key performance measures to report against – whether performance is good or bad - so we can spot trends and tackle issues to get us back on track where needed.

This set of key performance indicators will therefore remain largely constant although there will be minor changes as performance requirements change. For example some of the detailed priorities under outcomes will change as specific actions are delivered and new ones identified. In addition we have a series of statutory returns we provide to Government as well as indicators to measure council tax and business rates collection.

Five Year Plan outcome	Performance measure
<p>1 Slough children will grow up to be happy, healthy and successful</p>	<ul style="list-style-type: none"> • Increase % pupils achieving a good level of development across the Early Years Foundation Stage • Reduce prevalence of childhood with excess weight at start and end of primary school • Safeguarding measure (from Corporate Parenting Plan) • Reduce levels of those not in education, employment or training (NEETs)
<p>2 Our people will be healthier and manage their own care needs</p>	<ul style="list-style-type: none"> • Increase number of people starting a smoking cessation course / % of those who successfully quit smoking • Increase number of adults managing their care and support via a direct payment • Increase the uptake of health checks
<p>3 Slough will be an attractive place where people choose to live, work and stay</p>	<ul style="list-style-type: none"> • Increase levels of street cleanliness • Reduce crime rates per 1,000 population
<p>4 Our residents will live in good quality homes</p>	<ul style="list-style-type: none"> • Increase in number of dwellings • Increase number of affordable homes • Increase number of planning applications approved
<p>5 Slough will attract, retain and grow businesses and investment to provide opportunities for our residents</p>	<ul style="list-style-type: none"> • Increase business rate collection / increase in business rate base • Reduce unemployment rate • Reduce journey time

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SLOUGH BOROUGH COUNCIL

REPORT TO: Cabinet **DATE:** 5th February 2018

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PORTFOLIO: Cllr. Nazir, Lead Member Corporate Finance and Housing

PART I
KEY DECISION**TREASURY MANAGEMENT STRATEGY 2018/19****1 Purpose of Report**

The Treasury Management Strategy (TMS) is a requirement of the Council's reporting procedures and recommended by both the Chartered Institute of Public Finance and Accountancy (CIPFA) code of practice on treasury management and the CIPFA prudential code for capital finance in local authorities. The Council is required to comply with both codes through regulations issued under the Local Government Act 2003.

2 Recommendation(s)/Proposed Action

The Cabinet is requested to recommend approval of the Treasury Management Strategy for 2018/19 to Council on 22nd February 2018.

3. The Slough Joint Wellbeing Strategy, the JSNA and the Five Year Plan**3a. Slough Joint Wellbeing Strategy Priorities**

The report indirectly supports all of the strategic priorities and cross cutting themes. The maintenance of good governance within the Council to ensure that it is efficient, effective and economic in everything it does achieve through the improvement of corporate governance and democracy by ensuring effective management practice is in place.

3b Five Year Plan Outcomes

The report helps achieve the Five Year Plan by contributing to the Council's Financial Planning and particularly by contributing to its vision to make Slough a growing place of opportunity and ambition. The Five Year plan states that "We will work towards being self-sufficient through innovation, income generation and maximising the value and effective use of our resources", as evidenced in the Treasury management activity report.

4 **Other Implications**

(a) Financial

The Financial implications are contained within this report.

(b) Risk Management

Recommendation from section 2 above	Risks/Threats/ Opportunities	Current Controls	Using the Risk Management Matrix Score the risk	Future Controls
Recommend approval of Treasury Management Strategy for 2018-19	Counterparty risk- the risk that an institution the council has invested is failing or likely to fail resulting in credit loss. Interest rate risk- if interest rates rise the risk that the council will be subject to higher interest costs. If there is a reduction in interest rates or fund prices are affected by a worsening economy lower dividends from funds invested in and a depreciation of the capital value.	The council will work closely with its Treasury advisors to mitigate interest rate risk. The council has an approved counterparty list contained in the Treasury Strategy setting out the institutions it can invest in, the maximum periods it can invest for and the total value for investing in individual institutions. This counterparty list is constantly under review by its Treasury advisors	9	The council has made a conscious decision not to put money in unsecured and low yielding banks and Building Societies deposits.

Risk	Mitigating action	Opportunities
Legal	None	None
Property	None	None
Human Rights	None	None
Health and Safety	None	None
Employment Issues	None	None
Equalities Issues	None	None
Community Support	None	None
Communications	None	None
Community Safety	None	None

Financial: Detailed in the report and above	As Identified	Returns out perform the budgeted income
Timetable for delivery	None	None
Project Capacity	None	None
Other	None	None

(c) Human Rights Act and Other Legal Implications

None Identified

(d) Equalities Impact Assessment

No identified need for the completion of an EIA

5 Supporting Information

5.1 The Treasury Management Strategy for 2018/19 is required to set out how the Council intends to manage its Treasury Management Risk. The Council's Treasury Policy is set out in Appendix 1 of this report. The Treasury Management Strategy complies with the requirements set out in the Chartered Institute of Public Finance and Accountancy's (CIPFA) Code of Practice on Treasury Management, which includes the requirement for determining a Treasury Strategy on the likely financing and investment activity for the forthcoming financial year.

5.2 In addition to reporting on risk management related to treasury activities, the Treasury Management Code also requires the Authority to report on any financial instruments entered into to manage Treasury Risks.

6 Key Principles

6.1 The medium term capital finance budget is a key part of the council's budget strategy. When setting the Treasury Management Strategy the Council has considered

- The current Treasury position and debt portfolio position
- The prospects for interest rates
- The current approved capital programme
- Limits on treasury management activities and prudential indicators

6.2 It is a statutory requirement that the level of borrowing is kept under review and is affordable

7 Service Delivery and Performance Issues

7.1.1 The Council currently has £289.841m of borrowing and an average investment balance of £50.714m throughout the year. The underlying need to borrow is measured by the Capital Financing Requirement (CFR) while usable reserves are the underlying resources available for investment.

7.1.2 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. The Highest forecast of CFR during the next 3 years is £584m. The

total debt for 2018/19 is expected to be £424m. The Council therefore will comply with this recommendation during 2018/19.

7.1.3 The Council uses Arlingclose as its external treasury advisor but responsibility for treasury management decisions remains with this Council at all times.

8 Comments of Other Committees

The draft Treasury Management Strategy 2018/19 is due to be considered by the Overview and Scrutiny Committee on 1st February 2018. Any comments will be reported to Cabinet.

9 Conclusion

The Cabinet is requested to recommend approval of the Treasury Management Strategy for 2018/19 to Council on 22nd February 2018.

10 Appendices Attached

'A' Treasury management Strategy 2018/19

11 Background Papers

- '1' CIPFA – Treasury Management in the Public Services – Code of Practice and guide for Chief Financial Officers
- '2' CIPFA – Prudential Code for local authority capital finance
- '3' Arlingclose Ltd – UK economic forecasts
- '4' Local Government Act 2003

SLOUGH BOROUGH COUNCIL

TREASURY MANAGEMENT STRATEGY 2018/19

1 Introduction & Background

The Council is required to adopt the CIPFA Treasury Management in the Public Services: Code of Practice and it is a requirement under that Code of Practice to produce an annual strategy report on proposed treasury management activities for the year.

In addition, the Department for Communities and Local Government (CLG) issued revised Guidance on Local Council Investments in March 2010 that requires the Council to approve an investment strategy before the start of each financial year.

In accordance with the Treasury Management code, the Council defines treasury management activities as:

“The management of the Council’s cash flows, its banking, money market and capital market transactions; the effective control of the risks `The purpose of the Treasury Strategy is to establish the framework for the effective and efficient management of the Council’s treasury management activity, within legislative, regulatory, and best practice regimes, and balancing risk against reward in the best interests of stewardship of the public purse.

This report fulfils the Council’s legal obligation under the Local Government Act 2003 to have regard to both the CIPFA Code and the CLG Guidance.

In accordance with the CLG Guidance, the Council will be asked to approve a revised Treasury Management Strategy Statement should the assumptions on which this report is based change significantly. Such circumstances would include, for example, a large unexpected change in interest rates, or in the Council’s capital programme or in the level of its investment balance.

2 Key Principles

The key principles of the CIPFA Treasury Management in the Public Services: Code of Practice is that:

- Public service organisations should put in place formal and comprehensive objectives, policies and practices, strategies and reporting arrangements for the effective management and control of their treasury management activities.
- Their policies and practices should make clear that the effective management and control of risk are prime objectives of their treasury management activities and that responsibility for these lies clearly within their organisations. Their appetite for risk should form part of their annual strategy, including any use of financial instruments for the prudent management of those risks, and should ensure that priority is given to security and liquidity when investing funds.
- They should acknowledge that the pursuit of value for money in treasury management, and the use of suitable performance measures are valid and important tools for responsible organisations to employ in support of their business and service objectives; and that within the context of effective risk management, their treasury management policies and practices should reflect this.

In setting the Treasury Management Strategy, the Council must have regard for the following factors:

- The current treasury position and debt portfolio position
- The prospects for interest rates

- The approved Capital Programme
- Limits on treasury management activities and prudential indicators

The Council has borrowed and invested substantial sums of money and is therefore exposed to financial risks including the loss of invested funds and the revenue effect of changing interest rates. The successful identification, monitoring and control of risk are therefore central to the Council's treasury management strategy.

According to the Prudential Code- the professional code of practice to support local authorities in taking capital investment decisions- the Council's prime policy objective of its investment activities is the security and liquidity of funds. Therefore the Council should avoid exposing public funds to unnecessary or un-quantified risk. The Council should consider the return on their investments; however, this should not be at the expense of security and liquidity. It is therefore important that the Council adopt an appropriate approach to risk management with regard to its investment activities. The Council employs a Treasury Management advisor, Arlingclose, to assist in the management of risk.

3 **External Context**

Economic backdrop: The significant economic event was the increase in the Bank Rate in November by 0.25% to 0.50%, making it the first increase by the Bank of England's MPC to rates since July 2007. The vote to increase Bank Rate was 7-2, reflecting the MPC's growing concern that rising inflation had finally outweighed the risks to growth and largely to meet expectations the Bank itself created. The Bank has reiterated that it expects any future increases in Bank Rate to be at a gradual pace and limited in extent.

Commodity prices rose over the period with oil increasing to around \$67 a barrel from a low of \$42 in June. UK Consumer Price Inflation (CPI) index continued to rise with the data print for November showing CPI at 3.1%, its highest since March 2012 as the fall in the value of sterling following the June 2016 referendum result continued to feed through into higher import prices. The new inflation measure CPIH, which includes owner occupiers' housing costs, was at 2.8%.

The number of unemployed in the economy continued to decrease, although the unemployment rate remained at 4.3%. Consumers' wages continued to shrink, in real terms, given average earnings growth remained subdued at 2.5%, a good deal below the rate of inflation. Economic activity expanded at a much slower pace as evidenced by Q2 and Q3 GDP growth of 0.3% and 0.4% respectively. With the dominant services sector accounting for 79% of GDP, the strength of consumer spending remains vital to growth, but with household savings remaining relatively low and real wage growth negative, there are concerns that these will be a constraint on future economic activity.

In contrast, near-term global growth prospects improved. The US economy grew steadily and inflation increased to 2.2%. As was expected, the Federal Reserve increased its target range of official interest rates in December for the third time in 2017 by 25 basis points to between 1.25% and 1.50%. The Fed is expected to deliver three more increases in 2018 and a further two in 2019. The central bank's growth forecasts were revised up based on the newly-passed personal and corporate tax rate cuts proposed by Donald Trump.

In the face of a struggling economy and Brexit-related uncertainty, Arlingclose expects the Bank of England to take a very measured approach to any monetary policy tightening. Any increases will be gradual and limited as the interest rate backdrop will have to provide substantial support to the UK economy through the Brexit transition.

Financial markets: Gilt yields were broadly stable over the quarter as much of the uncertainty which plagued the first half of the year dissipated. The yield on the 5-year gilts fell slightly to 0.72% at the end of the quarter, down from 0.80% in September. The 10-year gilts similarly fell from 1.38% to 1.19% at the end of the quarter and the 20-year gilts from 1.94% to 1.73%.

The FTSE 100 continued to climb, reaching yet another record high of 7688 at the end of calendar year. Money markets rates, unsurprisingly, have increased over the quarter: 1-month, 3-month and 12-month LIBID rates have averaged 0.43%, 0.47% and 0.76% over the period October-December.

Credit background: UK bank credit default swaps have remained broadly stable throughout the quarter. Bank share prices have not moved in any pattern.

Much of the activity by credit rating agencies during the quarter has related to the upcoming UK bank ringfencing which will take effect in 2018. Ringfencing requires the larger UK banks to separate their core retail banking activity from the rest of their business, resulting in two separate banks. In general, the agencies expect to give the ringfenced "retail" bank a higher credit rating than the non-ringfenced "investment" bank. In practice, this will only affect Barclays, HSBC, Lloyds and RBS as other UK banks and building societies either only conduct retail banking activities or have less than £25 billion of deposits covered by the Financial Services Compensation Scheme.

Barclays Bank plc was upgraded to A from A- by Standard & Poor's (S&P), after the bank announced its plans for its ringfenced bank, Barclays Bank UK plc, and the non-ringfenced bank, Barclays Bank plc. S&P also assigned preliminary ratings of 'A/A-1' to Barclays Bank UK plc.

In November S&P revised upwards the outlook of various UK banks and building societies to positive or stable and simultaneously affirmed their long and short-term ratings. These reflect the agency's view that the institutions now show increased resilience, have made substantial progress in meeting regulatory capital requirements and are now better positioned to deal with uncertainties and potential turbulence in the run-up to the UK's exit from the EU in March 2019.

Regulatory Updates

MiFID II: As a result of the second Markets in Financial Instruments Directive (MiFID II), from 3rd January 2018 local authorities will be treated as retail clients but can "opt up" to professional client status, providing that they meet certain criteria which includes having an investment balance of at least £10 million and the person(s) authorised to make investment decisions on behalf of the authority have at least a year's relevant professional experience. In

addition, the regulated financial services firms to whom this directive applies must assess that that person(s) have the expertise, experience and knowledge to make investment decisions and understand the risks involved.

The Authority has met the conditions to opt up to professional status and has done so in order to maintain its erstwhile MiFID II status prior to January 2018. The Authority will continue to have access to products including money market funds, pooled funds, treasury bills, bonds, shares and to financial advice.

CIPFA Codes: CIPFA published revised editions of the Treasury Management and Prudential Codes in December 2017. The Authority is currently considering the changes from the 2011 Code for incorporation into future Treasury Management Strategies and monitoring reports.

The 2017 Prudential Code introduces the requirement for a Capital Strategy which sets out the long-term context of capital expenditure and investment decisions and their associated risks and rewards along with an overview of how risk is managed for future financial sustainability. Where this strategy is produced, it must be approved by full Council, and the determination of the Treasury Management Strategy can then be delegated to a committee.

In the 2017 Treasury Management Code the definition of 'investments' has been widened to include financial assets as well as non-financial assets held primarily for financial returns such as investment property. These, along with other investments made for non-treasury management purposes such as loans supporting service outcomes and investments in subsidiaries, must be discussed in the Capital Strategy or Investment Strategy.

DCLG Consultations on Investment Guidance and Minimum Revenue Provision (MRP):

In November the DCLG consulted on proposed changes to its Guidance on Local Government Investments and Statutory Guidance on Minimum Revenue Provision (MRP) with a deadline for responses of 22nd December.

Proposed changes to the Investment Guidance include a wider definition of investments to include non-financial assets held primarily for generating income return and a new category called "loans" (e.g temporary transfer of cash to a third party, joint venture, subsidiary or associate). The draft Guidance introduces the concept of proportionality, proposes additional disclosure for borrowing solely to invest and also specifies additional indicators. Investment strategies should detail the extent to which core expenditure is reliant on investment income and a contingency plan should yields on investments fall.

There is a proposed change to the basis of prudent MRP to "cover the gap between the Capital Financing Requirement (CFR) and grant income/capital receipts"; it cannot be a negative charge and can only be zero if the CFR is nil or negative. Guidance on asset lives has been updated, applying to any calculation using asset lives. Any change in MRP policy cannot create an overpayment; the new policy must be applied to the outstanding CFR going forward only.

4 Local Current Position

As at 31 December 2017, the Council held £289.841m (£125.841m being HRA self-financing) borrowing and £40.054m investments. Forecast changes in these sums are shown in the balance sheet analysis in table 1 below.

Table 1: Balance Sheet Forecast

Slough Borough Council					
Balance Sheet Summary and Projections					
31st March	2017	2018	2019	2020	2021
	Actual £m	Estimate £m	Forecast £m	Forecast £m	Forecast £m
General Fund Capital Financing Requirement	190	280	346	389	426
HRA Capital Financing Requirement	158	158	158	158	158
Total Capital Financing Requirement	348	438	504	547	584
Less: Other long-term liabilities *	(45)	(44)	(43)	(40)	(38)
Loans Capital Financing Requirement	303	394	461	507	546
Less: External borrowing **	(237)	(322)	(383)	(429)	(468)
Internal (over) borrowing	66	72	78	78	78
Less: Usable reserves	(127)	(122)	(117)	(112)	(112)
Net Borrowing Requirement/(Investments)	(61)	(50)	(39)	(34)	(34)

* finance leases and PFI liabilities that form part of the Council's debt

** shows only loans to which the Council is committed and excludes optional refinancing

The underlying need to borrow for capital purposes is measured by the Capital Financing Requirement (CFR), while usable reserves are the underlying resources available for investment. 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 1 shows that the Authority expects to comply with this recommendation during 2018/19.

The Council has an increasing CFR due to the capital programme, but minimal investments and will therefore be required to borrow up to £384m over the forecast period.

5 Borrowing Strategy

The Council currently holds £290 million of loans, an increase of £53 million on the previous year, as part of its strategy for funding previous years' capital programmes. The balance sheet forecast in table 1 shows that the Council expects to borrow an additional £32m in 2017/18

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

Strategy: Given the significant cuts to public expenditure and in particular to local government funding, the Council's borrowing strategy continues to address the key issue of affordability without compromising the longer-term stability of the debt portfolio. With short-term interest rates currently much lower than long-term rates, it is likely to be more cost effective in the short-term to either use internal resources, or to borrow short-term loans instead.

By doing so, the Council is able to reduce net borrowing costs (despite foregone investment income) and reduce overall treasury risk. The benefits of internal borrowing will be monitored regularly against the potential for incurring additional costs by deferring borrowing into future years when long-term borrowing rates are forecast to rise modestly. Arlingclose will assist the Council with this 'cost of carry' and breakeven analysis. Its output may determine whether the Council borrows additional sums at long-term fixed rates in 2018/19 with a view to keeping future interest costs low, even if this causes additional cost in the short-term.

Alternatively, the Council may arrange forward starting loans during 2018/19, where the interest rate is fixed in advance, but the cash is received in later years. This would enable certainty of cost to be achieved without suffering a cost of carry in the intervening period.

In addition, the Council may borrow further short-term loans to cover unplanned cash flow shortages.

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

- Public Works Loan Board (PWLB) and any successor body
- any institution approved for investments (see below)
- any other bank or building society authorised to operate in the UK
- UK public and private sector pension funds (except [your local] Pension Fund)
- capital market bond investors
- UK Municipal Bonds Agency plc and other special purpose companies created to enable local Council bond issues

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

- operating and finance leases
- hire purchase
- Private Finance Initiative
- sale and leaseback

The Council has previously raised the majority of its long-term borrowing from the PWLB but it continues to investigate other sources of finance, such as local authority loans and bank loans that may be available at more favourable rates.

Municipal Bond Agency: The UK Municipal Bonds Agency was established in 2014 by the Local Government Association as an alternative to the PWLB. It plans to issue bonds on the capital markets and lend the proceeds to local authorities. This will be a more complicated source of finance than the PWLB for three reasons: borrowing authorities are required to provide lenders with a joint and several guarantee over the very small risk that other local authority borrowers default on their loans; there will be a lead time between committing to borrow and knowing the precise interest rate payable; this will always be lower than the PWLB certainty rate. Any decision to borrow from the Agency will therefore be the subject of a separate report to Cabinet and the Capital Strategy Board.

LOBOs: The Council holds £9m of LOBO (Lender's Option Borrower's Option) loans where the lender has the option to propose an increase in the interest rate as set dates, following which the Council has the option to either accept the new rate or to repay the loan at no additional cost. None of these LOBOS have options during 2018/19, and although the Council understands that lenders are unlikely to exercise their options in the current low interest rate environment, there remains an element of refinancing risk. The Council will take the option to repay LOBO loans at no cost if it has the opportunity to do so.

Short-term and Variable Rate loans: These loans leave the Council exposed to the risk of short-term interest rate rises and are therefore subject to the limit on the net exposure to variable interest rates in the treasury management indicators below.

Debt Rescheduling: The PWLB allows authorities to repay loans before maturity and either pay a premium or receive a discount according to a set formula based on current interest rates. Other lenders may also be prepared to negotiate premature redemption terms. The Council may take advantage of this and replace some loans with new loans, or repay loans without replacement, where this is expected to lead to an overall cost saving or a reduction in risk.

Table 2: Current Borrowing Position

PWLB/Market/LA	Type	Loan	Start Date	Maturity	Principal £	Type
PWLB	Fixed	487800	02/08/2004	25/03/2028	1,000,000	Pooled
PWLB	Fixed	488859	02/08/2004	25/03/2029	500,000	Pooled
PWLB	Fixed	489227	24/10/2004	15/10/2031	5,000,000	Pooled
PWLB	Fixed	490923	22/12/2005	01/05/2036	3,000,000	Pooled
PWLB	Fixed	490924	22/12/2005	01/08/2036	5,000,000	Pooled
PWLB	Fixed	494837	01/10/2008	01/08/2038	5,000,000	Pooled
PWLB	Fixed	497999	30/09/2010	29/09/2021	4,000,000	Pooled
PWLB	Fixed	498000	30/09/2010	29/09/2024	4,000,000	Pooled
PWLB	Fixed	498001	30/09/2010	30/09/2027	4,000,000	Pooled
PWLB	Fixed	500578	28/03/2012	28/03/2028	20,000,000	HRA Self Financing
PWLB	Fixed	500579	28/03/2012	28/03/2037	20,000,000	HRA Self Financing
PWLB	Fixed	500580	28/03/2012	28/03/2042	20,000,000	HRA Self Financing
PWLB	Fixed	500581	28/03/2012	28/03/2041	15,841,000	HRA Self Financing
PWLB	Fixed	500582	28/03/2012	28/03/2032	20,000,000	HRA Self Financing
PWLB	Fixed	500583	28/03/2012	28/03/2022	10,000,000	HRA Self Financing
PWLB	Fixed	500584	28/03/2012	28/03/2039	20,000,000	HRA Self Financing
Market	L/T Fixed	64	12/07/2004	10/07/2054	4,000,000	Pooled
Market	L-T LOBO	65	07/04/2006	07/04/2066	5,000,000	Pooled
Market	L-T LOBO	66	28/04/2006	28/04/2066	4,000,000	Pooled
LA	ST Variable	2485	10/02/2017	09/02/2018	2,500,000	General Fund
LA	ST Variable	2486	10/02/2017	09/02/2018	2,500,000	General Fund
LA	ST Variable	2487	10/02/2017	09/02/2018	10,000,000	General Fund
LA	ST Variable	2488	16/02/2017	15/02/2018	3,000,000	General Fund
LA	ST Variable	2490	20/02/2017	19/02/2018	5,500,000	General Fund
LA	ST Variable	2491	20/02/2017	19/02/2018	2,000,000	General Fund

PWLB/Market/LA	Type	Loan	Start Date	Maturity	Principal	Type
LA	ST Variable	2497	31/03/2017	04/01/2018	5,000,000	General Fund
LA	ST Variable	2498	02/05/2017	01/05/2018	10,000,000	General Fund
LA	ST Variable	2501	27/06/2017	26/06/2018	5,000,000	General Fund
LA	ST Variable	2502	30/06/2017	29/06/2018	2,000,000	General Fund
LA	ST Variable	2503	07/07/2017	02/07/2018	5,000,000	General Fund
LA	ST Variable	2504	28/11/2017	09/04/2018	3,000,000	General Fund
LA	ST Variable	2505	28/07/2017	29/01/2018	2,500,000	General Fund
LA	ST Variable	2506	28/07/2017	29/01/2018	2,500,000	General Fund
LA	ST Variable	2508	31/07/2017	31/01/2018	6,000,000	General Fund
LA	ST Variable	2509	31/08/2017	28/02/2018	5,000,000	General Fund
LA	ST Variable	2510	28/09/2017	19/02/2018	5,000,000	General Fund
LA	ST Variable	2511	28/09/2017	28/02/2018	5,000,000	General Fund
LA	ST Variable	2512	19/10/2017	19/03/2018	6,000,000	General Fund
LA	ST Variable	2513	24/10/2017	24/04/2018	5,000,000	General Fund
LA	ST Variable	2514	21/11/2017	21/02/2018	5,000,000	General Fund
LA	ST Variable	2515	23/11/2017	23/05/2018	5,000,000	General Fund
LA	ST Variable	2517	21/12/2017	21/06/2018	4,000,000	General Fund
LA	ST Variable	2518	18/12/2017	22/06/2018	2,500,000	General Fund
LA	ST Variable	2519	18/12/2017	18/06/2018	2,000,000	General Fund
LA	ST Variable	2520	18/12/2017	18/06/2018	2,500,000	General Fund
LA	ST Variable	2522	18/12/2017	18/06/2018	2,500,000	General Fund
LA	ST Variable	2523	20/12/2017	20/06/2018	3,500,000	General Fund
					289,841,000	

6 Housing Revenue Account Self-Financing

Central Government completed its reform of the Housing Revenue Account Subsidy system at the end of 2011/12. Local authorities are required to recharge interest expenditure and income attributable to the HRA in accordance with Determinations issued by the Department for Communities and Local Government. The Determinations do not set out a methodology for calculating the interest rate to use in each instance. The Council is therefore required to adopt a policy that will set out how interest charges attributable to the HRA will be determined. The CIPFA Code recommends that authorities present this policy in their TMSS.

On 1st April 2012, the Council notionally split each of its existing long-term loans into General Fund and HRA pools. In the future, new long-term loans borrowed will be assigned in their entirety to one pool or the other. Interest payable and other costs/income arising from long-term loans (e.g. premiums and discounts on early redemption) will be charged/ credited to the respective revenue account.

As part of the reform of the HRA Housing Revenue Account Subsidy system at the end of 2011/12, the HRA needed to make a payment of £136m to the Government. £126m of this was financed by PWLB loans listed above. £10m was in respect of an internal loan from the General Fund. The General Fund currently charges 3.27% interest on this amount or £327,000 per annum.

7 Investment Strategy

The Council holds significant invested funds, representing income received in advance of expenditure plus balances and reserves held. In the past 12 months, the Council's investment balance has ranged between £32m and £76m. Levels are expected to decrease during the forthcoming year in order to finance an expanding capital programme.

Objectives: Both the CIPFA Code and the CLG Guidance require 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 receiving unsuitably low investment income.

Where balances are expected to be invested for more than one year, the Council will aim to achieve a total return that is equal or higher than the prevailing rate of inflation, in order to maintain the spending power of the sum invested.

Negative Interest Rates: If the UK enters into a recession in 2018/19, there is a small chance that the Bank of England could set its Bank Rate at or below zero, which is likely to feed through to negative interest rates on all low risk, short-term investment options. This situation already exists in many other European countries. In this event, security will be measured as receiving the contractually agreed amount at maturity, even though this may be less than the amount originally invested.

Strategy: Given the increasing risk and falling returns from short-term unsecured bank investments, the Council aims to further diversify into more secure and/or higher yielding asset classes during 2018/19 where opportunities arise. This is especially the case for the estimated £30m that is available for longer-term investment. The Council has reduced the amount it invests in short-term unsecured bank deposits, certificates of deposit and money market funds to around 35% of its total investments. Most of these investments are for the management of the Council's short term cash flow, and are invested in either instant access call accounts or notice accounts where the exposure is for a maximum of 95 days.

Approved Counterparties: The Council may invest its surplus funds with any of the counterparty types in table 3 below, subject to the cash limits (per counterparty) and the time limits shown.

Table 3: Approved Investment Counterparties and Limits

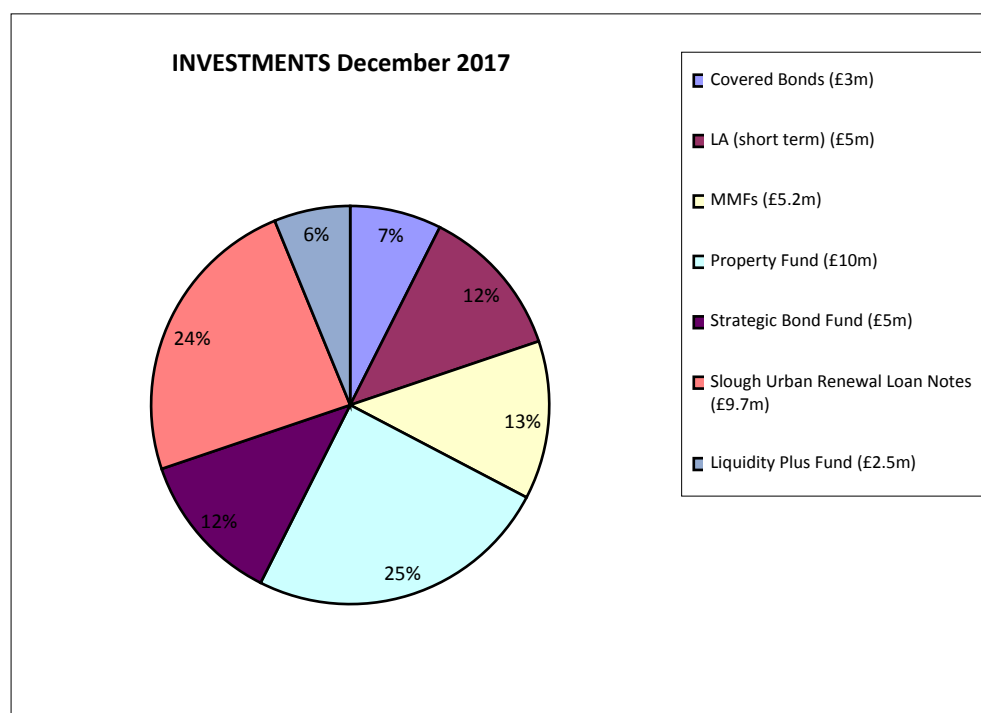
Credit Rating	Banks Unsecured	Banks Secured	Government	Corporates	Registered Providers
UK Govt	n/a	n/a	£ Unlimited 50 years	n/a	n/a
AAA	£15m 5 years	£15m 20 years	£15m 50 years	£5m 20 years	£5m 20 years
AA+	£15m 5 years	£15m 10 years	£15m 25 years	£5m 10 years	£5m 10 years
AA	£15m 4 years	£15m 5 years	£15m 15 years	£5m 5 years	£5m 10 years
AA-	£15m 3 years	£15m 4 years	£15m 10 years	£5m 4 years	£5m 10 years
A+	£15m 2 years	£15m 3 years	£15m 5 years	£5m 3 years	£5m 5 years
A	£15m 13 months	£15m 2 years	£15m 5 years	£5m 2 years	£5m 5 years
A-	£15m 6 months	£15m 13 months	£15m 5 years	£5m 13 months	£5m 5 years
None	£3m 12 months	n/a	£5m 25 years	n/a	£5m 5 years
Pooled funds	£10m per fund				

There is no intention to restrict investments to bank deposits, and investments may be made with any public or private sector organisations that meet the above credit rating criteria. This reflects a lower likelihood that the UK and other governments will support failing banks as the bail-in provisions in the *Banking Reform Act 2014* and the *EU Bank Recovery and Resolution Directive* are implemented.

In addition, the Council may invest with organisations and pooled funds without credit ratings, following an external credit assessment and advice from the Council's treasury management adviser.

The current level of investments and the type of institution invested in is summarised in Table 4 below:

Table 4: Current Investments



£5.2m of the above is in instant access accounts (i.e. Call Accounts and Money Market Funds).

8 Investment Opportunities

Credit Rating: Investment limits are set by reference to the lowest published long-term credit rating from Fitch, Moody's or Standard & Poor's. Where available, the credit rating relevant to the specific investment or class of investment is used, otherwise the counterparty credit rating is used. However, investment decisions are never made solely based on credit ratings, and all other relevant factors including external advice will be taken into account.

Banks Unsecured: Accounts, deposits, certificates of deposit and senior unsecured bonds with banks and building societies, other than multilateral development banks. These investments are subject to the risk of credit loss via a bail-in should the regulator determine that the bank is failing or likely to fail.

Banks Secured: Covered bonds, reverse repurchase agreements and other collateralised arrangements with banks and building societies. These investments are secured on the bank's assets, which limits the potential losses in the unlikely event of insolvency, and means that they are exempt from bail-in. Where there is no investment specific credit rating, but the collateral upon which the investment is secured has a credit rating, the higher of the collateral credit rating and the counterparty credit rating will be used to determine cash and time limits. The combined secured and unsecured investments in any one bank will not exceed the cash limit for secured investments.

Government: Loans, bonds and bills issued or guaranteed by national governments, regional and local authorities and multilateral development banks. These investments are not subject to bail-in, and there is an insignificant risk of insolvency. Investments with the UK Central Government may be made in unlimited amounts for up to 50 years.

Corporates: Loans, bonds and commercial paper issued by companies other than banks and registered providers. These investments are not subject to bail-in, but are exposed to the risk

of the company going insolvent. Loans to unrated companies will only be made as part of a diversified pool in order to spread the risk widely.

Registered Providers: Loans and bonds issued by, guaranteed by or secured on the assets of Registered Providers of Social Housing, formerly known as Housing Associations. These bodies are tightly regulated by the Homes and Communities Agency and, as providers of public services, they retain the likelihood of receiving government support if needed.

Pooled Funds: Shares in diversified investment vehicles consisting of the any of the above investment types, plus equity shares and property. These funds have the advantage of providing wide diversification of investment risks, coupled with the services of a professional fund manager in return for a fee. Short-term Money Market Funds that offer same-day liquidity and very low or no volatility will be used as an alternative to instant access bank accounts, while pooled funds whose value changes with market prices and/or have a notice period will be used for longer investment periods.

Bond, equity and property funds offer enhanced returns over the longer term, but are more volatile in the short term. These allow the Council to diversify into asset classes other than cash without the need to own and manage the underlying investments. Because these funds have no defined maturity date, but are available for withdrawal after a notice period, their performance and continued suitability in meeting the Council's investment objectives will be monitored regularly.

Slough Urban Renewal (SUR): The Council has entered into a partnership with Morgan Sindall, a Private Sector developer, for the regeneration of Slough. Under this partnership, the Council land assets are transferred into the SUR vehicle. The Council then receives a loan note from the SUR for the value of the land transferred. This loan note is then repaid by the SUR over time and the Council will receive interest on the loan note of 7%.

9 Risk Management

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 an entity has its credit rating downgraded so that it fails to meet the approved investment criteria then:

- no new investments will be made,
- any existing investments that can be recalled or sold at no cost will be, and
- full consideration will be given to the recall or sale of all other existing investments with the affected counterparty.

Where a credit rating agency announces that a credit rating is on review for possible downgrade (also known as "rating watch negative" or "credit watch negative") so that it may fall below the approved rating criteria, then only investments that can be withdrawn [on the next working day] will be made with that organisation until the outcome of the review is announced. This policy will not apply to negative outlooks, which indicate a long-term direction of travel rather than an imminent change of rating.

Other Information on the Security of Investments: The Council understands that credit ratings are good, but not perfect, predictors of investment default. Full regard will therefore be given to other available information on the credit quality of the organisations, in which it invests, including credit default swap prices, financial statements, information on potential government support and reports in the quality financial press. No investments will be made with an organisation if there are substantive doubts about its credit quality, even though it may meet the credit rating 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 Council's cash balances, then the surplus will be deposited with the UK Government, via the Debt Management Office or invested in government treasury bills for example, or with other local authorities. This will cause a reduction in the level of investment income earned, but will protect the principal sum invested.

Specified Investments: The CLG Guidance defines specified investments as those:

- denominated in pound sterling,
- due to be repaid within 12 months of arrangement,
- not defined as capital expenditure by legislation, and
- invested with one of:
 - the UK Government,
 - a UK local Council, 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 or a foreign country with a sovereign rating of [AA+] or higher. 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, 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. Limits on non-specified investments are shown in table 3 below.

Table 5: Non-Specified Investment Limits:

	Cash limit
Total long-term investments	£40m
Total investments without credit ratings or rated below A-	£25m
Total investments with institutions domiciled in foreign countries rated below AA+	£10m
Total non-specified investments	£75m

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Investment Limits

The Council's revenue reserves available to cover investment losses are forecast to be £76 million on 31st March 2018. In order that no more than 20% of available reserves will be put at risk in the case of a single default, the maximum that will be lent to any one organisation (other than the UK Government) will be **£15 million**. A group of banks under the same ownership will be treated as a single organisation for limit purposes. Limits will also be placed on fund managers, investments in brokers' nominee accounts, foreign countries and industry sectors as below:

Table 6: Investment Limits

	Cash limit
Any single organisation, except the UK Central Government	£15m each
UK Central Government	unlimited
Any group of organisations under the same ownership	£15m per group
Any group of pooled funds under the same management	£25m per manager
Negotiable instruments held in a broker's nominee account	£25m per broker
Foreign countries	£10m per country
Registered Providers	£5m in total
Unsecured investments with Building Societies	£10m in total
Loans to unrated corporates	£5m in total
Money Market Funds	£50m in total
Slough Urban Renewal Loan Notes	£5m above land value

11 **Non-Treasury Investments**

Although not classed as treasury management activities and therefore not covered by the CIPFA Code or the CLG Guidance, the Authority has purchased property for investment purposes and has also made loans and investments for service purposes- the Council has made equity loans totalling £4.22m to James Elliman Homes a wholly owned subsidiary of the council. The aims of James Elliman Homes include increasing housing supply whilst providing “affordable homes” and /or better quality homes for vulnerable client groups and key workers not currently entitled to council housing, or those facing too long a waiting time in temporary accommodation.

Such loans and investments will be subject to the Authority’s normal approval processes for revenue and capital expenditure and need not comply with this treasury management strategy. On 14 September 2015, Cabinet approved the introduction of the Strategic Acquisition Strategy, which provided a framework for the Council to operate commercially and undertake a new approach to asset investment through the acquisition of land and/or property generating income up to £25m (inclusive of acquisition costs). Following a subsequent report in November 2016, the budget for strategic asset purchases was increased to £50m. In approving the Strategy, the drivers were to acquire income generating assets to offset continued reductions in central government grant and for the Council to realise the regenerative benefits associated with purchasing sites to bring forward housing and commercial development.

How investments are decided upon

A strategic acquisition can be defined as the acquisition of land or properties that will allow the Council to expedite key outcomes contained within the 5 Year Plan. To be considered strategic, it is suggested that acquisition must make a significant contribution towards regeneration objectives and/or provide a commercial return on investment that will improve the financial resilience of the Council:

a) Property Investments

Under commercial investment objectives, a strategic acquisition would typically:

- Generate income through a satisfactory level of return, with a net initial yield range between 5% and 9%, and/or

- Improve investment value of commercial assets over time in addition to the level of returns through rental growth.

b) Regeneration

Under regeneration objectives, a strategic acquisition will typically:

- Deliver large scale development that will provide attractive, accessible places to live and work and do business; or
- Allow the redevelopment of smaller development sites in key locations that have stalled, or
- Enable the Council to acquire land required to deliver infrastructure projects, or
- Enable collaborative working with adjoining owners to maximise land value; or
- Improve the image of Slough to a status that fully recognises the strategic importance and benefits offered by the town as a sub-regional gateway to and from London.
- Generate additional capital and revenue income to support the financial projections set out in the Medium Term Financial Plan.

Whilst the acquisition of strategic regeneration sites will typically be dependent on land becoming available for sale, the Council will be proactive and will consider off market acquisitions and the use of Compulsory Purchase Orders as required.

How decisions are made

In order to balance the objectives of introducing a streamlined approach (to avoid losing acquisition opportunities through delays in process) with high levels of probity, a Strategic Acquisition Board ("SAB") was introduced.

The SAB meet on a monthly basis and is chaired by the Assistant Director Assets, Infrastructure & Regeneration. The standing members of the SAB include the:

- Leader of the Council
- Commissioner for Housing & Urban Renewals
- Strategic Director Regeneration, Housing & Resources
- Assistant Director Assets, Infrastructure and Regeneration
- Assistant Director Housing & Environmental Services
- Directorate Finance Manager Customer & Community Services, Regeneration & Housing
- Head of Asset Management

The SAB has a remit to:

- Consider acquisition recommendations put forward by the Head of Asset Management (or delegate).
- Review proposed land acquisition and/or property investment proposals, taking into account the extent to which the proposition fulfils the Council's policy objectives against a set of agreed criteria.
- Make strategic acquisition and investment decisions on behalf of the Council.
- Oversee and monitor the performance of approved acquisition and investments.
- Report acquisitions to the Capital Strategy Board and Cabinet.
- Dispose of assets acquired via the SAB.

The SAB has a responsibility to monitor the performance of the investment portfolio, ensuring that individual assets are performing thereby maximising rental returns and selling assets when they no longer perform.

When a strategic acquisition is identified by Asset Management an agreed Acquisition Protocol is followed.

Any controls in place

When acquiring investment assets, it is important to have a well balanced portfolio which can counteract significant market changes. As the portfolio expands, each asset acquired is considered in line with the existing portfolio e.g. if the majority of the portfolio were industrial then it would need to be balanced with further office and retail property, or if the portfolio income was very insecure then it could be balanced by investments with longer projected income.

Officers apply a defined list of property specific criteria when making recommendations to the SAB on investment acquisitions using agreed property based criteria.

All acquisition opportunities presented to the SAB are supported by a financial appraisal and business case. Before approving any acquisition, the SAB requires confirmation that the acquisition will not increase the Council's ongoing revenue costs, including the cost of borrowing and officer time.

The appraisal and business case assess how the strategic acquisition will be financed. They:

1. Consider if the investment achieves corporate objectives.
2. Confirm that for the acquisition of land the price is reasonable (allowing for a special purchase consideration) and supported by an independent valuation.
3. Confirm that for the acquisition of a standing investment the price is reasonable and supported by an independent valuation (reference will be made to previously identified added value opportunities).
4. Confirm there is a market requirement.
5. Where appropriate, there is secure rental income taking into account risks associated with the security of future payments, including (where appropriate) sensitivity analysis for void periods.
6. Identify whole life costs (where appropriate).
7. Identify the most appropriate funding source(s) and confirm availability.
8. Clarify that the Council's Finance Section has assessed the business case and confirmed a suitable return on investment.

The financial appraisals considered by the SAB identify all costs and assumed income to assist informed decision making on whether the acquisition is suitable. In the case of revenue generating assets, assets are assessed by comparing the anticipated net income against the rate of return the Council could otherwise expect to achieve on its capital.

In all instances, acquisitions must be supported by advice from the Section 151 Officer.

The Authority's existing non-treasury investments are listed in Appendix B.

12 Treasury Management Indicators

The Council measures and manages its exposures to treasury management risks using the following four new prudential indicators.

- Upper limits on variable rate exposure. This indicator identifies a maximum limit for variable interest rates based upon the debt provision net of investments.
- Upper limits on fixed rate exposure. Similar to the previous indicators, this covers a maximum limit on fixed interest rates
- Total principal funds invested for a period longer than 364 days. These limits are set to reduce the need for early sale of an investment and are based on the availability of investments after each year-end
- Maturity Structure of borrowing. These gross limits are set to reduce the Council's exposure to large fixed rate sums falling due for refinancing

Interest Rate Exposures: This indicator is set to control the Council's exposure to interest rate risk. The upper limits on fixed and variable rate interest rate exposures, expressed as the amount of principal borrowed will be:

LIMITS ON INTEREST RATE EXPOSURE			
	2017/18	2018/19	2019/20
Limit on Principal invested beyond year end	£45m	£45m	£45m
Upper limit on fixed interest rate exposure	£100m	£250m	£250m
Upper limit on variable interest rate exposure	£50m	£200m	£200m

Fixed rate investments and borrowings are those where the rate of interest is fixed for at least 12 months, measured from the start of the financial year or the transaction date if later. All other instruments are classed as variable rate. Following recent discussions at the Council's Treasury Management Group and based on the Council's Current Strategy to utilise lower rates for short-term borrowing where possible in order to reduce pressure on the Revenue budgets, the above limits have been revised for 2018-19 financial year onwards.

Mature Structure of Borrowing:

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

MATURITY STRUCTURE OF BORROWING				
	Existing Level (£m)	Existing Level (%)	Lower	Upper
Under 12 months	119	41.13%	0%	75%
12 months and within 24 months	0	0.00%	0%	50%
24 months and within 5 years	14	4.84%	0%	50%
5 years and within 10 years	29	10.02%	0%	75%
10 years and within 15 years	25.5	8.81%	10%	95%
15 years and within 20 years	28	9.68%	10%	95%
20 years and within 25 years	60.841	21.03%	10%	95%
Over 25 years	13	4.49%	10%	95%

13 Other Items

There are a number of additional items that the Authority is obliged by CIPFA or CLG to include in its Treasury Management Strategy.

Policy on the use of financial derivatives Local authorities have previously made use of financial derivatives embedded into loans and investments both to reduce interest rate risk (e.g. interest rate collars and forward deals) and to reduce costs or increase income at the expense of greater risk (e.g. LOBO loans and callable deposits). The general power of competence in Section 1 of the *Localism Act 2011* removes much of the uncertainty over local authorities' use of standalone financial derivatives (i.e. those that are not embedded into a loan or investment).

The Authority will only use standalone financial derivatives (such as swaps, forwards, futures and options) where they can be clearly demonstrated to reduce the overall level of the financial risks that the Authority is exposed to. Additional risks presented, such as credit

exposure to derivative counterparties, will be taken into account when determining the overall level of risk. Embedded derivatives, including those present in pooled funds and forward starting transactions, will not be subject to this policy, although the risks they present will be managed in line with the overall treasury risk management strategy.

Financial derivative transactions may be arranged with any organisation that meets the approved investment criteria. The current value of any amount due from a derivative counterparty will count against the counterparty credit limit and the relevant foreign country limit.

Policy on apportioning interest to the HRA: On 1st April 2012, the Authority notionally split each of its existing long-term loans into General Fund and HRA pools. In the future, new long-term loans borrowed will be assigned in their entirety to one pool or the other. Interest payable and other costs/income arising from long-term loans (e.g. premiums and discounts on early redemption) will be charged/ credited to the respective revenue account. Differences between the value of the HRA loans pool and the HRA's underlying need to borrow (adjusted for HRA balance sheet resources available for investment) will result in a notional cash balance which may be positive or negative. This balance will be measured each month and interest transferred between the General Fund and HRA at the Authority's average interest rate on investments, adjusted for credit risk

Investment training: The needs of the Authority's treasury management staff for training in investment management are assessed every three months as part of the staff appraisal process, and additionally when the responsibilities of individual members of staff change. Staff regularly attend training courses, seminars and conferences provided by Arlingclose and CIPFA.

Investment advisers: The Authority has appointed Arlingclose Limited as treasury management advisers and receives specific advice on investment, debt and capital finance issues.

Investment of money borrowed in advance of need: The Authority may, from time to time, borrow in advance of need, where this is expected to provide the best long-term value for money. Since amounts borrowed will be invested until spent, the Authority is aware that it will be exposed to the risk of loss of the borrowed sums, and the risk that investment and borrowing interest rates may change in the intervening period. These risks will be managed as part of the Authority's overall management of its treasury risks.

The total amount borrowed will not exceed the authorised borrowing limit of £481 million. The maximum period between borrowing and expenditure is expected to be two years, although the Authority is not required to link particular loans with particular items of expenditure.

Financial Implications

The budget for investment income in 2018/19 is £2.258] million, based on an average investment portfolio of £50.714 million at an interest rate of 4.45%. The budget for debt interest paid in 2018/19 is £6.543 million, based on an average debt portfolio of £339.841 million at an average interest rate of 1.93%. If actual levels of investments and borrowing, and actual interest rates differ from those forecast, performance against budget will be correspondingly different.

Other Options Considered

The CLG Guidance and the CIPFA Code do not prescribe any particular Treasury Management Strategy for local authorities to adopt. The Chief Finance officer believes that the above strategy represents an appropriate balance between risk management and cost effectiveness. Some alternative strategies, with their financial and risk management implications, are listed below.

Alternative	Impact on income and expenditure	Impact on risk management
Invest in a narrower range of counterparties and/or for shorter times	Interest income will be lower	Lower chance of losses from credit related defaults, but any such losses may be greater
Invest in a wider range of counterparties and/or for longer times	Interest income will be higher	Increased risk of losses from credit related defaults, but any such losses may be smaller
Borrow additional sums at long-term fixed interest rates	Debt interest costs will rise; this is unlikely to be offset by higher investment income	Higher investment balance leading to a higher impact in the event of a default; however long-term interest costs may be more certain
Borrow short-term or variable loans instead of long-term fixed rates	Debt interest costs will initially be lower	Increases in debt interest costs will be broadly offset by rising investment income in the medium term, but long-term costs may be less certain
Reduce level of borrowing	Saving on debt interest is likely to exceed lost investment income	Reduced investment balance leading to a lower impact in the event of a default; however long-term interest costs may be less certain

Appendix A – Arlingclose Economic & Interest Rate Forecast November 2017

Underlying assumptions:

- In a 7-2 vote, the MPC increased Bank Rate in line with market expectations to 0.5%. Dovish accompanying rhetoric prompted investors to lower the expected future path for interest rates. The minutes re-emphasised that any prospective increases in Bank Rate would be expected to be at a gradual pace and to a limited extent.
- Further potential movement in Bank Rate is reliant on economic data and the likely outcome of the EU negotiations. Policymakers have downwardly assessed the supply capacity of the UK economy, suggesting inflationary growth is more likely. However, the MPC will be wary of raising rates much further amid low business and household confidence.
- The UK economy faces a challenging outlook as the minority government continues to negotiate the country's exit from the European Union. While recent economic data has improved, it has done so from a low base: UK Q3 2017 GDP growth was 0.4%, after a 0.3% expansion in Q2.
- Household consumption growth, the driver of recent UK GDP growth, has softened following a contraction in real wages, despite both saving rates and consumer credit volumes indicating that some households continue to spend in the absence of wage growth. Policymakers have expressed concern about the continued expansion of consumer credit; any action taken will further dampen household spending.
- Some data has held up better than expected, with unemployment continuing to decline and house prices remaining relatively resilient. However, both of these factors can also be seen in a negative light, displaying the structural lack of investment in the UK economy post financial crisis. Weaker long term growth may prompt deterioration in the UK's fiscal position.
- The depreciation in sterling may assist the economy to rebalance away from spending. Export volumes will increase, helped by a stronger Eurozone economic expansion.
- Near-term global growth prospects have continued to improve and broaden, and expectations of inflation are subdued. Central banks are moving to reduce the level of monetary stimulus.
- Geo-political risks remains elevated and helps to anchor safe-haven flows into the UK government bond (gilt) market.

Forecast:

- The MPC has increased Bank Rate, largely to meet expectations they themselves created. Future expectations for higher short term interest rates are subdued. On-going decisions remain data dependant and negotiations on exiting the EU cast a shadow over monetary policy decisions.
- Our central case for Bank Rate is 0.5% over the medium term. The risks to the forecast are broadly balanced on both sides.

	Dec-17	Mar-18	Jun-18	Sep-18	Dec-18	Mar-19	Jun-19	Sep-19	Dec-19	Mar-20	Jun-20	Sep-20	Dec-20	Average
Official Bank Rate														
Upside risk	0.00	0.00	0.00	0.25	0.25	0.25	0.25	0.25	0.25	0.25	0.25	0.25	0.25	0.19
Arlingclose Central Case	0.50	0.50	0.50	0.50	0.50	0.50	0.50	0.50	0.50	0.50	0.50	0.50	0.50	0.50
Downside risk	-0.00	-0.00	-0.00	-0.00	-0.00	-0.25	-0.25	-0.25	-0.25	-0.25	-0.25	-0.25	-0.25	-0.15
3-month LIBID rate														
Upside risk	0.10	0.10	0.10	0.25	0.25	0.25	0.25	0.25	0.25	0.25	0.25	0.25	0.25	0.22
Arlingclose Central Case	0.50	0.50	0.50	0.50	0.50	0.50	0.50	0.50	0.50	0.50	0.50	0.50	0.50	0.50
Downside risk	-0.10	-0.10	-0.15	-0.15	-0.15	-0.25	-0.25	-0.25	-0.25	-0.25	-0.25	-0.25	-0.25	-0.20
1-yr LIBID rate														
Upside risk	0.15	0.15	0.20	0.30	0.30	0.30	0.30	0.30	0.30	0.30	0.30	0.30	0.30	0.27
Arlingclose Central Case	0.70	0.70	0.70	0.70	0.80	0.80	0.80	0.80	0.80	0.80	0.80	0.80	0.80	0.77
Downside risk	-0.15	-0.20	-0.30	-0.30	-0.30	-0.30	-0.30	-0.30	-0.30	-0.30	-0.30	-0.15	-0.15	-0.26
5-yr gilt yield														
Upside risk	0.20	0.25	0.25	0.25	0.30	0.35	0.35	0.35	0.35	0.35	0.35	0.35	0.40	0.32
Arlingclose Central Case	0.75	0.75	0.80	0.80	0.80	0.85	0.90	0.90	0.95	0.95	1.00	1.05	1.10	0.89
Downside risk	-0.20	-0.20	-0.25	-0.25	-0.25	-0.35	-0.40	-0.40	-0.40	-0.40	-0.40	-0.40	-0.40	-0.33
10-yr gilt yield														
Upside risk	0.20	0.25	0.25	0.25	0.30	0.35	0.35	0.35	0.35	0.35	0.35	0.35	0.40	0.32
Arlingclose Central Case	1.25	1.25	1.25	1.25	1.25	1.30	1.30	1.35	1.40	1.45	1.50	1.55	1.55	1.36
Downside risk	-0.20	-0.25	-0.25	-0.25	-0.25	-0.30	-0.35	-0.40	-0.40	-0.40	-0.40	-0.40	-0.40	-0.33
20-yr gilt yield														
Upside risk	0.20	0.25	0.25	0.25	0.30	0.35	0.35	0.35	0.35	0.35	0.35	0.35	0.40	0.32
Arlingclose Central Case	1.85	1.85	1.85	1.85	1.85	1.90	1.90	1.95	1.95	2.00	2.05	2.05	2.05	1.93
Downside risk	-0.20	-0.30	-0.25	-0.25	-0.30	-0.35	-0.40	-0.45	-0.50	-0.50	-0.50	-0.50	-0.50	-0.38
50-yr gilt yield														
Upside risk	0.20	0.25	0.25	0.25	0.30	0.35	0.35	0.35	0.35	0.35	0.35	0.35	0.40	0.32
Arlingclose Central Case	1.70	1.70	1.70	1.70	1.70	1.75	1.80	1.85	1.90	1.95	1.95	1.95	1.95	1.82
Downside risk	-0.30	-0.30	-0.25	-0.25	-0.30	-0.35	-0.40	-0.45	-0.50	-0.50	-0.50	-0.50	-0.50	-0.39

Appendix B – Non-Treasury Investments

Strategic Acquisitions

Property	Capital Expenditure (£)	% Return on Investment
Leasehold interest of the 5th Floor, Hatfield Car Park		
Purchase of Cornwall House		
Land South Side Stoke Road (Stoke Wharf)		
Leaseplan 165 Bath Road		
Land at Norway Drive		
Halfords 380 Bath Road		
5 Hillersdon		
174-178 High Street (WH Smith)		
202-206 High Street (BHS)		
Waitrose Gosport - Stoke Road		
Wickes West Street Wolverhampton		
	47,426,566.36	5.05%

The above table shows the amount of capital expenditure made in purchasing assets for investment purposes. The assets will produce a rental income from tenants which can be used to support the council's Revenue Budget.

James Elliman Homes

Date of Loan	Principal	Equity 40% of Principal	Loan 60% of Principal	Annual Interest on Loan @ 5%
17/07/2017	2,223,610.00	889,444.00	1,334,166.00	66,708.30
19/07/2017	2,000,000.00	800,000.00	1,200,000.00	60,000.00
12/01/2018	2,500,000.00	1,000,000.00	1,500,000.00	75,000.00
	6,723,610	2,689,444	4,034,166	201,708.30

James Elliman Homes is a wholly owned subsidiary of Slough Borough Council set up to acquire properties in the Slough area for rental to the following principal customers- those in need of temporary accommodation, those considered to be key workers and for market rental. Thus far the council has made loans to James Elliman Homes totalling £6,723,610. For this sum the council receives interest, payable at 5% on 60% of the principle sum loaned. For the remaining 40% the council receives equity shares.

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SLOUGH BOROUGH COUNCIL

REPORT TO: Cabinet **DATE:** 5th February 2018

CONTACT OFFICER: Neil Wilcox; Assistant Director, Finance & Audit
(For all enquiries) (01753) 875358

WARD(S): All

PORTFOLIO: Cllr. Nazir, Lead Member Corporate Finance and Housing

PART I
KEY DECISION**CAPITAL STRATEGY: 2018/24****1 Purpose of Report**

To request approval for capital strategy 2018 to 2024 and approval for the capital programme for 2018/19 to be implemented subject to the approval sufficient business cases

2 Recommendation(s)/Proposed Action

The Cabinet is requested to resolve:

- (a) That the capital strategy of **£285.0m** and the Minimum Revenue Provision is approved and Recommended to full Council.
- (b) That Cabinet notes the notional costs of borrowing for the capital programme to the revenue budget will be an increase of up to **£5.5m** per annum - commencing during the period of the capital strategy to fund borrowing.
- (c) That Cabinet approves the principles underpinning the capital programme in paragraph 5.1.2 and the Minimum Revenue Provision principles in Section 6.
- (d) That Cabinet approves the appendices A and B detailing the capital programmes (subject to these having approved Final Business Cases by the Capital Strategy Board)

3. The Slough Joint Wellbeing Strategy, the JSNA and the Five Year Plan**3a. Slough Joint Wellbeing Strategy Priorities**

The report indirectly supports all of the strategic priorities and cross cutting themes. The maintenance of good governance within the Council to ensure that it is efficient, effective and economic in everything it does achieve through the improvement of corporate governance and democracy by ensuring effective management practice is in place.

3b **Five Year Plan Outcomes**

The report helps achieve the Five Year Plan outcomes by contributing to the Council’s financial planning and particularly ‘Outcome 7 – The Council’s income and the value of its assets will be maximised’, as evidenced in the Treasury management activity report.

4 **Other Implications**

(a) Financial: As detailed within the report.

(b) Risk Management

Recommendation from section 2 above	Risks/Threats/ Opportunities	Current Controls	Using the Risk Management Matrix Score the risk	Future Controls
That the Capital Strategy Of £285m and the Minimum Revenue Provision is approved and recommended to full council	The Capital strategy should be both affordable and Prudent and there are Prudential Indicators in Section 6 that demonstrate these criteria being met. The Capital strategy is supported by £171m in borrowing. There are estimates of the revenue implications in terms of Interest costs and Minimum Revenue Provision. If interest rates rise faster than expected interest payable costs could impact on revenue budgets. There is the risk of	The council will work with its Treasury advisors in order to mitigate interest rate risk and ensure long term borrowing decisions are taken at the most advantageous time.	9-	The Council will look to convert some of its Temporary Borrowing which has funded Capital Expenditure in recent years to Longer Term Borrowing. This may be more expensive initially but will reduce risk in the medium term.

	escalating capital costs and overspends against budget. This could also impact on the Revenue budget going forward.			
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Risk	Mitigating action	Opportunities
Legal	None	none
Property	None	None
Human Rights	None	None
Health and Safety	None	None
Employment Issues	None	None
Equalities Issues	None	None
Community Support	None	None
Communications	None	None
Community Safety	None	None
Financial	Detailed within the report	None
Timetable for delivery – capital programme delivered under the 80% mark	Monthly review at Capital Strategy Board and quarterly by O&S / Cabinet	Ability to increase the deliver of capital schemes
Project Capacity	None	None
Other	None	None

(c) Human Rights Act and Other Legal Implications

No specific legal implications arising from this report.

(d) Equalities Impact Assessment

Equalities Impact Assessments will be conducted, if required, for projects contained within the Capital Strategy.

5 **Supporting Information**

5.1 **Purpose**

5.1.1 The capital strategy is one of three key strategic financial documents that the Council utilises in order to deliver its corporate objectives. The Council has a wide ranging number of capital commitments and purposes. The capital strategy, as with all other corporate documents, needs to underpin the delivery of the 5 year plan for the Council through to 2024.

5.1.2 The capital strategy is guided by a variety of core principles:

- That the capital strategy is affordable within the overall financial envelope for the Council
- That the capital strategy supports the outcomes expressed in the five year plan
- Any additional capital funding in excess of the current borrowing requirement should have a neutral impact on the revenue budget over the life of the strategy excluding delivering statutory capital schemes e.g. ICT compliance
- That the Council maximises its assets to generate revenue savings or capital receipts in line with the asset management strategy and the objectives of the corporate plan
- That the Council maintains education and transport funding within Government grants
- To deliver value for money through 'Invest to Save projects' to generate on-going revenue savings and to ensure that whole life costs are captured
- That where borrowing is required, it is undertaken in line with CIPFA's prudential code
- To take into account the asset management strategy, including highways & transport plans
- That there is a ten year payback on general fund secured capital schemes

5.2 Current Medium Term Financial Position

- 5.2.1 As detailed in the Council's Revenue Budget report 2018/19 the Council is facing a significant reduction in its anticipated financial resources. During this period the Council will face a number of demand and policy led pressures. Further details can be found within the revenue budget report for separate approval in February.
- 5.2.2 For there to be any net growth in the Council financed element of the capital strategy, the Council will need to increase the amount of revenue monies set aside to pay back potential future borrowing, or assume greater investment returns to mitigate the use of internal balances. As detailed within the Treasury Management Strategy, the Council will only borrow as a last resort once it has exhausted all other sources of funding; however, revenue monies need to be set aside to fund any additional borrowing costs otherwise the Council will not have sufficient resources to repay its borrowings if that occurs. The council is currently utilising short-term borrowing rates as these are currently at very low levels. There is however some interest rate risk in adopting this approach, i.e. a risk to the council if interest rates start to rise. The council will work with its Treasury Management advisers to calculate the best time to borrow longer-term through the Public Works Loans Board (or other sources) in order to reduce funding risk..
- 5.2.3 The summarised capital programme has been provided below in table 1.1. This table highlights the key expenditure areas and the financing requirement for the capital programme over the period of the strategy. As noted in the introductory section of this paper, the Council's capital strategy is now over a six year period, and it is over this period that the Council needs to consider if additional borrowing will need to be undertaken. For example, if the first year showed a net cost of £10m but the subsequent four years showed £2.5m p.a. of net capital receipts, then the Council could take the decision not to borrow the £10m over the longer term, and finance the capital programme through short term borrowing initially that would be reduced by the net receipts coming into the capital programme.

Table 1.1 Summarised Capital Programme

Capital Expenditure and Financing (estimate)	17-18	18-19	19-20	20-21	21-22	22-23	23-24	2018-2024 Total
	£m	£m	£m	£m	£m	£m	£m	£m
General Fund	152.6	83.8	50.2	41.6	22.5	5.9	5.7	209.7
HRA	22.1	17.5	23.4	4.8	4.8	4.8	19.9	75.3
Total Expenditure	174.7	101.3	73.6	46.4	27.3	10.7	25.6	285.0
Grant Funded	54.8	21.1	3.8	2.6	1.9	0.6	2.5	32.5
Section 106	6.9	3.5	0.5	0.5	0.5	0.5	0.5	6.0
Capital Receipts	8.6	3.6	6.6		0		3.3	13.5
Major Repairs Reserve	6.5	5.9	8.8	4.8	4.8	4.8	8	37.2
RCCO	4.7	8	8	0	0		8.6	24.6
Borrowing *	93.2	59.2	45.9	38.5	20.1	4.8	2.7	171.2
Total Financing	174.7	101.3	73.6	46.4	27.3	10.7	25.6	285.0

5.2.4 The total revenue financing required to fund the capital strategy's borrowing requirement of **£171m** is **£5.5m** over 6 years. This is where there is a strong alignment between the treasury management strategy and the capital strategy. On the latest estimates on the Treasury Management strategy and the actual cash available to fund the capital programme, once reserves and grants received, but not applied, have been taken into account, the Council has some short term cash funding available for the first year of the capital strategy, but will be required to fund the remaining programme. It is absolutely vital that the Council begins to set aside revenue funding to finance long term capital commitments during the life of the capital strategy, and this is linked to the Minimum Revenue Provision detailed further below in this report.

5.2.5 Table 1.2 shows the cost of borrowing to finance the capital programme. The annual minimum required to be set aside for **£171m** of capital borrowing (given the main assets being built this would be over an assumed 40 year lifecycle) would equate to an increase in revenue cost of borrowing of **£0.25m** from 2018/19, rising to **£5.5m** in 2023/24 if the Council went out to borrow from the PWLB¹. As noted above, at present, the Council will utilise any internal balances first before undertaking any new borrowings. There is a cost of doing this, but this is far lower than borrowing with average returns realising approximately 1%.

¹ Assuming borrowing from the Public Works Loans Board at the rate as at 2nd January 2018 of 1.76%

Table 1.2 Cost of borrowing to finance the capital programme

* Cost of borrowing	18-19	19-20	20-21	21-22	22-23	23-24
Cumulative borrowing	59,200,000	105,100,000	143,600,000	163,700,000	168,500,000	171,200,000
PWLB interest cost p.a.	250,000	1,866,320	2,827,360	3,131,120	3,215,600	3,013,120
MRP		823,946	1,474,658	2,040,614	2,372,748	2,506,451
Revenue	250,000	2,690,266	4,302,018	5,171,734	5,588,348	5,519,571

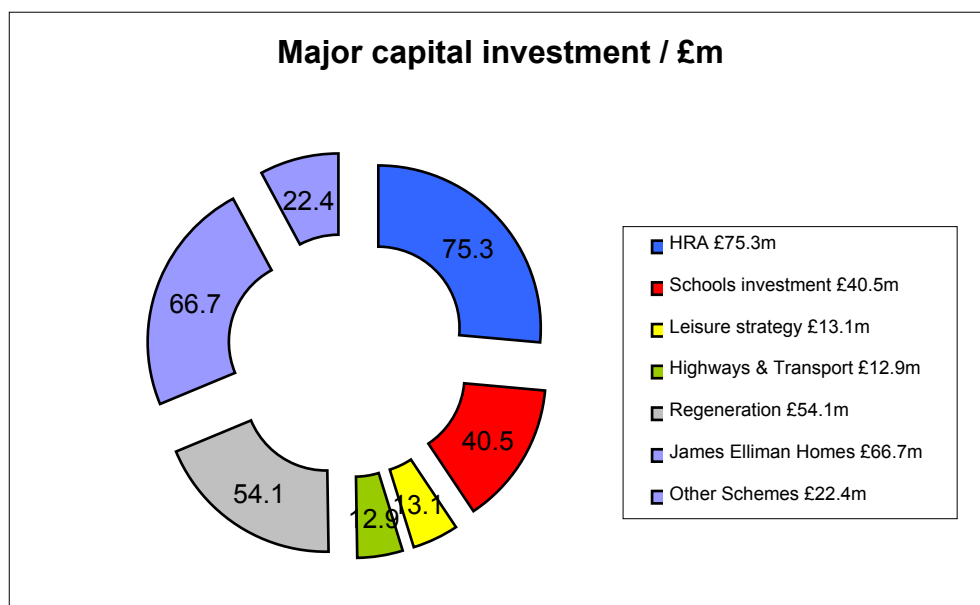
5.3 Key elements

5.3.1 As can be seen from table 1.1, of the capital programme funded via general sources, broadly a third relates to expenditure through the Housing Revenue Account and two thirds on other general fund activity.

5.3.2 There are some significant items in the capital programme for the future financial years, these include:

- Expansions to the Borough’s Primary and Secondary schools- £40.5m
- New Leisure Centre development and improvements to exiting ones- £13.1m
- Improvements to the Council’s housing stock and infrastructure- £75.3m
- James Elliman Homes Capital Loans- £66.7m
- Development of the Thames Valley University site- £24m
- New hotel on the Old Library site in the centre of Slough- £29.5m

Chart 2.1: Key items included in the Capital Strategy



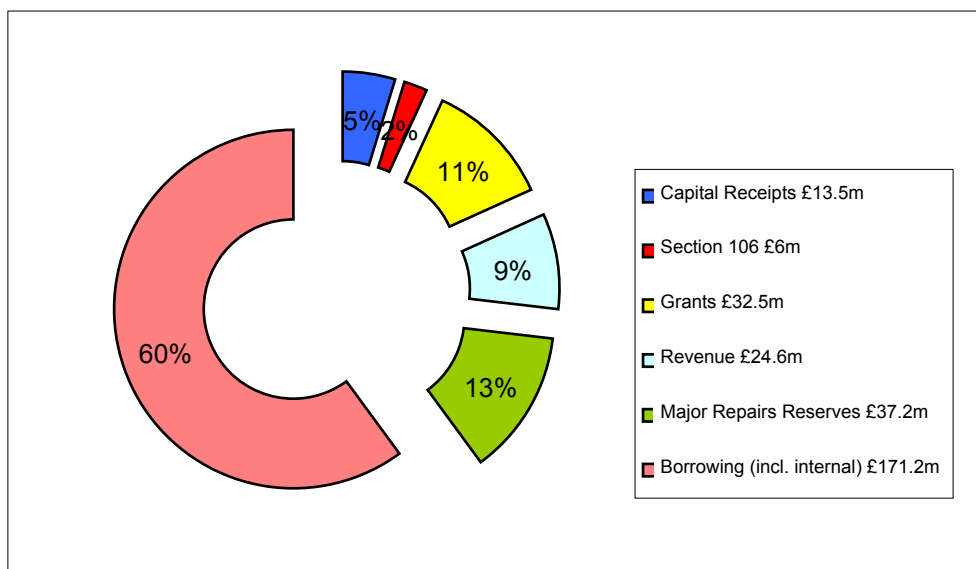
Key elements

5.3.3 As can be seen from table 1.1, of the capital programme funded via general sources, broadly a third relates to expenditure through the Housing Revenue Account and two thirds on other general fund activity.

5.4 Financing the capital programme & prudential code

5.4.1 The Council has a variety of sources of funding for the capital strategy and these are summarised below:

Chart 2.2: Capital financing / £m: 2018-24



5.4.2 The majority of the Council's General Fund Capital Funding will come from Borrowing as the level of grant funding diminishes. The HRA Capital Funding is funded from the Major Repairs Reserve, Revenue and Capital. The Council is actively reviewing its assets, and more detail of this is included within the Asset Strategy. This review is looking at assets that the Council holds across the Borough and is seeking to maximise returns from these, be this by maximise revenue streams from the asset or through disposal.

5.5 The main sources of income are:

5.5.1 Capital Receipts

The prime areas of capital receipts comes from monies received via the Council involvement within the Slough Urban Renewal Partnership (SUR). This is income derived from the various sites included within the initial sites included, and firstly the Ledgers Road site and Wexham Nursery site.

The majority of HRA capital receipts arise from the sale of Council homes under the RTB regime. Under the changes to the RTB regime, the Council has signed an agreement with the Government allowing it retaining a high proportion of those capital receipts provided they are used to build 'replacement' affordable/social homes.

5.5.2 Grant Funding

The Council receives a variety of capital funding streams, with the main areas of grant funding coming from the various Government departments. The Council

strategy is based on the assumptions that all education related expenditure and transport expenditure is funded entirely within grant funds received from Government. The Council will seek every opportunity to maximise its use of grant funding across the organisation as well as utilise any opportunities from HRA funding.

5.5.3 S106 receipts

The Council receives some funding of its capital programme from s106 receipts. The Council holds approximately £12.8m s106 receipts, which can be used on various projects over the next 10 years. It is planned to use £6.9m of Section 106 Contributions to fund the 2017-18 Capital Programme, with the remaining £5.9m to be used to part fund the 2018-24 Capital Strategy. Additional section 106 Contributions are likely to be realised during the period of the 2018-24 Capital strategy and will always be used where possible in order to reduce the need to borrow. A summary of Section 106 Contributions currently available is shown in Table 1.3 below.

Table 1.3 Section 106 Contributions

Section 106 Contributions	£000s
Education	5,849
Affordable Housing	610
Transport	3,234
Parks and Open Spaces	2,929
Air Quality	191
Total	12,813

5.5.4 Flexible use of Capital Receipts

Revenue expenditure where it is forecast that they will generate ongoing savings to Slough's net service expenditure and/or transform service delivery can be funded by the flexible use of capital receipts. To date £19.2m of additional capital receipts have been identified for this purpose.

5.6 Revenue Contributions

5.6.1 These will be minimised wherever possible; the most effective way to fund capital expenditure is through spreading the cost of the asset over the lifetime of the asset. However, in some circumstances, where the Council might received one-off monies for example, funding a capital scheme from revenue sources might be more beneficial. The majority of revenue contributions are to fund the HRA Capital Programme. Here voluntary revenue contributions are used to increase the value of the Major Repairs Reserve, a Balance Sheet reserve utilised to fund the HRA Capital Programme.

5.7 Borrowing

5.7.1 Where the Council has capital commitments that exceed its funding sources from the above, the Council is required to borrow in line with the prudential code.

CIPFA's prudential code governs how Council borrows funds and ensures that it does so within an affordable framework. The Local Government Act 2003 requires the Council to have regard to the Chartered Institute of Public Finance and Accountancy's Prudential Code for Capital Finance in Local Authorities (the Prudential Code) when determining how much money it can afford to borrow. The objectives of the Prudential Code are to ensure, within a clear framework, that the capital investment plans of local authorities are affordable, prudent and sustainable, and that treasury management decisions are taken in accordance with good professional practice. Where the Authority finances capital expenditure by debt, it must put aside resources to repay that debt in later years. The amount charged to the revenue budget for the repayment of debt is known as Minimum Revenue Provision (MRP), although there has been no statutory minimum since 2008. The Local Government Act 2003 requires the Authority to have regard to the Department for Communities and Local Government's Guidance on Minimum Revenue Provision.

5.7.2 The broad aim of the Guidance is to ensure that debt is repaid over a period that is either reasonably commensurate with that over which the capital expenditure provides benefits, or, in the case of borrowing supported by Government Revenue Support Grant, reasonably commensurate with the period implicit in the determination of that grant.

5.8 Revenue contributions (HRA). The abolition of the HRA subsidy system and its replacement by the self-financing regime from April 2012 has enabled the HRA to retain more of its rental income. This additional income is being used to support the building of affordable homes in the capital programme as well as other elements of the capital programme. As a result, new affordable/social homes will be built within the Borough to help replace those sold under the Right to Buy (RTB) regime.

5.9 Major Repairs Reserve (HRA). This reserve is a revenue funded reserve used to maintain the Council's housing stock at a 'Decent Homes' standard and is a major contributor to funding the HRA capital programme.

6 Prudential Indicators

6.1 The Local Government Act 2003 requires the Council to have regard to the Chartered Institute of Public Finance and Accountancy's Prudential Code for Capital Finance in Local Authorities (the Prudential Code) when determining how much money it can afford to borrow.

6.2 The objectives of the Prudential Code are to ensure, within a clear framework, that the capital investment plans of local authorities are affordable, prudent and sustainable, and that treasury management decisions are taken in accordance with good professional practice. To demonstrate that the Authority has fulfilled these objectives, the Prudential Code sets out the following indicators that must be set and monitored each year.

Estimates of Capital Expenditure: The Council's planned capital expenditure and financing may be summarised as follows.

Table 1.4: Capital Programme

Capital Expenditure and Financing	31.03.18 Revised	31.03.19 Estimate	31.03.20 Estimate	31.03.21 Estimate
	£m	£m	£m	£m
General Fund	153	84	50	41
HRA	22	17	23	5
Total Expenditure	175	101	73	46
Capital Receipts	8	3	6	
Grants & Contributions	62	25	4	3
Revenue	5	8	8	0
Reserves	7	6	9	5
Borrowing (incl. internal)	93	59	46	38
Total Financing	175	101	73	46

Table 1.5 Estimates of Capital Financing Requirement: The Capital Financing Requirement (CFR) measures the Council's underlying need to borrow for a capital purpose.

Capital Financing Requirement	31.03.18 Revised	31.03.19 Estimate	31.03.20 Estimate	31.03.21 Estimate
	£m	£m	£m	£m
General Fund	280	333	364	393
HRA	158	158	158	158
Total CFR	438	491	522	551

The CFR is forecast to rise by £113m over the next three years. This represents capital expenditure which has no sources of funding (such as Grants, Revenue Contribution, Capital receipts, Section 106 Agreements). This increase will therefore be funded from external and internal borrowing.

Gross Debt and the Capital Financing Requirement: In order to ensure that over the medium term debt will only be for a capital purpose, the Council should ensure that debt does not, except in the short term, exceed the total of capital financing requirement in the preceding year plus the estimates of any additional capital financing requirement for the current and next two financial years. This is a key indicator of prudence.

Table 1.6 Estimates of Gross Debt

Debt	31.03.18 Revised	31.03.19 Estimate	31.03.20 Estimate	31.03.21 Estimate
	£m	£m	£m	£m
Borrowing	322	383	429	468
Finance leases	8	7	6	5
PFI liabilities	35	34	33	31
Total Debt	365	424	468	504

Total debt is expected to remain below the CFR during the forecast period.

Operational Boundary for External Debt: The operational boundary is based on the Council's estimate of most likely (i.e. prudent but not worst case) scenario for external debt. It links directly to the Authority's estimates of capital expenditure, the capital financing requirement and cash flow requirements, and is a key management tool for in-year monitoring. Other long-term liabilities comprise finance lease, Private Finance Initiative and other liabilities that are not borrowing but form part of the Council's debt.

Table 1.7 Operational Boundary

Operational Boundary	2017/18 Revised	2018/19 Estimate	2019/20 Estimate	2020/21 Estimate
	£m	£m	£m	£m
Borrowing	347	430	486	523
Other long-term liabilities	43	41	39	36
Total Debt	390	471	525	559

Authorised Limit for External Debt: The authorised limit is the affordable borrowing limit determined in compliance with the Local Government Act 2003. It is the maximum amount of debt that the Council can legally owe. The authorised limit provides headroom over and above the operational boundary for unusual cash movements.

Table 1.8 Authorised Limit

Authorised Limit	2017/18 Limit £m	2018/19 Limit £m	2019/20 Limit £m	2020/21 Limit £m
Borrowing	357	440	496	533
Other long-term liabilities	43	41	39	36
Total Debt	400	481	535	569

Ratio of Financing Costs to Net Revenue Stream: This is an indicator of affordability and highlights the revenue implications of existing and proposed capital expenditure by identifying the proportion of the revenue budget required to meet financing costs, net of investment income.

Table 1.9 Ratio of Financing Costs to Net Revenue Stream

Ratio of Financing Costs to Net Revenue Stream	2017/18 Revised %	2018/19 Estimate %	2019/20 Estimate %	2020/21 Estimate %
General Fund	8.7	9.0	9.6	10.2
HRA	11.4	10.9	10.7	10.5

Adoption of the CIPFA Treasury Management Code: The Council adopted the Chartered Institute of Public Finance and Accountancy's Treasury Management in the Public Services: Code of Practice 2017 Edition. It fully complies with the Codes recommendations

7 Minimum Revenue Provision Statement

- 7.1 Where the Council finances capital expenditure by debt, it must put aside resources to repay that debt in later years. The amount charged to the revenue budget for the repayment of debt is known as Minimum Revenue Provision (MRP), although there has been no statutory minimum since 2008. The Local Government Act 2003 requires the Council to have regard to the Department for Communities and Local Government's Guidance on Minimum Revenue Provision (the CLG Guidance) most recently issued in 2012.
- 7.2 The broad aim of the CLG Guidance is to ensure that debt is repaid over a period that is either reasonably commensurate with that over which the capital expenditure provides benefits, or, in the case of borrowing supported by Government Revenue Support Grant, reasonably commensurate with the period implicit in the determination of that grant.
- 7.3 The CLG Guidance requires the Council to approve an Annual MRP Statement each year, and recommends a number of options for calculating a prudent amount of MRP.
- 7.4 CLG has issued guidance on the calculation of MRP, including a number of methods which it considers to be prudent. The guidance is clear that authorities are also free to devise other methods they consider prudent.
- 7.5 The guidance details:
- **A: Regularity Method: Finance leases and Private Finance Initiative (PFI) :** MRP on assets acquired through finance leases and Private Finance Initiative (PFI) should be equal to the cash payments that reduce the outstanding liability each year.
 - **B: CFR Method: Capital expenditure incurred before 1st April 2008:** MRP on all capital expenditure incurred before 1st April 2008, and on expenditure funded by supported borrowing thereafter, is equal to 4% of the opening CFR with some optional adjustments.
 - **C: Asset Life/ Depreciation Method: Unsupported Capital Expenditure ("Prudential" borrowing):** MRP on expenditure incurred from April 2008 onwards that is funded by unsupported "prudential" borrowing should be calculated by reference to the asset's useful life, using either a straight line or an annuity method, starting in the year after the asset becomes operational. This may also be used for supported Non-HRA capital expenditure if the Council chooses. There is no requirement to charge MRP in respect of HRA capital expenditure funded from borrowing.

Here, the Council has three broad options:

- Option 1: the 4% reducing balance method
- Option 2: the straight line asset life method, and
- Option 3: the annuity asset life method.

- 7.6 Up to 2015/16 the Council used Option 1 respect of supported capital expenditure funded from borrowing and Option 2 in respect of unsupported capital expenditure funded from borrowing and Private Finance Initiative schemes. MRP in respect of leases brought on Balance Sheet under the International Financial Reporting Standards (IFRS) based Accounting Code of Practice matched the annual principal repayment for the associated deferred liability.
- 7.7 The council MRP Policy changed in 2017/18. At a time of increasing pressure on the revenue budget, savings in the annual cost of MRP may reduce the need for savings to be made in front line services. During 2016-17 the Council's Treasury Management advisors were commissioned to conduct a review of MRP, and advisors recommended moving to an annuity basis (Option 3) for both supported and unsupported capital expenditure (including PFI liability) with effect from 1st April 2016. This reduced the MRP charged in this and for future years for the foreseeable future though it is estimated to become a cost to the council in 2037/38.
- 7.8 This change to the previous MRP policy resulted in a credit from the overprovision made in previous years (approximately £3.6m). The benefit arising will be applied prospectively, spread over a period of 10 to 15 years to link in with the Medium Term Financial Planning process. This "recovery" method is in line with guidance issued by the National Audit Office (NAO).
- 7.9 Capital expenditure incurred during 2018/19 would not be subject to a MRP charge until 2019/20.

Based on the Council's latest estimate of its Capital Financing Requirement on 31st March 2018, the budget for MRP has been set as follows:

Table 1.10 MRP Method – Option 3 (Annuity)

31 March	2018	2019	2020	2021	2021
	£k	£k	£k	£k	£k
60 Year Annuity MRP charge	255	858	1,260	1,594	1,884
Over provision of £3.6m spread over 10 years:	(360)	(465)	(360)	(360)	(360)
MRP Charge	(105)	393	900	1,234	1,524

8 Community Investment Fund

- 8.1 The Community Investment fund programme for 2018/19 has an indicative budget of £1.050m with the majority to be spent on neighbourhood enhancements through identified member need in the wards across the Borough. All elected Councillors will have £25,000 each to spend on Capital projects of their choosing. The only stipulation is that this must be capital and not revenue expenditure. Allocations are for individual councillors but two or more Councillors can pool resources in order to fund a larger project. Thus far orders have been raised for Park and Recreation

Ground improvements, footway and alleyway resurfacing and improvements to green verges.

9 Comments of Other Committees

This report will be considered by the Overview & Scrutiny Committee on 1st February 2018 and any comments will be reported at the Cabinet meeting.

10 Conclusion

The Cabinet are requested to approve the capital strategy and recommend it to Council on 22nd February 2018.

11 Appendices Attached

- 'A' - Summary of draft 2018-24 General Fund strategy
- 'B' - Summary of draft 2018-24 HRA strategy

12 Background Papers

- '1' - Local Government Finance consultation and final settlement – 2018
- '2' - Revenue Budget Report 2018/19

Appendix A – General Fund Capital programme

Cost Centre		18-19 revision	19-20 revision	20-21 revision	21-22 revision	22-23 revision	23-24 revision	TOTAL Scheme Budget
	Children's, Learning & Skills Services	£'000	£'000	£'000	£'000	£'000	£000s	£'000
P051	Primary Expansions	2,413	500	0	0	0		2,913
P093	Schools Modernisation Programme	666	400	300	200	200	200	1,966
P101	SEN Resources Expansion	2,054	250	250	250	250	250	3,304
P749	Children's Centres Refurbishments	0	40	0	0	0		40
P783	Schools Devolved Capital	110	100	90	80	80	80	540
P673	DDA/SENDA access Works	50	50	50	50	50		250
P123	2 year old expansion programme	0	0	0	0	0		0
P153	Special School Expansion-Primary, Secondary & Post 16	9,194	0	0	0	0		9,194
P131	School meals provision	60	0	0	0	0		60
P095	Secondary Expansion Programme	8,900	3,500	2,000	2,000	2,000	2,000	20,400
	PRU Expansion	1,800	0	0	0	0		1,800
	Total Children's, Learning and Skills Services	25,247	4,840	2,690	2,580	2,580	2,530	40,467

Cost Centre		18-19 revision	19-20 revision	20-21 revision	21-22 revision	22-23 revision	23-24 revision	TOTAL Scheme Budget
	Place and Development	£'000	£'000	£'000	£'000	£'000	£000s	£'000
P006	Disabled Facilities Grant	550	550	550	550	550	550	3,300
P179	James Elliman Homes	18,000	15,900	16,200	16,600	0		66,700
P111	Major Highways Programmes	765	765	765	765	765	765	4,590
P174	Highways Maintenance Annual Programme	774	524	0	0	0		1,298
P728	Highway Reconfigure & Resurface	500	500	500	500	500	500	3,000

Cost Centre		18-19 revision	19-20 revision	20-21 revision	21-22 revision	22-23 revision	23-24 revision	TOTAL Scheme Budget
P881	Colnbrook By-pass	131	0	0	0	0		131
	Flood Defence Measures SBC/EA Partnership	100	0	0	0	0		100
	LTP Implementation Plan	800	400	0	0	0		1,200
	Community Transport Fleet	981						981
P155	Air Quality Grant	116	0	0	0	0		116
P125	Electric Vehicle Network	450	200	200	0	0		850
P170	Carbon Management-Fleet Challenge	150	150	670	0	0		970
P168	Re-fit Programme	800	800	484	0	0		2,084
	Car Club	400	100	100	100	100		800
	CPO Reserve	2100	0					2,100
P056	Slough Dog Recreation Area	16	0					16
P871	Community Investment Fund	1050	1050	1050	1050	1050	1050	6,300
	Total Place & Development	27,683	20,939	20,519	19,565	2,965	2,865	94,536

Cost Centre		18-19 revision	19-20 revision	20-21 revision	21-22 revision	22-23 revision	23-24 revision	TOTAL Scheme Budget
		£'000	£'000	£'000	£'000	£'000	£000s	£'000
	Finance & Resources							
P143	LAAP Mortgage Scheme	1,000	0	0	0	0		1,000
P084	IT Infrastructure Refresh	1350	350	350	350	350	350	3,100
P109	Superfast Broadband	20	0	0	0	0		20
	Total Finance & Resources	2,370	350	350	350	350	350	4,120

Cost Centre		18-19 revision	19-20 revision	20-21 revision	21-22 revision	22-23 revision	23-24 revision	TOTAL Scheme Budget
	Adults & Communities	£'000	£'000	£'000	£'000	£'000	£000s	£'000
P331	Social Care IT Developments	200	0	0	0	0		200
P133	Extra Care Housing	500	800	0	0	0		1,300
P141	Langley Leisure Centre	2,197	0	0	0	0		2,197
P969	Salt Hill Leisure	2,163	0	0	0	0		2,163

P165	Leisure Centre Farnham Road	10,608	0	0	0	0		10,608
	Total Adults & Communities	15,668	800	0	0	0	0	16,468

Cost Centre		18-19 revision	19-20 revision	20-21 revision	21-22 revision	22-23 revision	23-24 revision	TOTAL Scheme Budget
	Regeneration	£'000	£'000	£'000	£'000	£'000	£'000	£'000
P128	Corporate Property Asset Management	250	250	0	0	0		500
	Hub Development	100	0	0	0	0		100
P172	TVU development	8,000	8,000	8,000	0	0		24,000
P159	Development Old Library Site	4,500	15,000	10,000	0	0		29,500
	Total Regeneration	12,850	23,250	18,000	0	0	0	54,100
	Total	83,818	50,179	41,559	22,495	5,895	5,745	209,691
Cost Centre	FUNDING	18-19 revision	19-20 revision	20-21 revision	21-22 revision	22-23 revision	23-24 revision	TOTAL Scheme Budget
	Grant Funded	21,118	3,789	2,575	1,895	630	2,530	32,537
	Borrowing	59,200	45,890	38,484	20,100	4,765	2,715	171,154
	Section 106	3,500	500	500	500	500	500	6,000
	Capital Receipts							0
	Revenue							0
	Total	83,818	50,179	41,959	22,495	5,895	5,745	209,691

Appendix B – HRA Capital programme

Cost Centre	Housing Revenue Account	18-19 revision	19-20 revision	20-21 revision	21-22 revision	22-23 revision	23-24 revision	TOTAL
	Traditional Homes	£'000	£'000	£'000	£'000	£'000		£'000
P544 (4601)	Boiler Replacement	500	500	500	500	500	1,805	4,305
P544 (4602)	Heating / Hot Water Systems	317	317	317	317	317	703	2,287
P544 (4603)	Insulation programmes	0	0	0	0	0		
P552A	Window/ Front / Rear Door replacement	237	125	125	125	125	424	1,162
P558 A4604	Kitchen Replacement	410	410	410	410	410	348	2,399
P558 A4605	Bathroom replacement	256	256	256	256	256	277	1,558
P558 A4606	Electrical Systems	136	136	136	136	136	419	1,100
P559 (A4607)	Roof Replacement	628	628	628	628	628	1,243	4,384
P559 (A4608)	Structural	802	803	802	802	802	1,118	5,130
	Traditional Homes	3,286	3,175	3,175	3,175	3,175	6,337	22,324

		18-19 revision	19-20 revision	20-21 revision	21-22 revision	22-23 revision	23-24 revision	TOTAL
	Planned Maintenance - Capital	£'000	£'000	£'000	£'000	£'000	£'000	£'000
P541	Garage Improvements	150	150	150	150	150	194	944
P548	Mechanical Systems /Lifts	200	200	100	110	110	52	772
P545	Capitalised Repairs	46	46	46	46	46		230
P551	Security & Controlled Entry Modernisation	0	0	0	0	0		
P564	Darvills Lane - External Refurbs	200	200	200	200	200		1,000
P565	Estate Improvements/Environmental Works	221	221	221	221	221	259	1,363
P569	Replace Fascias, Soffits, Gutters & Down Pipes	250	250	0	0	0	236	736
P573 A4000	Upgrade Lighting/Communal Areas	71	71	71	71	71	324	678
P573 A4609	Communal doors	78	78	78	78	78	121	510
P573 A4610	Balcony / Stairs / Walkways areas	171	171	171	171	171	62	918
P573 A4611	Paths	91	90	91	91	91	382	835
P573 A4612	Store areas	250	0	0	0	0	97	347
	Sheltered / supported upgrades	0	0	0	0	0	324	324
	Planned Maintenance - Capital	1,728	1,477	1,127	1,137	1,137	2,051	8,656

	Other	£'000	£'000	£'000	£'000	£'000	£000s	£'000
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Cost Centre	Housing Revenue Account	18-19 revision	19-20 revision	20-21 revision	21-22 revision	22-23 revision	23-24 revision	TOTAL
C4xxx P546 A4000	Environmental Improvements (Allocated Forum)	100	100	100	100	100	130	630
P406	Stock Condition Survey	160	160	160	160	160		800
P407	Commissioning of Repairs Maintenance and Investment Contract	0	0	0	0	0		
P405	Tower and Ashbourne	0	(3,720)	0	0	0		(3,720)
P408	Brooms & Poplar Fire Compliance Upgrade Works							
P547	Major Aids & Adaptations	250	250	250	250	250	324	1,574
P575	Affordable Homes	12,000	22,000	0	0	0	11,017	45,017
P779	Britwell Regeneration	0	0	0	0	0		
	Other	12,510	18,790	510	510	510	11,471	44,301

	TOTAL	17,524	23,442	4,812	4,822	4,822	19,859	75,282
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	Funding	£'000	£'000	£'000	£'000	£'000		£'000
	Section 106 (AH)	0	0	0	0	0		0
	Capital Receipts	(3,600)	(6,600)	0	0	0	(3,305)	(13,505)
	Major Repairs Reserve	(5,924)	(8,842)	(4,812)	(4,822)	(4,822)	(8,000)	(37,222)
	RCCO	(8,000)	(8,000)	(0)	(0)	(0)	(8,554)	(24,555)
	TOTAL	(17,524)	(23,442)	(4,812)	(4,822)	(4,822)	(19,859)	(75,282)

SLOUGH BOROUGH COUNCIL

REPORT TO: Cabinet **DATE:** 5th February 2018

CONTACT OFFICER: Neil Wilcox; Director Finance & Resources, Section 151 Officer
(For all enquiries) (01753) 875358

WARD(S): All

PORTFOLIO: Councillor Nazir, Cabinet Member for Corporate Finance & Housing

PART I
KEY DECISION**REVENUE BUDGET 2018/19****1 Purpose of Report**

To detail the overall Revenue Budget for 2018/19, and the decisions required for the Council to achieve a balanced budget for the year ahead.

The paper demonstrates the levels of Council Tax proposed at 4.5% (including the government's 3% precept for Adult Social Care), the Government grant assumptions and estimations required for the next financial year's budget.

To approve the Council Tax for the year ahead, and the associated Council Tax notices and resolutions required as per various Local Government Finance Acts as detailed in Appendix F.

To note the increase in Housing Rent Account rents and service charges (as detailed in Appendix I and set out in paragraph 2 below and approved by Council in January 2018).

To approve the increases in Fees and Charges as detailed in Appendix E.

To approve the use of new capital receipts under the freedoms of the Flexible Capital Receipts regulations. These receipts to be used as outlined in Appendix K.

To agree to participate in the 2018/19 Berkshire Business Rate Pilot.

2 Recommendation(s)/Proposed Action

The Cabinet is requested to propose, that the budget as attached be approved, whilst noting that the Thames Valley Police Authority and the Royal Berkshire Fire Authority are still to confirm their final council tax precept requirements and:

Council Tax Resolution – In relation to the Council Tax for 2018/19

- (a) That in pursuance of the powers conferred on the Council as the billing authority for its area by the Local Government Finance Acts (the Acts), the Council Tax for the Slough area for the year ending 31 March 2019 is as specified below and that the Council Tax be levied accordingly.

- (b) That it be noted that at its meeting on 18 December 2017 Cabinet calculated the following Tax Base amounts for the financial year 2018/19 in accordance with Regulations made under sections 31B (3) and 34(4) of the Act:
- (i) 41,723.4 being the amount calculated by the Council, in accordance with Regulation 3 of the Local Authorities (Calculation of Council Tax Base) Regulations 2012 (the Regulations) as the Council Tax Base for the whole of the Slough area for the year 2018/19; and
 - (ii) The sums below being the amounts of Council Tax Base for the Parishes within Slough for 2018/19:

a)	Parish of Britwell	849.3
b)	Parish of Colnbrook with Poyle	1,885.9
c)	Parish of Wexham	1,310.2
- (c) That the following amounts be now calculated for the year 2018/19 in accordance with sections 31A to 36 of the Act:
- (i) £388,340,008 being the aggregate of the amounts which the Council estimates for the items set out in section 31A (2)(a) to (f) of the Act. (Gross Expenditure);
 - (ii) £332,544,974 being the aggregate of the amounts which the Council estimates for the items set out in section 31A (3) (a) to (d) of the Act. (Gross Income);
 - (iii) £55,795,034 being the amount by which the aggregate at paragraph c (i) above exceeds the aggregate at paragraph c (ii) above calculated by the Council as its council tax requirement for the year as set out in section 31A(4) of the Act. (Council Tax Requirement);
 - (iv) £1,337.26 being the amount at paragraph c(iii) above divided by the amount at paragraph b(i) above, calculated by the Council, in accordance with section 31B(1) of the Act, as the basic amount of its Council Tax for the year, including the requirements for Parish precepts.
 - (v) That for the year 2018/19 the Council determines in accordance with section 34 (1) of the Act, Total Special Items of £224,168 representing the total of Parish Precepts for that year.
 - (vi) £1,331.89 being the amount at paragraph c (iv) above less the result given by dividing the amount at paragraph c (v) above by the relevant amounts at paragraph b (i) above, calculated by the Council, in accordance with section 34 (2) of the Act, as the basic amount of its Council Tax for the year for dwellings in those parts of its area to which no special item relates.
 - (vii) Valuation Bands

Band	Slough Area	Parish of Britwell	Parish of Colnbrook with Poyle	Parish of Wexham Court
	£	£	£	£
A	887.93	44.06	32.93	24.48
B	1,035.91	51.41	38.42	28.56
C	1,183.90	58.75	43.91	32.64
D	1,331.89	66.10	49.40	36.72
E	1,627.87	80.79	60.38	44.89
F	1,923.84	95.47	71.36	53.05
G	2,219.82	110.16	82.33	61.21
H	2,663.78	132.19	98.80	73.45

Being the amounts given by multiplying the amounts at paragraph c (iv) and c (vi) above by the number which, in the proportion set out in section 5 (1) of the Act, is applicable to dwellings listed in a particular valuation band divided by the number which in that proportion is applicable to dwellings listed in valuation band D, calculated by the Council, in accordance with section 36 (1) of the Act, as the amount to be taken into account for the year in respect of categories of dwellings listed in different valuation bands.

- (viii) Calculate that the Council Tax requirement for the Council's own purposes for 2018/19 (excluding Parish precepts) is £55,570,866.
- (ix) That it be noted that for the year 2018/19 the Thames Valley Police Authority precept has been increased by 7.05%. The following amounts are stated in accordance with section 40 of the Act, for each of the categories of dwellings shown below:

Band	Office of the Police and Crime Commissioner (OPCC) for Thames Valley
	£
A	121.52
B	141.77
C	162.03
D	182.28
E	222.79
F	263.29
G	303.80
H	364.57

These precepts have not been formally proposed or agreed by the Thames Valley Police and may be revised when agreed.

- (x) That it be noted that for the year 2018/19 the Royal Berkshire Fire Authority has been increased by 2.99% as the following amount in precept issued to the Council, in accordance with section 40 of the Act, for each of the categories of dwellings shown below:

Band	Royal Berkshire Fire Authority £
A	42.91
B	50.06
C	57.21
D	64.36
E	78.66
F	92.96
G	107.27
H	128.73

These precepts have not been formally proposed or agreed by the Royal Berkshire Fire Authority and may be revised when agreed.

- (xi) Note that arising from these recommendations, and assuming the major precepts are agreed, the overall Council Tax for Slough Borough Council for 2018/19 including the precepting authorities will be as follows:

Band	Slough £	Office of the Police and Crime Commissioner (OPCC) for Thames Valley £	Royal Berkshire Fire Authority £	TOTAL £
A	887.93	121.52	42.91	1,052.36
B	1,035.91	141.77	50.06	1,227.74
C	1,183.90	162.03	57.21	1,403.14
D	1,331.89	182.28	64.36	1,578.53
E	1,627.87	222.79	78.66	1,929.32
F	1,923.84	263.29	92.96	2,280.09
G	2,219.82	303.80	107.27	2,630.89
H	2,663.78	364.57	128.73	3,157.08

- (xii) That the Section 151 Officer be and is hereby authorised to give due notice of the said Council Tax in the manner provided by Section 38(2) of the 2012 Act.
- (xiii) That the Section 151 Officer be and is hereby authorised when necessary to apply for a summons against any Council Tax payer or non-domestic ratepayer on whom an account for the said tax or rate and arrears has been duly served and who has failed to pay the amounts due to take all subsequent necessary action to recover them promptly.
- (xiv) That the Section 151 Officer be authorised to collect (and disperse from the relevant accounts) the Council Tax and National Non-

Domestic Rate and that whenever the office of the Section 151 Officer is vacant or the holder thereof is for any reason unable to act, the Chief Executive or such other authorised post-holder be authorised to act as before said in his or her stead.

- (xv) That in the event that there are any changes to the provisional precept of the Fire Authority, arising from their precept setting meeting being held on 28 February, the Section 151 Officer is delegated authority to enact all relevant changes to the Revenue Budget 2018/19, Statutory Resolution and council tax levels.

Fees and Charges –

- (e) That the Council resolves to increase Fees and charges as outlined in Appendix E for 2018/19.

Use of Flexible Capital Receipts –

- (f) That the Council resolves to approve the proposed use of new capital receipts under the freedoms of the Flexible Capital Receipts regulations and that they are to be used to fund revenue spend as outlined in Appendix K.

Pay Policy –

- (g) The Slough Borough Council Pay Policy Statement update 2018/19 will be going to Employment and Appeals Committee on 25th January 2018 and will be included in this report once agreed.

Business Rate Pilot –

- (h) That the Council agrees to participate in the 2018/19 Berkshire Business Rates Pilot Scheme.

Local Government Finance Settlement 2018/19 -

- (i) It must be noted that the government has not yet announced the final Local Government Finance Settlement 2018/19 and the results will not be known until after this report is published. Consequently, it is agreed that if there is any substantial changes in the amount of funding received by the Council at the final settlement, the Section 151 Officer will be authorised to use the Council's reserves to balance the overall budget for 2018/19 in consultation with the Cabinet member for Corporate Finance and Housing.

(j) Appendices Attached

- | | | |
|-----|---|-------------------|
| 'A' | - | Savings proposals |
| 'B' | - | Growth |
| 'C' | - | Reserves position |
| 'D' | - | Collection Fund |
| 'E' | - | Fees & Charges |

- 'F' - Council Tax Resolution
- 'G' - Section 151 officer statement
- 'H' - Specific Grants
- 'I' - HRA Rents and Service Charges
- 'J' - Equality Impact Assessments (to follow)
- 'K' - Flexible use of Capital Receipts Strategy
- 'L' - Pay Policy Statement

3. **The Slough Joint Wellbeing Strategy, the JSNA and the Five Year Plan**

3a. **Slough Joint Wellbeing Strategy Priorities**

The report indirectly supports all of the strategic priorities and cross cutting themes. The maintenance of good governance within the Council to ensure that it is efficient, effective and economic in everything it does achieve through the improvement of corporate governance and democracy by ensuring effective management practice is in place.

3b **Five Year Plan Outcomes**

The report helps achieve the Five Year Plan outcomes by contributing to the Council's financial planning and ensuring the five outcomes are adequately resourced.

4 **Other Implications**

(a) Financial

Detailed within the report

(b) Risk Management

Recommendation from section 2 above	Risks/Threats/ Opportunities	Current Controls	Using the Risk Management Matrix Score the risk	Future Controls
<i>To approve the Council Tax for the year ahead, and the associated Council Tax notices and resolutions required as per various Local Government</i>	Budget requirements not met. Council Tax collection targets not met Business Rate targets not met as Businesses leave the	Monthly budget monitoring and quarterly reporting. Monthly monitoring of Arvato contract KPI's.	9	Continue robust budget monitoring – regular reporting to Cabinet and Council

<i>Finance Acts as detailed in Appendix G</i>	borough			
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Risk	Mitigating action	Opportunities
Legal	None	none
Property	None	None
Human Rights	None	None
Health and Safety	None	None
Employment Issues	A number of posts may be affected by changes proposed. If necessary these will be managed through the council's restructure, redundancy and redeployment policy and procedure.	None
Equalities Issues	Assessed for each proposed saving and included as Appendix K.	None
Community Support	None	None
Communications	None	None
Community Safety	None	None
Financial	Detailed within the report	None
Timetable for delivery	Risk of overspend and making further savings elsewhere	Decisions that could bring savings proposals forward
Project Capacity	None	None
Other	None	None

(c) Human Rights Act and Other Legal Implications

The Council has a number of statutory functions to perform. Any savings must not undermine the Council's responsibilities to provide minimum levels of provision in key areas. The set of savings proposals for 2018/19 does not recommend any savings that will affect the council's ability to carry out its statutory functions. However, Members should be mindful of the cumulative year on year effects of savings and reductions in services and continue to make assessments of the impact on statutory functions. All the savings proposals included within this report will be closely monitored throughout the financial year and reported to Cabinet via the Monthly Financial Monitoring reports.

(d) Equalities Impact Assessment

Equalities Impact Assessments have been undertaken for all savings proposals and are included as Appendix J.

(e) Workforce

Where necessary the Council has a number of measures to minimise compulsory redundancies including;

- Developing staff skills to redeploy to alternative roles.
- Obtaining staff savings from deletion of vacant posts.
- Opportunities for Voluntary Redundancies.

The Revenue Budget is built on the assumption that there will be no significant impact on staffing.

5 Supporting Information

5.1 Summary

- 5.1.1 2018/19 is set to be another difficult year financially for the Council, with a continued reduction in Government funding, as well as an increased demand for Council services. The Council has managed to, wherever possible; protect Council services whilst ensuring that there is sufficient budget for the next financial year to deliver its key outcomes.
- 5.1.2 There remain difficult years ahead for the Council due to the financial pressures that it faces, but the budget for the 2018/19 ensures that the Council's finances are based on solid footings for the future.
- 5.1.2 This paper sets out the revenue budget for 2018/19 and the associated plans and assumptions contained within it. The Capital Strategy, which accompanies this report for approval, sets out the wider financial implications of decisions made in investing in the borough's infrastructure. The Treasury Management Strategy, also on tonight's agenda, details how the Council will undertake transactions concerning investments and borrowings and relates closely to the capital strategy as well as having an impact on the revenue budget savings proposals for 2018/19.

Table 1: Funding summary

2017-18	Funding	2018-19
£m		£m
52.479	Council Tax	55.570
30.300	Retained Business Rates	41.880
13.180	Revenue Support Grant	0.000
0.263	Education Services Grant	0.000
3.196	New Homes Bonus	2.749
1.357	Other non-ring fenced grants	1.000
0.000	SBC Share of Slough Urban Renewal (SUR)Profit	4.239
0.000	SBC previous year SUR profit	-4.758
-0.300	Collection Fund	0.000
100.475	Total Budgeted income	100.680
103.734	Prior year baseline (adj.)	100.475
2.700	Base budget changes	2.706
3.204	Growth	2.845
0.330	Revenue Impact of Capital Investment	0.250
2.918	Other adjustments	0.000
-12.411	Savings identified	-5.596
100.475	Net Expenditure	100.680

5.2 Income

5.2.1 The Council has the following main sources of income:

NNDR (Business Rates)

5.2.2 The amount of retained Business Rates is determined by the Council's best estimates of the amount it calculates it will receive in Business Rates for the year ahead and submitting these estimates to central government. For 2018/19 the six Berkshire authorities have been accepted by government to form a Business Rates pilot scheme within Berkshire. This means, for 2018/19, all Business Rate income will be retained within Berkshire; however, the six authorities will not receive Revenue Support Grant. The pilot scheme allows the Council to retain 30% of any business rate gains in the year, with a minimum gain of £1m for each Berkshire authority. 70% of the gains will be provided to the Thames Valley Berkshire LEP to provide a 'strategic fund' to specifically invest around £25m in the Slough Transit Network and Reading Mass Rapid Transit Network. Officers anticipate an additional £1.4m will be received during 2018/19 compared to what the Council would have received under the current local government funding regime.

Revenue Support Grant (RSG)

5.2.3 The Council ordinarily receives Revenue Support Grant (RSG) direct from central government. RSG is determined, and comes from, Central Government and consists of Government's expectation of what the Council should spend in line with the Government's deficit reduction plans.

5.2.3.1 As stated in 5.2.2 above, for 2018/19, the Council's RSG will be included in its pilot scheme business rate calculation.

5.2.3.2 The final 2018/19 local government finance settlement is expected to be laid before the House of Commons for approval in February 2018.

5.2.3.3 There is a duty on Local Authorities to set a balanced budget under the Local Government Finance Act 1992. If the final settlement is delayed the Council should set a budget within the deadline by using the best available information. If there are any substantial changes in the amount of funding received by the Council at the final settlement, the Section 151 Officer will use reserves to balance the overall budget in consultation with the Lead Member for Corporate Finance and Housing.

Council Tax

5.2.4 Another main source of Council income is derived from Council Tax receipts. The overall amount raised is based on the Council Taxbase (i.e. the number of properties in the borough) as per the report to Cabinet in December 2017 multiplied by the average band D Council Tax amount. For 2018/19 the Council Tax levels across the borough currently assume a 4.5% increase for the Slough Borough Council element at £1,331.89 for a band D equivalent (3% of this increase is due to the government's Adult Social Care precept and only 1.5% for the Council to fund all other services). This leads to an assumed Council Tax income of **£55.570m** for the Council in 2018/19.

Specific Grants

5.2.5 The Council also receives income from specific Government grants and these are included in appendix I. The Council budgets for an anticipated nil net cost on these specific grants; i.e. that all expenditure will be contained within the income received from Government and that the local Taxpayer does not fund these activities.

5.2.6 Specific grant income streams are generally announced at the Local Government Finance Settlement. The total amount of non-ring-fenced Government Grants anticipated for 2018/19 is **£2.749m**. This amount relates to New Homes Bonus.

5.2.7 Significant changes were announced to New Homes Bonus, following the publication of the consultation paper a year ago. The Government is implementing its preferred option: to reduce legacy payments to 4 years in 2018-19. More unexpectedly, a "deadweight" factor will also be introduced, so that no NHB payments will be made to a local authority whose housing growth is less than 0.4%. Furthermore, from 2018-19 the Government will withhold payments from authorities not supporting housing growth (appeals, local plan).

Collection Fund

5.2.9 The final factor to take into account is the Collection Fund. This is a statutory account which details the actual income received in respect of Council Tax and retained business rates compared to the estimates made in January 2017 for the 2017-18 budget. At present this is anticipated to break even.

5.2.10 The total income available to the Council for the 2018/19 for its net budget is therefore **£100.680m**.

5.2.11 2018-19 Budgets for Schools, Academies and Free Schools.

5.2.12 The School funding formula factors for 2018/19 are different to those reported last year. Nationally, the Government remain committed to streamlining the Schools' budget setting process by introducing a National Funding Formula (NFF) by 2020/21. This is being phased in over two years, with 2018/19 being the first year. Local authorities have flexibility on how they approach this transition. Slough has taken a stepped approach and with the agreement of Schools' Forum has decided to adjust our local factors to 50% toward the NFF factors.

5.2.13 All pupil led factors are continuing to be protected by the Minimum Funding Guarantee (MFG) which ensures that no school loses more than 1.5% on a per pupil basis.

5.2.14 The School Forum was advised of the estimated draft budget on the 17th January 2018. New to 2018/19 is the Central Service School Block (CSSB), which forms part of the new NFF. The CSSB provides funding for Local Authorities to carry out central functions on behalf of pupils in state funded maintained schools and academies. This included the December allocation table listed below:

Description	Allocation	Comments
School Block Budget	£127.311 (net of £0.176m transfer to HNB).	The gross allocation is £127.487m
Early Years Budget	£15.304m	Provisional
High Needs Budget	£19.192m (Inclusive of £0.31m General Fund contribution	The DSG provisional allocation for High Needs is £18.822m (net of academy recoupment). The allocation is subject to change based on in- year imports and exports.
Central School Service Block	£0.801m (Inclusive of £0.176m transfer from School Block).	DSG provision is £0.625m

5.3 Expenditure

5.3.1 The Council's base budget for 2017/18 stood at £100.48m and it is against this figure that all adjustments are completed. The adjustments included:

- (1) Base budget **£2.706m** – these are movements due to inflationary pressures, pay award (assumed at 2% for 2018/19), incremental rises and other adjustments related to previous years and virements. Appendix B has further details.
- (2) Growth **£2.845m** – these are the totals of increases across the council for 2018/19. Appendix B provides details of these.
- (3) Savings of **£5.596m**. The items above combined with the reduced overall income to the Council leave a savings target that needed to be closed. Appendix A details the proposals behind the savings. These were agreed at Cabinet in December 2017.
- (4) SBC share of Slough Urban Renewal profits generated in 2018/19 **£4.239m** offset by the one off SUR profits that were received by SBC during 2017/18 totalling **£4.758m**.

5.2.12 The savings target is driven by the increases to the base budget, i.e. the structural costs of operating an organisation the size of the Council with its current conditions, service pressures and the reduction to RSG. These overall cost rises are offset by any growth in Council Tax income and / or retained Business Rates as well as any movements from other non-ring fenced grants and the Collection Fund.

5.3.3 As can be seen from the above, the main driver for savings is the Government funding reduction to Revenue Support Grant ; although additional income from Council Tax and Business Rates can be used to offset this.

5.3 Strategy

5.4.1 The Council has been regularly monitoring the levels of savings required for the year ahead, and a report was presented to Cabinet in December detailing the levels of savings required and providing an early sight of the savings proposals themselves. Cabinet have approved for £5.53m of savings to be included in the 2018/19 Revenue Budget and these are contained within Appendix A to this report.

5.4.2 Following the multi-year settlement provided by government to Slough Borough Council, the Council agreed to provide similar financial certainty to the Slough Children's Services Trust (SCST) on the amount it will provide as part of the Trusts' Core Contract, as follows:

2018/19	2019/20
£24.811m	£25.211m

5.5 Reserves

5.5.1 The Council holds a variety of reserves, and these are detailed further in Appendix D. It is vital for the Council to hold a minimum level of reserves to ensure that if there is an overspend in the financial year due to demand pressures or emergencies, that the Council can cover this without going out to residents immediately requesting additional Council Tax; the general reserve gives the Council more time to deal with impact of overspends on the services that are delivered.

5.5.2 As per this report, the minimum level of recommended General Fund reserve has been set at 5% of the Council's net revenue budget. The current volatility and uncertainty over government funding in terms of Revenue Support Grant, Better Care Fund and New Homes Bonus as well as welfare reform costs pressures means that it is estimated an additional £2m of balances are required to cover these contingencies. This would mean a minimum level of **£7.2m** at the proposed budget figures. The current level of general reserves as at 31.3.2017 is £8.1m.

5.6 Risk Management

5.6.1 Given the level of savings for 2018/19, it is vital to ensuring the long term stability of the Council that these are delivered to enable a balanced budget, but also that the savings package as a whole is considered across the Council and that the sum of the savings do not create difficulties for other parts of the Council when delivering services for its residents.

5.6.2 During the 2018/19 financial year, as has been the case in 2017/18, there will be monthly monitoring of the savings proposals to identify which are green, i.e. on track to be delivered, amber or red (not expected to be delivered in year). This will enable the Council to adjust its future budget position for any unmet savings as well

as ensure that it can take appropriate in year steps to rectify any growing overspends that arise.

5.7 Flexible Use of Capital Receipts

5.7.1 The Council continues to make use of the flexibility offered by Central Government on the application of capital receipts to fund certain revenue-related change costs. The Strategy on the use of capital receipts under this provision is shown in Appendix K.

5.7.2 The Council intends to apply capital receipts to fund the revenue expenditure of the projects outlined in Appendix K which meet the criteria set out by DCLG.

5.8 Berkshire Business Rates Pilot

5.8.1 As noted in 5.2.2 the government has agreed to create a Berkshire Business Rates Pilot Scheme for 2018/19. Although the Council will not receive any Revenue Support Grant in 2018/19, compensatory Business Rates will be received instead. We also will not pay any levy to the government and will be able to keep an increased share of any local growth in Business Rates income. This means that there will be an increase in resources retained locally. The pilot is expected to generate an additional £1.4m of funding in 2018/19 for Slough Borough Council and this figure has been built into the funding tables shown above and below.

6 Medium Term Financial Strategy (MTFS)

6.1 The MTFS seeks to set out the background to the Council's current financial position, and estimate its future financial position, and highlight some of the key strands to deliver a balanced position over the period of the MTFS.

6.2 Given the scale of the ongoing reductions in Central Government spend, the Council has, and will increasingly need to, deliver public services in a more joined up, effective and efficient manner. Maintaining the current levels and delivery of existing services is unlikely to be an option to the Council in the future.

6.3 The Council is well prepared to meet the financial challenges of the coming years. It has a history of ensuring a balanced budget is delivered, as well as over recent years increasing general reserves to a sustainable level to meet the future financial challenges. The Council has successfully delivered a number of change projects in recent years, with a number of the Council's services being delivered by private sector partners. At the same time, the Council has maintained investment in its infrastructure through the approval of capital budgets to deliver a variety of programmes. The Capital Strategy going forward will be even more focussed on delivering revenue savings through the effective use of infrastructure investment.

6.4 As can be seen from the above the relative importance of Council Tax and retained business rates grows over the period of the MTFS from 75% to almost 100% of the Council's income; the Council is becoming, year-on-year, much less reliant on Government funding. To reflect this, the Council has made retaining existing businesses and attracting new businesses, as well as ensuring a strong supply of housing two of the key outcomes within the new 5YP.

6.5 The Medium Term Financial Strategy (MTFS)

Table 2, below, provides a summary of the Council's Medium Term Financial Strategy. The key assumptions contained within the model are also provided below.

Table 2: The MTFS financial model

2017-18	Funding	2018-19	2019/20	2020/21
£m		£m	£m	£m
52.479	Council Tax	55.570	57.249	58.977
30.300	Retained Business Rates	41.880	32.310	32.620
13.180	Revenue Support Grant	0.000	6.122	6.122
0.263	Education Services Grant	0.000	0.000	0.000
3.196	New Homes Bonus	2.749	2.808	2.556
1.357	Other non-ring fenced grants	1.000	1.000	1.000
0.000	SBC Share of Slough Urban Renewal (SUR)Profit	4.239	8.924	11.443
0.000	SBC previous year SUR profit	-4.758	-3.639	-8.924
-0.300	Collection Fund	0.000	0.000	0.000
100.475	Total Budgeted income	100.680	104.774	103.794
103.734	Prior year baseline (adj.)	100.475	100.680	104.774
2.700	Base budget changes	2.706	2.700	2.700
3.204	Growth	2.845	0.925	0.725
0.330	Revenue Impact of Capital Investment	0.250	0.750	0.730
2.918	Other adjustments	0.000	0.000	0.000
-12.411	Savings identified	-5.596	-0.281	-5.135
100.475	Net Expenditure	100.680	104.774	103.794

- Council Tax – assumed that the Taxbase (i.e. number of properties in Slough) rises by 2% per year from 2019/20. Council Tax is forecast to increase by 4.5% in 2018/19, and then modelled at an increase of 1% in future years.
- Retained Business Rates – assumed growth of 1% per year in Business rates.
- Revenue Support Grant (Government grant) – includes 2018/19 to 20/ 21 figures announced by Government in December 2015 as part of the 4-year settlement offer. These numbers have been confirmed as part of the provisional local government finance settlement in December 2017.
- New Homes Bonus – assumed to reduce as per the Government's announcement at the provisional local government finance settlement 2018/19.
- Collection Fund – the balance of surplus / deficit on retained business rates and Council Tax compared to original assumptions
- Base budget changes – increases due to non-pay and pay pressures across the Council.
- Growth – the 2018/19 items are detailed in Appendix B.
- Revenue impact of capital investment – the amount of revenue budget required to pay off any additional capital borrowing required in future financial years from the capital strategy.

- Savings– the amount of savings required for each financial year.

7 Comments of Other Committees

- 7.1 The Revenue Budget report is being considered at the Overview and Scrutiny Committee meeting on 1 February 2018. Any comments made at that committee will be reported at the Cabinet meeting.

8 Conclusion

- 8.1 This report recommends a **4.5%** Council Tax rise for the local taxpayer for 2018/19 (based on fully implementing the government’s Adult Social Care precept of 3% and an increase of 1.5% for all other council services). The delivery of this revenue budget is based on a variety of savings measures that are geared towards minimising the impact on service users. These savings measures need to be considered in light of the risks that they represent and in line with any impact assessments that are required.
- 8.2 This report also contains a subsequent number of Council Tax resolutions for approval to enable the Council to bill residents in appropriate time.

9 Background Papers

- ‘1’ - Local Government Finance Settlement 2018/19
- ‘2’ - Council Taxbase Report (December 2017 Cabinet)
- ‘3’ - Medium Term Finance Strategy update paper to Cabinet (December 2017)

APPENDIX A - SAVINGS

Directorate	Service	18/19	Savings Item	Service Delivery
		£'000		
Regeneration	Regeneration delivery	583	Asset Management - Rental Income	there is an opportunity to increase rent for Crown Court 65k, in addition to strategic acquisitions 115k and remainder on commercial properties rents
Adult and Communities	Adult Social Care - Operations	800	Managing Demand	Delivering a range of changes as part of the reform of social care to reduce the overall demand for care and support including: - reassessments - continuing care assessments - reablement - direct payments
Adult and Communities	Adult Social Care - Commissioning	32	Redesign of supported employment service	Redesign and reprocurement of the service
Finance and Resources	Governance	25	Corporate Procurement	Following a review of the resource needs of the procurement team, a proposed level 5 post is now surplus to requirement and hence a decision to delete that post and commit the associated funding as savings.
Place and Development	Building Management	350	Recharging of Staff Time to Capital Projects	Over a number of years the volume of works in Capital projects increased and we are able to generate more income through recharging staff time. The proposed increase in income target will better represent the actual income is received.
Adult and Communities	Communities and Leisure	323	Leisure Services - leisure contract management savings	Following the re-letting of the leisure contract to a new provider - Everyone Active (SLM) the council has negotiated a favourable financial situation over the next 10 years of the contract. At present the savings put forward have taken into account ongoing business rates payments for buildings still to be occupied

Directorate	Service	18/19	Savings Item	Service Delivery
		£'000		
Finance and Resources	Governance	122	Legal Services	Deletion of Vacant posts offset by Monitoring Officer Post Costs
Place and Development	Environmental Services	204	Environmental Services Review	
Adult and Communities	Communities and Leisure	88	£300k cost neutral for the Curve + service efficiencies (@10%) -	
Place and Development	Neighbourhood Services	82	Review of management structure to delivery the SAFE services or other alternative delivery	
Place and Development	Neighbourhood Services	50	Income generation through the delivery of a Licensing Service for private landlords, housing associations etc	
Finance and Resources	Strategy & Performance	54	Deletion of Policy support for children's services and education	
Below the Line	Below the Line	225	Increased Treasury Management Returns	Through amendments to the TM Strategy. Deliverable so long as the capital programme remains constrained for General Fund schemes as these will quickly erode the overall Treasury Management portfolio.
Place and Development	Planning and Transport	8	At least a 35% reduction in subsidy through additional income from decretionary work, expected increase in application numbers off the back of local plan review/growth agenda and review of fees and charges.	
Place and Development	Planning and Transport	11	Reduction in subsidy through additional income from pre-application and increased planning application numbers off the back of the local plan review/growth agenda.	
Place and Development	Planning and Transport	4	Savings from reducing specialist consultancy support by training existing staff to undertake both petroleum licensing and environmental permitting.	Phased training programme and some reallocation of work within the team.
Place and Development	Building Management	10	Additional income - Maximise Use of Office Space	Embed flexible and mobile working to get better use of office space. Develop commercial approach to floor space at SMP through external lettings. Range of options being considered.
Place and Development	Building Management	5	FM Contracts Review	Review all FM Contracts to establish if savings can be made.
Adult and Communities	Regulatory Services	30	Review of management structure to delivery the SAFE services or other alternative delivery	
Finance and Resources	Finance	60	Audit fee reductions	
Place and Development	Planning and Transport	2	Re-negotiate landfill monitoring contract	

Directorate	Service	18/19	Savings Item	Service Delivery
		£'000		
Finance and Resources	Strategy & Performance	308	Restructure of Finance and Resources	
Adult and Communities	Communities and Leisure	(780)	Libraries' Contract Overpayment (one-off)	No change to service delivery
Regeneration	Regeneration delivery	700	Strategic Acquisition board	Full year effect of 2017/18 investments
Place and Development	Building Management / Planning and Transport	150	Charging Staff time to capital	
Regeneration	Regeneration delivery	200	Income Generation	
Place and Development	Planning and Transport	50	LED Lighting - HRA Contribution	
Regeneration		100	Sponsorship of Town Centre assets	
ALL		640	2017/18 Senior Management Restructure	
ALL		450	Reduction in Agency Staff	
ALL		710	Service Lead Reviews	

Total Savings 5,596

APPENDIX B GROWTH						
2018 - 2022						
ORIGINAL						
Directorate	Service	Latest Position				Growth Bid Title
		18/19 £'000	19/20 £'000	20/21 £'000	21/22 £'000	
Adults and Communities	Registrars	16				Coroners Service (D338)
Adults and Communities	Public Protection	46				CCTV
Children Learning and Skills	School Places	180				Pupil Numbers - Chalvey School
Adults and Communities	Learning & Community	0	150			Library Staff Harmonisation - Harmonisation reserve used for 2017/18
Adults and Communities	Adults and Communities	700	700	700	700	Demographic growth
Adults and Communities	Adults and Communities	500	25	25	25	Care Act 2014 - additional statutory responsibilities
Children Learning and Skills	Various	50	50			Developing and implementing a model to increase employment opportunities for Slough residents, focusing on those most vulnerable
Regeneration	Emergency Planning / Business Continuity	100				Business Continuity and Responses
Finance and Resources	Strategy and Engagement	20				Corporate Subscriptions
Finance and Resources	Increase in reserves	-342				£100k Increase in general reserve and £242k used to set up specific reserve to cover increased costs of Child burials in line with an agreed policy.
Place and Development	Planning and Building Control	10				Air Quality Monitoring
Place and Development	Waste and Environment	400				Waste Treatment - Chalvey HWRC (R4413 D342 A1939)
Place and Development	Young People's Services	80				Young People's Service
Place and Development	Transport and Highways	15				Thames Regional Flood and Coastal Committee Membership
Place and Development	Transport and Highways	91				Hatfield Multi Storey Carpark
Place and Development	Housing and Environment	400				H207 Recharge Removal
Place and Development	Neighbourhood Services	21				Pest Control
Place and Development	Neighbourhood Services	50				Stray Dogs and Animal Welfare
Finance and Resources	Sources of Finance	75				Care Leavers and Council Tax (Funding for Option 1)
Adults and Communities	Adults and Communities	94				Additional costs of impact of national minimum wage - sleep ins
Adults and Communities	Parks and Open Spaces	139				Parks and Open Spaces (Funding for green gyms maintenance only)
Finance and Resources	Legal Services	100				Legal Services
Place and Development	Transport and Highways	100				Off Street Parking Security
		2,845	925	725	725	

Appendix C

2018/19 Council Reserves

As part of the Council Tax setting process it is important that the Council takes into account its level of reserves in order to cover all known risks over the future financial year. The Council's main reserves have been detailed below, along with a commentary concerning their use and size. Reserves are one-off elements of funding and would require additional funds to increase these in future years.

During the year, a review of all earmarked reserves has been undertaken to ensure that these are fit for purpose and where any excess reserve has deemed to be held this has been re-provided into other reserves or released to support the 2016/17 budget position.

General Fund

The Council's General Fund reserve is the amount set aside for the year ahead that is uncommitted and for any purpose. The s151 officer's commentary in the later appendix details the level of reserve that he believes should be set aside as a minimum. For 2018/19, the minimum level has been set at £7.2m

General Fund	Amount / £m
As at 31.3.2017	8.1
Forecast Q4 (2016/17) position (under / over (-) spend - <i>estimated</i>	0
Addition to General Fund	0
Forecast 31.3.2018 position	8.1

Collection Fund

This is the balance of the previous year's deficit or surplus carried forward on the Collection Fund. The Collection Fund is an in-year account comparing the anticipated Council Tax and Retained Business Rates receipts with the forecasts made in January the previous year. Any deficit or surplus must be recognised in the next financial year's budget setting. Appendix E provides further detail.

Specific Reserve

This fund is to use specific income for tackling Child Burials in line with an agreed policy that is currently being developed.

	Amount / £m
As at 31.3.2017	0.24
Expected Income generated	0.00
Forecast 31.3.2018 position	0.24

Unusable reserves

The Council also holds a number of unusable reserves; these include the pensions reserve, revaluation reserve and Capital Adjustment Account. These reserves are not resource backed and cannot be used for other purposes beyond ensuring the Council complies with proper accounting practice

2018/19 Collection Fund

The Collection Fund is a statutory account that the Council must maintain. The fund considers the amount of Council Tax that was anticipated to be collected when the Council sets its Council Taxbase (i.e. the number of properties in the borough at Band D equivalent) in January before the financial year begins. The fund also consider the anticipated receipts from retained Business Rates that the Council received compared to the forecast made in January before the start of the financial year.

There are two key variables which alter the Collection Fund position; (i) an increase or decrease in the number of properties compared to the forecast, or (ii) an increase or decrease to the collection rate at which the Council is collecting these taxes. Following the introduction of its Council Tax support scheme in January 2013, any increase or decrease in Council Tax support claimant's impacts upon the Collection Fund position.

The Council must estimate its Collection Fund position for the year ahead before setting its budget. Any surplus or deficit on the collection fund position must be taken into accounts in the following year; i.e. if the Council had a surplus of £10k in the collection fund for 2017-18, it would need to show this in the 2018-19 budget paper.

The anticipated Collection Fund position as at January 2018 is as follows:

- Council Tax £0m Deficit
- Retained Business Rates £0m Deficit

The figures above relate purely to the Council's share of the collection fund. The fire authority shares both the Council Tax and Retained Business Rates collection fund and the Fire alone shares the retained business rates fund.

2018/19 Fees and Charges

			2017/18	2018/19
Sports Pitches	Adult Football	Single game	£68.50	£68.50
	Child Football	Single game	£39.81	£39.81
	Adult Cricket	Single game/midweek	£77.47	£77.47
Minibus hire	Minibus hire		£72.62	£74.80
Allotments	Allotments	Average fee	£5.31	£5.31
Parks	Parks			
Development Management Pre-Application Fees	Householder Extensions desktop		£45.00	£85.00
	Householder Extensions desktop - follow up		Service not provided	£50.00
	Householder Extensions full assessment exc. Meeting		Service not provided	£145.00
	Householder Extensions full assessment exc. Meeting - follow up		Service not provided	£85.00
	Householder Extensions full assessment inc. meeting		£140.00	£175.00
	Householder Extensions full assessment inc. meeting - follow up		Not provided	£130.00
	Residential Development			
	1 dwelling		£180.00	£345.00
	1 dwelling - follow up		£55.00	£275.00
	2-4 dwellings		£180.00	£950.00
	2-4 dwellings - follow up		£55.00	£650.00
	5-8 dwellings		£180.00	£1,600.00
	5-8 dwelling - follow up		£55.00	£1,200.00
	9-14 dwellings		£1,800.00	£1,900.00
	9-14 dwellings - follow up		£500.00	£1,500.00
	15-20 dwellings		£1,800.00	£2,200.00
	15-20 dwellings - follow up		£500.00	£1,600.00
	21-30 dwellings		£1,800.00	£2,600.00
	21-30 dwellings - follow up		£500.00	£2,200.00
	31-49 dwellings		£2,200.00	£3,000.00
	31-49 dwellings - follow up		£660.00	£2,500.00
	50-149 dwellings		£3,250.00	£4,500.00
	50-149 dwellings - follow up		£980.00	£3,000.00
	150+ dwellings (plus £1,260 per additional meeting)		£4,200.00	Planning Performance Agreement – bespoke fee
	Non-Residential Development			
	Up to 100sqm		£130.00	£165.00
Up to 100sqm - follow up		Service not provided	£115.00	

101-249sqm		£130.00	£300.00
101-249sqm - follow up		Service not provided	£250.00
250-499 sqm		£200.00	£650.00
250-499sqm - follow up		£60.00	£450.00
500- 999 sqm		£600.00	£1,000.00
500-999 sqm - follow up		£180.00	£650.00
1000-2000sqm		£1,400.00	£1,500.00
1000-2000sqm - follow up		£420.00	£1,100.00
2001-5000sqm		£1,400.00	£3,000.00
2001-5000sqm - follow up		£420.00	£2,000.00
5001-9999sqm		£1,400.00	£4,500.00
5001-9999sqm - follow up		£420.00	£3,000.00
10,000+ sq.m (£980 per additional meeting)		£3,250.00	Planning Performance Agreement – bespoke fee
Other Services			
Other services - change of use of land and buildings		Service not provided	£500.00
Trees and landscaping		£100.00	£175.00
Works to TPO trees/Conservation		£100.00	£175.00
Advertisements		£100.00	£115.00
Non-material amendments		£100.00	£115.00
Approval of details / clearance of planning conditions		£100.00	£75.00 per condition
Variation of conditions		£100.00	£75.00 per condition
Extensions / Alterations to listed buildings		£100.00	£50.00 admin fee to write instructions to obtain specialist advice. Specialist advice fee on a case by case basis by external provider.
Local Community Group		£100.00	£120.00
Telecoms		£180.00	£500.00
Pre-application Advice – Minerals & Waste		Service not provided	£50.00 admin fee to write instructions to obtain specialist advice. Specialist advice fee on a case by case basis.

	Specialist Advice		Service not provided	£50.00 admin fee to write instructions to obtain specialist advice. Specialist advice fee on a case by case basis.
	Requests for confirmation of compliance with an Enforcement Notice, Breach of Condition Notice or similar Notice		Service not provided	£300.00
	Planning History Search		Service not provided	£100.00 per hour
	Planning Decision Notice		Service not provided	£15.00
	Administration fee - planning application validation			25% (to be deducted from the planning application fee for an invalid application)
	Discharge of obligations		£97.00 (based on the Planning Application Fees for conditions of planning permission)	£175.00
	Dropped kerb - is planning permission required?		Service not provided	£75.00
Social Care	AT (Assistive Technology)	Per person per week. Includes supply, installation and maintenance of all linked service devices and 24/7 monitoring and response services	£4.55	£4.70
	Home Care	Per hour	£18.18	£18.73
	Day Care		£39.90	£41.10
	Respite		Assessed charge	Assessed charge
	Respond 18 - 24		£5.45	£5.61
	Respond 25+		£7.88	£8.12
	Refreshments at day centre		£1.01	£1.04
	Meals at day centre		£0.00	£0.00
	OP Residential		£575.70	£592.97
	OP EMI		£673.60	£693.81
	LD Residential		£949.40	£978.88
	LD Respite		£1,045.35	£1,080.71
	Day Care OP and Adults	Other LA	£61.61	£63.46
	Day Care LD	Other LA	£82.82	£85.30
Libraries	Hire Charges			

Book (incl those with CD Rom)	For 3 weeks	Free	Free
Audio Books	For 3 weeks	From 75p	From 75p
Childrens Audio Books	For 3 weeks	£0.00	£0.00
E books (incl. E audio)	For 3 weeks	Free	Free
Reservations and Requests			
Adult books	If in stock	£0.50	£0.50
Childrens books	If in stock - 2 books per visit (25p eqach for more)	Free	Free
From SELMS	Adult books	£3.00	£3.00
Adult audio books, CD's etc		£0.50	Free
Childrens audio, CDs etc	If in stock - 2 per visit (25p each for more)	Free	£0.25
E books and E audio		Free	Free
Overdue Charges			
Adults Books	Per day the library is open, capped at £5	£0.15	£0.18
Adults CD's, cassettes etc	Per day the library is open, capped at £5	£0.15	£0.18
Children 0 -13	Books, CD's and Cassettes	Free	Free
Childrens DVD's - age 0-13		Free	Free
Notcice For overdues - post		£1.00	£1.20
Notice for overdues - email		Free	Free
Childrens books on adult cards	Per day the library is open, capped at £7	£0.05	£0.05
Lost and Damaged			
Books In print	Adults and Childrens	Full cost	Full cost
Books Out of print	Adults and Childrens	£15.00	£15.00
CD's	or if one disc from multiple set £12	Full cost	Full cost
Readers Cards - Adults		£2.00	£2.00
Readers Cards - Children (U15)		Free	Free
Readers Cards - Pin number			£2.00
Photocopying			
A4		£0.10	£0.20
A3		£0.20	£0.40
Colour A4		£1.00	£1.00
Colour A3		£1.50	£1.50
Computer Print Outs			
Black and white A4		£0.30	£0.30
Black and white A3		£0.50	£0.50
Colour A4		£1.00	£1.00
Colour A3		£1.50	£1.50
Information and Local Studies			
Meeting Rooms	20 hour	£20.00	£0.00
	30 hour	£30.00	£10.00

	Displaying Commercial Notices	A4/A5 size displayed for 1 month	£0.00	£0.00
		A3 size displayed for one month	£0.00	£0.00
Enforcement Agents (Bailiffs)	Fixed Fee	Passed to Enforcement Agent and letter sent	£75.00	£75.00
	Enforcement visit	Plus 7.5% of balance above £1,500	£235.00	£235.00
	Controlled Goods Agreement	Plus 7.5% of balance above £1,500	£110.00	£110.00
Weddings and Civil Partnerships	Notice	Per Person	£35.00	£35.00
	Notice	Per Person (non EU National)	£47.00	£47.00
	Superintendent Registrar (Other Venues)	Weekdays	£405.00	£425.00
		Saturdays	£468.00	£491.00
		Sundays	£686.00	£686.00
	Notice Admin fee per notice	Out of hours admin fee evenings and Saturdays	£25.00	£26.00
	Rescheduling Fee		£25.00	£26.00
	The Elizabeth Room	Mon - Thurs	£140.00	£155.00
		Fridays	£160.00	£180.00
		Saturday	£250.00	£270.00
Religious Buildings		£84.00	£84.00	
Citizenship Ceremony	Individual - midweek		£105.00	£115.00
	Individual - Saturday		£150.00	£166.00
Renewal of Marriage Vows / Baby naming ceremonies		Weekdays	£140.00	£155.00
		Saturday	£250.00	£270.00
		Sunday	£364.00	£382.00
	Approved Premises Licence	5 years	£3,242.00	£3,242.00
		Renewal	£2,366.00	£2,366.00
Burials and Cremations	Slough Cemetry			
	Purchase of a new grave Slough Res		£925.00	£950.00
	Purchase of a new grave Non Slough Res		£2,035.00	£2,035.00
	Digging fees (new graves)	Slough Res	£720.00	£720.00
	Digging fees (new graves)	Non Slough resident 8' 6"	£1,440.00	£1,440.00
	Digging fees (new graves)	Slough resident 6' 6"	£612.00	£650.00
	Digging fees (new graves)	Non-Slough resident 6' 6"	£1,224.00	£1,264.00
	Digging fees (new graves)	Slough resident 4' 6"	£636.00	£675.00
	Digging fees (new graves)	Non-Slough resident 4' 6"	£1,270.00	£1,270.00
	Casket additional fee	Slough resident	£185.00	£185.00
	Casket additional fee	Non-Slough resident	£190.00	£190.00
	Digging fees (re -opening)	Slough resident 8' 6"	£1,204.50	£1,204.50
	Digging fees (re -opening)	Non-Slough resident 8' 6"	£2,409.00	£2,409.00
	Digging fees (re -opening)	Slough resident 6' 6"	£671.00	£690.00
	Digging fees (re -opening)	Non-Slough resident 6' 6"	£1,342.00	£1,342.00
	Digging fees (re -opening)	Slough resident 4' 6"	£671.00	£690.00
	Digging fees (re -opening)	Non-Slough resident 4' 6"	£1,342.00	£1,342.00
	Weekend and bank holiday	extra fee - Slough Res	£1,158.00	£1,180.00
	Weekend and bank holiday	extra fee - Non-Slough Res	£1,842.00	£1,860.00

Public Graves (stillborn to Age 17)	Slough resident	£297.00	£297.00
Public Graves (stillborn to Age 17)	Non-Slough resident	£594.00	£594.00
Public Graves (Adult)	Slough resident	£576.00	£576.00
Public Graves (Adult)	Non-Slough resident	£1,152.00	£1,152.00
Childrens Section	Exclusive right for 50 years	£410.00	£450.00
	Slough Resident	£265.00	£300.00
	Non-Slough Resident	£590.00	£600.00
Cremated Remains Graves	Exclusive right for 50 years	£616.00	£630.00
	Slough Resident	£297.00	£300.00
	Non-Slough Resident	£594.00	£594.00
	Interment booked by F/D without attendance (£540 Non-Slough Resident)	£290.00	£335.00
Remove and Replace Memorial on grave		£165.00	£165.00
Use of chapel for burial service		£210.00	£230.00
Transfer / Assign Deed		£66.00	£66.00
Copy Deed		£44.00	£44.00
Pre 1993 search fee (manual records)		£12.00	£12.00
Permit - right to erect memorial	additional inscription / kerbset	£138.00	£140.00
Stonemasons trade name on memorial		£19.00	£19.00
Stonemasons trade name in reception		£215.00	£215.00
Chamber		£2,350.00	£2,350.00
Slough Crematorium			
Cremation Fee - resident	Includes organist, medical referee, environment fees	£760.00	£770.00
Cremation Fee - non resident	As above	£790.00	£800.00
Cremation Fee - under 17	As above	Free	Free
Cremation Fee - Saturday, resident	As above	£880.00	£950.00
Cremation Fee - Saturday, non resident	As above	£910.00	£1,000.00
Double Service Time		£210.00	£230.00
Late cancellation		£50.00	£50.00
Casket Purchase		£67.00	£67.00
NVF Casket Purchase		£10.00	£10.00
Scattering remains - other cremations		£74.00	£80.00
Use of chapel for burial service		£210.00	£231.00
Bearer		£23.00	£30.00
Drop off coffin prior to service		£50.00	£50.00
Scattering of remains at weekends		n/a	£60.00

	Scattering of remains at weekends - other crem		n/a	£80.00
Certificates	Births, Deaths and Marriages	On day of registration	£4.00	£4.00
		From current registers after the date	£7.00	£7.00
		From completed registers	£10.00	£10.00
	Civil Partnerships	On day of registration	£4.00	£4.00
		After day of registration	£10.00	£10.00
	Posted certificates -extra cost		£2.60	£2.80
	Premium Service	Within 24 hours	£19.00	£20.00
Family personal history search	For 6 hours	£18.00	£18.00	
Nationality Checking Service (Assistance in applying for British Citizenship)	Weekdays - Adults		£95.00	£100.00
	Weekdays - Minors		£70.00	£74.00
	Weekends - Adults		£138.00	£145.00
	Weekends - Minors		£90.00	£95.00
	Admin Fee	Incomplete paperwork	£25.00	£27.00
Court Summons	Council Tax		£108.00	£108.00
	Business Rates		£172.00	£182.00
Bulky Waste	Up to 5 items		£31.00	£31.00
Car Parking	Car Parks			
	Up to 1 hour		0.60 to 1.00	0.60 to 1.00
	Up to 2 hours		1.10 to 2.00	1.10 to 2.00
	Up to 3 hours		1.80 to 3.00	1.80 to 3.00
	Up to 4 hours		2.10 to 4.00	2.10 to 4.00
	5 hours and over		5.00 to 6.70	5.00 to 6.70
	Overnight		1.00 to 6.70	1.00 to 6.70
	Sundays / Bank Holidays	Some "normal" rates	£1.00	£1.00
	Residents Parking Permits	1st car	£25.00	£25.00
		2nd car	£50.00	£50.00
	Business Parking Permits		£300.00	£300.00
	Carers Parking Permits		£25.00	£25.00
	Visitor Parking Permits	3 hours to 1 week	£2.50 to £15	£2.50 to £15
	Season tickets	Monday to Friday 1 month, dependent on Car Park	£143.00 to £174.00	£143.00 to £174.00
		Monday to Friday 6 months, dependent on Car Park	£613.00 to £715.00	£613.00 to £715.00
		Monday to Friday 12 months, dependent on Car Park	£1,123.00 to £1,430.00	£1,123.00 to £1,430.00
		All days, 1 month, dependent on Car Park	£225.00 to £255.00	£225.00 to £255.00
		All days, 6 months, dependent on Car Park	£766.00 to £817.00	£766.00 to £817.00
		Monday to Friday 12 months, dependent on Car Park	£1,379.00 to £1,532.00	£1,379.00 to £1,532.00
	On Street Tariffs			
	Up to 15 mins		No data provided	£0.20 to £0.40
	Up to 30 mins		No data provided	£0.30 to £0.70
	Up to 1 hours		No data provided	£1.20 to £1.70
	Up to 2 hours		No data provided	£2.20 to £2.50
	Up to 3 hours		No data	£3.20 to £3.70

			provided		
	Up to 4 hours		No data provided	£5.50	
Highways	Cars for sale - removals				
	Enquiries				
	Public Rights of Way				
	"A" Boards				
	Streetworks Inspections and Licencing				
	Streetworks Inspections and Licencing				
	Skip	Initial Fee (21 Days)		£45.00	£45.00
		10 day Extension - week 1		£15.00	£15.00
	Vehicle Crossings and Dropped Kerbs	Residential - Initial Application		£65.00	£65.00
		Residential - Approved Application (inc initial application fee)		£110.00	£110.00
		Crossing Searches/ Confirmation Letter		£30.00	£30.00
		Vehicle Crossings and Dropped Kerbs (inc application fees)		£1,102.00	£1,102.00
		Industrial Application		Percentage Of Cost	Percentage Of Cost
		Constructed without permission fine		£0.00	£0.00
	Pavement cafes	Technical, Admin & Inspection Fees		£400.00	£400.00
		Legal Fees		£250.00	£250.00
		Annual Licence		£400.00	£400.00
	Accident Data	3 years data		£150.00	£150.00
		5 years data		£200.00	£200.00
	Traffic Flow Data	Traffic Flow Data from a single permanent site		£125.00	£125.00
		Traffic Flow Data from temporary Automatic Traffic		£50.00	£50.00
	Traffic Signal Data	Traffic Signal Staging Drawing		£40.00	£40.00
		Traffic Signal Specification/Configuration Sheet		£40.00	£40.00
		24 hour period of real time phasing information for one traffic signal junction		£150.00	£150.00
	Traffic Model Data		To be negotiated on request from developer with a minimum charge being applied of £3,000.	To be negotiated on request from developer with a minimum charge being applied of £3,000.	
	Traffic Light Switch Off	Per switch (on/off)		£300.00	£300.00
		Per hour waiting time		£50.00	£50.00
	Temporary Tarrfic Regulation Orders Section 14			£1,250.00	£1,250.00
	Section 14 (2) Notice			£250.00	£250.00

	Traffic lights switching on/off		£300.00	£300.00
Section 50	New apparatus (Inspection/ Admin/ Capitalized Fees)		£450.00	£450.00
	Works on existing (Inspection/ Admin Fees)		£300.00	£300.00
Promotions on the Highway (Technical, Admin & Inspection Fees)	First 7 Days		£250.00	£250.00
	Additional Week		£100.00	£100.00
Cherry pickers/Mobile Towers/Hoists	Initial Fees (21 Days)		£180.00	£180.00
	Extension (7 Days)		£50.00	£50.00
Permit Fee Charges	Provisional Advance authorisation (PAA Category 0,1,2 streets and traffic sensitive category 3 & 4 streets) and (Category 3 and 4 Non Traffic Sensitive Streets)		£94.00/£70.00	£94.00/£70.00
	Major Activity (Over 10 days) and all Major works requiring a traffic regulation order (Category 0,1,2 streets and Traffic Sensitive category 3 & 4 streets) and Category 3 and 4 / Non Traffic Sensitive Streets)		£232.00/ £142.00	£232.00/ £142.00
	Major Activity (4-10 days) (Category 0,1,2 streets and Traffic Sensitive category 3 & 4 streets) and Category 3 and 4 / Non Traffic Sensitive Streets)		£130.00/£0.00	£130.00/£0.00
	Major Activity (up to 3 days) (Category 0,1,2 streets and Traffic Sensitive category 3 & 4 streets) and Category 3 and 4 / Non Traffic Sensitive Streets)		£63.00/ £0.00	£63.00/ £0.00
	Standard Activity (Category 0,1,2 streets and Traffic Sensitive category 3 & 4 streets) and Category 3 and 4 / Non Traffic Sensitive Streets)		£130.00/£0.00	£130.00/£0.00
	Minor Activity (Category 0,1,2 streets and Traffic Sensitive category 3 & 4 streets) and Category 3 and 4 / Non Traffic Sensitive Streets)		£63.00/ £0.00	£63.00/ £0.00
	Immediate Activity (Category 0,1,2 streets and Traffic Sensitive category 3 & 4 streets) and Category 3 and 4 / Non Traffic Sensitive Streets)		£55.00/ £0.00	£55.00/ £0.00

		Permit Variation (Category 0,1,2 streets and Traffic Sensitive category 3 & 4 streets) and Category 3 and 4 / Non Traffic Sensitive Streets)	£45.00/£35.00	£45.00/£35.00
Fixed Penalty Notices	Discount rate (21 days)		£80.00	£80.00
	Without Discount		£120.00	£120.00
	Permit Board Charge (Discount Rate)		£300.00	£300.00
	Without Discount		£500.00	£500.00
Section 74 over-run	Per Road Category Per Day		£100.00-£2500.00	£100.00-£2500.00
	Mitigated Charge			
Sample Inspections	Per Inspection		£50.00	£50.00
	Per Defect		£50.00	£50.00
	Coring (per core)		£130.00	£130.00
Section 116/117 - Stopping up of the Highway	Technical/Admin/Inspection/Legal & Court Fees		£5,000.00	£5,000.00
Developer Fees – Section 38/278 Agreements and Minor Highway Works Agreement	Inspection (Highway Works)		10% of works cost (£2000 min)	10% of works cost (£2000 min)
	Inspection (Statutory Undertakers)		1-3% value of works	1-3% value of works
	Safety Audit Review		£600-£2000	£600-£2000
	Approval of TM Plans		£200-£2000	£200-£2000
	Material Testing Fee		£400-£5000	£400-£5000
Commutated Sums - Section 38/278 Agreement and Minor Highway Works Agreement - OVER 40 YEAR LIFE	Per Soak away		£4,000.00	£4,000.00
	Per Tree		£200.00	£200.00
	Per Parking Bay		£850.00	£850.00
	Per m2 of Carriageway		£150.00	£150.00
	Per m2 of Footway		£45.00	£45.00
	Per m2 of Verge		£50.00	£50.00
	Per m2 of Anti-Skid		£300.00	£300.00
	Per controlled crossing unit (Headed Pole)		£10,000.00	£10,000.00
	Per traffic signal unit (Headed Pole)		£15,000.00	£15,000.00
	Per Street Lighting column		£2,000.00	£2,000.00
	Per Illuminated sign/bollard		£1,000.00	£1,000.00
	Per Gully		£300.00	£300.00
	Developer Licences – Section 50 (Private Apparatus), Section 142 (Verge Maintenance), Section 176 (Bridge Licence), Section 177 (Over sail), Section 178 (Crane Over sail), Section 179 (Build Under Highway Support Structure)	Technical Fee		£500 min
Inspection Fee			£300 min	£300 min
Admin Fee			£150.00	£150.00
Legal Fee			£300-£1000	£300-£1000
Annual Fee			£300 min	£300 min
LA Searches	Postal			
	Basic Search LLC1 & Con 29R	Fees on internet are as 1.1.10	£118.00	£118.00
	Land Charges - B126	LLCI	£30.00	£30.00
	Land Charges - B126	CON29 searches (Incur VAT)	£118.00	£118.00
	Land Charges- B126	Additional CON 29 Questions	£12.00	£12.00

		(£12/question)		
	Any additional enquiry (each)	Fees on internet are as 1.1.10	£20.00	£20.00
	Extra parcels of land (each)	Fees on internet are as 1.1.10	£15.00	£15.00
	Extra parcels of land (each) LLC1	Fees on internet are as 1.1.10	£5.00	£5.00
	In Person			
	Inspection of land chgs register	Fees on internet are as 1.1.10	free	free
	Copy of the Register	Fees on internet are as 1.1.10	£1.00	£1.00
Multi Occupancy Home Licences (HMO)	Initial Fee for 5 bedrooms or less	£10 for each additional bedroom	£572	£595
	Extra work - officer	per hour	£33	£35
	Extra work - administration	per hour	£27	£28
Licences and Registrations	Sex Establishments (cinema, shop, entertainment venue)	Annual	£2,530.00	£2,530.00
		Minor Variation or Transfer	£665.00	£665.00
	Street Trading - Town Centre	Annual	£5,000.00	£5,000.00
		Daily	£35.00	£35.00
		Weekly	£130.00	£130.00
		Monthly	£475.00	£475.00
		Quarterly	£1,300.00	£1,300.00
		6 monthly	£2,750.00	£2,750.00
		Non-refundable deposit new applications	£250.00	£250.00
	Street Trading - All other areas	Annual	£3,675.00	£3,675.00
		Daily	£30.00	£30.00
		Weekly	£100.00	£100.00
		Monthly	£370.00	£370.00
		Quarterly	£1,100.00	£1,100.00
		6 monthly	£1,900.00	£1,900.00
		Non-refundable deposit new applications	£250.00	£250.00
	Ice Cream Sellers	For 6 months	£500.00	£500.00
		For 1 month	£100.00	£100.00
	Ear Piercing, Electrolysis, Tattooing & Acupuncture		£245.00	£245.00
	Hairdresses and Barbers		£55.00	£55.00
	Pet Shops	plus vet fees	£350.00	£350.00
	Animal boarding	plus vet fees	£350.00	£350.00
	Dog breeding	plus vet fees	£350.00	£350.00
	Riding establishments	plus vet fees	£600.00	£600.00
	Scrap Metal Dealers	Site Licence - new	£465.00	£465.00
		Site Licence - renewal	£330.00	£330.00
		Site Licence - variation	£202.50	£202.50
		Collectors Licence - new	£285.00	£285.00
		Collectors Licence - renewal	£210.00	£210.00
		Collectors Licence - variation	£135.00	£135.00
Licensing - alcohol	Including "large temporary events"	Statutory	Statutory	
	All copy licences if lost	£10.50	£10.50	
Gambling Act - Premises	Application	£300.00	£300.00	

		Licensed premises gaming machine permit	£150.00	£150.00
		Annual fee - licensed premises gaming machine permit	£50.00	£50.00
		Application for club gaming / gaming machine permit	£150.00	£150.00
		Annual fee for club gaming / gaming machine permit	£50.00	£50.00
		Transfer fee for club gaming / gaming machine permit	£25.00	£25.00
		Notification of 2 x gaming machines	£50.00	£50.00
	Bingo Club	New application	£2,625.00	£2,625.00
		Annual fee	£750.00	£750.00
		Application to vary	£1,315.00	£1,315.00
		Application to transfer	£900.00	£900.00
		Application for re-instatement	£900.00	£900.00
		Application for provisional statement	£2,625.00	£2,625.00
		License application - provisional statement holders	£900.00	£900.00
		Copy of license	£25.00	£25.00
		Notification of change	£50.00	£50.00
	Betting premises - excluding tracks	New application	£2,250.00	£2,250.00
		Annual fee	£450.00	£450.00
		Application to vary	£1,125.00	£1,125.00
		Application to transfer	£900.00	£900.00
		Application for re-instatement	£900.00	£900.00
		Application for provisional statement	£2,250.00	£2,250.00
		License application - provisional statement holders	£900.00	£900.00
		Copy of license	£25.00	£25.00
		Notification of change	£50.00	£50.00
	Family entertainment centres	New application	£1,500.00	£1,500.00
		Annual fee	£565.00	£565.00
		Application to vary	£750.00	£750.00
		Application to transfer	£715.00	£715.00
		Application for re-instatement	£715.00	£715.00
		Application for provisional statement	£1,500.00	£1,500.00
		License application - provisional statement holders	£715.00	£715.00
		Copy of license	£25.00	£25.00
		Notification of change	£50.00	£50.00
	Gaming centres	New application	£1,500.00	£1,500.00
		Annual fee	£750.00	£750.00
		Application to vary	£750.00	£750.00
		Application to transfer	£900.00	£900.00
		Application for re-instatement	£900.00	£900.00

		Application for provisional statement	£1,500.00	£1,500.00	
		License application - provisional statement holders	£900.00	£900.00	
		Copy of license	£25.00	£25.00	
		Notification of change	£50.00	£50.00	
	Private Hire (PH) and Hackney Carriage (HC) Combination Driver (CD) Licensing	PH & HC Driver - New Application (1 year)	£173.50	£173.50	
		PH & HC Driver - Renewal (1 year)	£125.90	£125.90	
		PH & HC Driver - New Application (3 year)	£258.00	£258.00	
		PH & HC Driver - Renewal (3 year)	£230.90	£230.90	
		PH & HC Driver - Replacement badge	£15.00	£15.00	
		PH & HC Driver - Replacement badge change of operator	£15.00	£15.00	
		PH & HC Driver - copy of paper licence	£15.00	£15.00	
		PH & HC Driver - DBS check	£55.00	£55.00	
		PH & HC Driver - Knowledge test	£40.00	£40.00	
		PH & HC Vehicle - New application	£220.00	£220.00	
		PH & HC Vehicle - Renewal application	£220.00	£220.00	
		PH & HC Vehicle - Transfer	£35.00	£35.00	
		PH & HC Vehicle - Change of vehicle	£50.00	£50.00	
		PH & HC Vehicle - Copy of paper licence	£15.00	£15.00	
		PH & HC Vehicle - Replacement plate	£25.00	£25.00	
		PH & HC Vehicle - Copy of certificate of compliance	£15.00	£15.00	
		PH Vehicle - Exemption	£50.00	£50.00	
		Combination Driver Licence (CD)	CDriver - New application (1 year)	£173.50	£173.50
			CDriver - Renewal (1 year)	£125.90	£125.90
			CDriver - New application (3 year)	£258.00	£258.00
	CDriver - Renewal (3 year)		£230.90	£230.90	
	CDriver - Knowledge test		£40.00	£40.00	
	Private Hire Operators (PHO) 1 year grant and renewal	Chauffeurs 1 vehicle	£137.00	£137.00	
		Operator Up to - 5 vehicles	£275.00	£275.00	
		Operator Up to - 15 vehicles	£360.00	£360.00	
		Operator Up to - 25 vehicles	£595.00	£595.00	
		Operator Up to - 35 vehicles	£835.00	£835.00	
		Operator Up to - 45	£1,070.00	£1,070.00	

		vehicles		
		Operator Up to - 55 vehicles	£1,310.00	£1,310.00
		Operator Up to - 65 vehicles	£1,550.00	£1,550.00
		Operator Up to - 75 vehicles	£1,790.00	£1,790.00
		Operator Up to - 85 vehicles	£1,930.00	£1,930.00
		Operator Up to - 99 vehicles	£2,365.00	£2,365.00
		Operator 100 vehicles and over	£2,385.00	£2,385.00
	Private Hire Operators (PHO) 5 year grant and renewal	Chauffeurs 1 vehicle	£411.00	£411.00
		Operator Up to - 5 vehicles	£825.00	£825.00
		Operator Up to - 15 vehicles	£1,080.00	£1,080.00
		Operator Up to - 25 vehicles	£1,785.00	£1,785.00
		Operator Up to - 35 vehicles	£2,505.00	£2,505.00
		Operator Up to - 45 vehicles	£3,210.00	£3,210.00
		Operator Up to - 55 vehicles	£3,930.00	£3,930.00
		Operator Up to - 65 vehicles	£4,650.00	£4,650.00
		Operator Up to - 75 vehicles	£5,370.00	£5,370.00
		Operator Up to - 85 vehicles	£5,790.00	£5,790.00
		Operator Up to - 99 vehicles	£7,095.00	£7,095.00
		Operator 100 vehicles and over	£7,155.00	£7,155.00
		Replacement Licence	£15.00	£15.00
		Fireworks		
	Licence to store - new	0-250kg	£109.00	£109.00
	Licence to store - renewal	0-250kg	£54.00	£54.00
	Licence to store - new	250-2000kg	£185.00	£185.00
	Licence to store - renewal	250-2000kg	£86.00	£86.00
	Variation		£36.00	£36.00
	Transfer		£109.00	£109.00
	Replacement		£36.00	£36.00
	Any other variation		£70.00	£70.00
	License to sell		£500.00	£500.00
	Street Entertainment License			
	Busker's license		£0.00	£0.00
Enforcement	Immigration Inspection Fees		£114.40	£118.98
	Littering Fines		Up to £2500	Up to £2500
	Pest Control	Per treatment	£12.00	£12.48
	Stray Dogs	In office hours	£43.68	£45.43
		Outside of office hours and weekends	£124.80	£129.79
		Daily kenneling charge	£18.72	£19.47
	Statutory Fine	£25.00	£25.00	
Careline	Alarm rental & Monitoring Fee	Weekly	£4.22	£4.22
		Quarterly	£54.91	£54.91
	Installation		£41.60	£41.60
	Key Safe Purchase		£52.00	£52.00

	Careline Alarm (Purchase fee)		£160.99	£160.99	
	Pendant Replacement		£61.15	£61.15	
	Attendance Call Out (office hours only) non-system fault		£0.00	£85.00	
	Alarm System Monitoring (per annum)	Fire, Intruder, Lift car alarm, disabled toilet (via Careline systems)	£200.00	£200.00	
CCTV	CCTV Project Consultancy	7.5% of Project Capex			
Facilities Management	Hire of Venues / Premises				
Trading Standards (Public Protection/Food Safety)	Primary Authority Partnership Scheme		£69.12	£73.27	
	Export Certificates		£49.92	£52.92	
	Paid for business support advice	As & when hourly rate pro rata	£69.12	£73.27	
	Food Hygiene Training	open courses-per candidate		£63.50	£67.00
		Food Hygiene Resit Fee		£12.00	£12.00
		Bespoke Food Hygiene Courses		£411 plus £17.50 per candidate (minimum charge £586)	£420 plus £18 per candidate (minimum charge £600)
	Food Hygiene Rating Rescore visits	Not yet charging as need to give businesses notice of introduction of charges.		£210.00	£210.00
	Provision of SFBB pack		£12.00	£12.00	
	Organic Import Certificate		£45.00	£45.00	
Environment & Transport	Environment Searches	Environmental Reports prepared for clients	£180.00	£190.00	
	Environmental Advice Heathrow	HSPG officer Hourly recharge	£65.00	£65.00	
	Rapid EV Charger Income	Charge Your Car Operator - less back office costs	£5.00	£5.00	
	Petroleum Licensing Annual Licence Fee (Petroleum Consolidation Regulations) 2014	up to 2,500 litres petrol storage		£42.00	£42.00
		2,500 litres but not exceeding 50,000 litres storage		£58.00	£58.00
		above 50,000 litres		£120.00	£120.00
	Environmental Permitting 4.5% on set Fees	Standard process application		£1,650.00	£1,650.00
		PVRI, Dry Cleaners Application Fee		£155.00	£155.00
		Vrs and other reduced Fee Activities		£362.00	£362.00
		LA-IPPC (PART A2) charges for 2017/18		£3,363.00	£3,363.00
		Annual Subsistence Charge (Standard process low risk)		£772.00	£772.00
		Annual Subsistence Charge (Standard process medium risk)		£1,161.00	£1,161.00
		Annual Subsistence Charge (Standard process high risk)		£1,747.00	£1,747.00

		PVRI, Dry Cleaners L/M/H Subsistence Charge	£79/£158/£237	£79/£158/£237
		PVR 1 & 11 combined L/M/H Subsistence Charge	£113/£226/£341	£113/£226/£341
		Vrs and other reduced Fee Activities Subsistence Charge	£228/£365/£548	£228/£365/£548
Local Land Charges	Street Naming and numbering	1st Address	£37.00	£40.00
		2-5th Address	£73.00	£75.00
		6-10th Address	£100.00	£110.00
		Per additional Address	£12.00	£15.00
		New Street	£100.00	£110.00
		Per additional Street	£50.00	£50.00
		New Street from pre approved list	£150.00	£150.00
		Alter an existing address	£37.00	£40.00

Statutory Determination of Council Tax

Council Tax Resolution – In relation to the Council Tax for 2018/19

- (a) That in pursuance of the powers conferred on the Council as the billing authority for its area by the Local Government Finance Acts (the Acts), the Council Tax for the Slough area for the year ending 31 March 2019 is as specified below and that the Council Tax be levied accordingly.
- (b) That it be noted that at its meeting on 18 December 2017 Cabinet calculated the following Tax Base amounts for the financial year 2018/19 in accordance with Regulations made under sections 31B (3) and 34(4) of the Act:
- (i) 41,723.4 being the amount calculated by the Council, in accordance with Regulation 3 of the Local Authorities (Calculation of Council Tax Base) Regulations 2012 (the Regulations) as the Council Tax Base for the whole of the Slough area for the year 2018/19; and
- (ii) The sums below being the amounts of Council Tax Base for the Parishes within Slough for 2018/19:
- | | | |
|----|--------------------------------|---------|
| a) | Parish of Britwell | 849.3 |
| b) | Parish of Colnbrook with Poyle | 1,885.9 |
| c) | Parish of Wexham | 1,310.2 |
- (c) That the following amounts be now calculated for the year 2018/19 in accordance with sections 31A to 36 of the Act:
- (i) £388,340,008 being the aggregate of the amounts which the Council estimates for the items set out in section 31A (2)(a) to (f) of the Act. (Gross Expenditure);
- (ii) £332,544,974 being the aggregate of the amounts which the Council estimates for the items set out in section 31A (3) (a) to (d) of the Act. (Gross Income);
- (iii) £55,795,034 being the amount by which the aggregate at paragraph c (i) above exceeds the aggregate at paragraph c (ii) above calculated by the Council as its council tax requirement for the year as set out in section 31A(4) of the Act. (Council Tax Requirement);
- (iv) £1,337.26 being the amount at paragraph c(iii) above divided by the amount at paragraph b(i) above, calculated by the Council, in accordance with section 31B(1) of the Act, as the basic amount of its Council Tax for the year, including the requirements for Parish precepts.

- (v) That for the year 2018/19 the Council determines in accordance with section 34 (1) of the Act, Total Special Items of £224,168 representing the total of Parish Precepts for that year.
- (vi) £1,331.89 being the amount at paragraph c (iv) above less the result given by dividing the amount at paragraph c (v) above by the relevant amounts at paragraph b (i) above, calculated by the Council, in accordance with section 34 (2) of the Act, as the basic amount of its Council Tax for the year for dwellings in those parts of its area to which no special item relates.
- (vii) Valuation Bands

Band	Slough Area £	Parish of Britwell £	Parish of Colnbrook with Poyle £	Parish of Wexham Court £
A	887.93	44.06	32.93	24.48
B	1,035.91	51.41	38.42	28.56
C	1,183.90	58.75	43.91	32.64
D	1,331.89	66.10	49.40	36.72
E	1,627.87	80.79	60.38	44.89
F	1,923.84	95.47	71.36	53.05
G	2,219.82	110.16	82.33	61.21
H	2,663.78	132.19	98.80	73.45

Being the amounts given by multiplying the amounts at paragraph c (iv) and c (vi) above by the number which, in the proportion set out in section 5 (1) of the Act, is applicable to dwellings listed in a particular valuation band divided by the number which in that proportion is applicable to dwellings listed in valuation band D, calculated by the Council, in accordance with section 36 (1) of the Act, as the amount to be taken into account for the year in respect of categories of dwellings listed in different valuation bands.

- (viii) Calculate that the Council Tax requirement for the Council's own purposes for 2018/19 (excluding Parish precepts) is £55,570,866.
- (ix) That it be noted that for the year 2018/19 the Thames Valley Police Authority precept has been increased by 7.05%. The following amounts are stated in accordance with section 40 of the Act, for each of the categories of dwellings shown below:

Band	Office of the Police and Crime Commissioner (OPCC) for Thames Valley £
A	121.52
B	141.77
C	162.03

D	182.28
E	222.79
F	263.29
G	303.80
H	364.57

These precepts have not been formally proposed or agreed by the Thames Valley Police and may be revised when agreed.

- (x) That it be noted that for the year 2018/19 the Royal Berkshire Fire Authority has been increased by 2.99% as the following amount in precept issued to the Council, in accordance with section 40 of the Act, for each of the categories of dwellings shown below:

Band	Royal Berkshire Fire Authority £
A	42.91
B	50.06
C	57.21
D	64.36
E	78.66
F	92.96
G	107.27
H	128.73

These precepts have not been formally proposed or agreed by the Royal Berkshire Fire Authority and may be revised when agreed.

- (xi) Note that arising from these recommendations, and assuming the major precepts are agreed, the overall Council Tax for Slough Borough Council including the precepting authorities will be as follows:

Band	Slough £	Office of the Police and Crime Commissioner (OPCC) for Thames Valley £	Royal Berkshire Fire Authority £	TOTAL £
A	887.93	121.52	42.91	1,052.36
B	1,035.91	141.77	50.06	1,227.74
C	1,183.90	162.03	57.21	1,403.14
D	1,331.89	182.28	64.36	1,578.53
E	1,627.87	222.79	78.66	1,929.32
F	1,923.84	263.29	92.96	2,280.09
G	2,219.82	303.80	107.27	2,630.89
H	2,663.78	364.57	128.73	3,157.08

- (xii) That the Section 151 Officer be and is hereby authorised to give due notice of the said Council Tax in the manner provided by Section 38(2) of the 2012 Act.
- (xiii) That the Section 151 Officer be and is hereby authorised when necessary to apply for a summons against any Council Tax payer or non-domestic ratepayer on whom an account for the said tax or rate and arrears has been duly served and who has failed to pay the amounts due to take all subsequent necessary action to recover them promptly.
- (xiv) That the Section 151 Officer be authorised to collect (and disperse from the relevant accounts) the Council Tax and National Non-Domestic Rate and that whenever the office of the Section 151 Officer is vacant or the holder thereof is for any reason unable to act, the Chief Executive or such other authorised post-holder be authorised to act as before said in his or her stead.
- (xv) That in the event that there are any changes to the provisional precept of the Fire Authority, arising from their precept setting meeting being held on 28 February, the Section 151 Officer is delegated authority to enact all relevant changes to the Revenue Budget 2018/19, Statutory Resolution and council tax levels.

S151 officer statement on the robustness of reserves and the robustness of estimates

Section 25 of the Local Government Act 2003 requires the Section 151 Officer (Assistant Director, Finance and Audit) to formally report to Council as part of the tax setting report his view on the minimum level of reserves available to the general fund and on the robustness of estimates used on the budget setting process. The Council is required to take these views into account when setting the Council Tax at its meeting on 22 February 2018.

Adequacy of Reserves

When assessing the minimum level of reserves required, there are some important considerations. Firstly, the reserve for budget setting purposes is the general fund reserve. This is the Council's reserve which is not allocated to specific risks, policy decisions or under legislative or accounting requirements. The general fund reserve can be spent on any activity and there is no restriction on its deployment.

As a Unitary Council, with a number of complex services and transactions, the Council has an inherently higher risk than a number of other local authorities. The Council provides a much wider scope of services compared to a County Council or District Council; each different service comes with a different level of risk. The Council has made policy decisions which have engaged the Council into a wide range of service provision e.g. significant outsourcing of services, PFI arrangements, and the creation of the Slough Urban Renewal ('the LABV'). Some of these mitigate the Council's financial risk whilst other arrangements increase the level of risk.

The Council is also facing a period where demand is increasing in key areas, namely:

- Increased population increases demand on 'universal services' i.e. more bins to collect, more Council Tax bills to issue etc.
- Increased volatility from the retention of business rates
- Savings are increasingly based on commercial income generation opportunities so fluctuate much more – this is especially so in the current year budget with over £4.2m of additional income being generated through commercial schemes and represents a significant increase in the risk exposure to outside economic conditions
- Increased adult social care pressures due to changes in demography
- Increased risk over the delivery of savings
- The impact of the macro-economic position and the impact on residents and businesses being able to pay for respective fees and charges

In light of the above, the proposed minimum level of reserve for the Council should be 5% of the net budget (as defined by Council Tax, retained business rates and non-ring fenced revenue Government grants); plus £2m to allow for current funding volatility. This results in a total of **£7.0m¹**.

¹ Circa 5% of £100m and £2m to cover funding volatility.

Robustness of Estimates

The treatment of inflation and interest rates

The 2018/19 pay award for staff has been included at an average of 2% in line with the Government's pay announcements. Non pay related budgets have been inflated at the contractually committed rate of inflation or where services can demonstrate a requirement to do so to maintain service delivery levels.

Efficiency saving and productivity gains

The budget contains proposals to deliver approximately £5.6m of savings. The medium term financial strategy includes a four year savings programme to ensure that future revenue budgets remain in financial balance to ensure the council has adequate resources to deliver its Council Strategy outcomes. The savings programme will also help to ensure that Council Tax increases are kept to as low a level as possible and deliver efficient local services. The proposals continue to set high levels of required savings and there are inherent risks to the delivery of a balanced budget at the end of the 2018/19 financial year. Given the year on year reductions in Government funding, the Council's risk profile for savings is increasing as more transformational activity and income generation schemes are brought forward. Though these will endeavour to drive additional income and reduced costs, they are by their very nature more difficult and complex to deliver, and are at greater risk of market conditions.

Budget and Financial management

The level of under spends in recent years is as follows:

- 2011/12 – £1,736k underspend – 1.7% of budget
- 2012/13 - £23k underspend – 0.0% of budget
- 2013/14 - £150k underspend – 0.1% of budget
- 2014/15 - £224k underspend - 0.1% of budget
- 2015/16 - £42k overspend – 0.0% of budget
- 2016/17 – balanced budget forecast – 0.0% of budget
- 2017/18 – balanced budget forecast – 0.0% of budget

All relevant reports to Members have their financial effects identified and the Corporate Management Team keep any emerging budget pressures under review during the year. Monthly reports are received by Corporate Management Team and quarterly reports to the Cabinet detail both budgetary and performance indicators. A traffic light system of indicators is used.

The Council has a number of demand led budgets and has historically been able to manage changes to demand to ensure a sound financial standing at the end of the financial year. The revenue budget includes over £1.500m for adult social care cost pressures.

Adequacy of insurance and risk management

Strategic risk management is being embedded throughout the Council to ensure that all risks are identified and managed appropriately. The Council's insurance arrangements are a balance of external insurance premiums and internal funds to self insure some areas. As

well as an internal risk manager the Council also make use of an external consultant (Arlingclose) to advise on the level of funds required to underpin those risks not externally insured.

Overall financial standing of the authority

Slough Borough Council borrows money to support the Council's capital Programme. It has calculated its capacity for borrowing within the provisions of the prudential framework and budgeted accordingly. The assumed Council Tax collection rate is 98.4% and this is an achievable if demanding target. Each 1% uncollected amounts to approximately £0.47m and any surplus or deficit on the collection fund is apportioned between the Council and its major precepting bodies the Royal Berkshire Fire and Rescue Authority, and the Office of the Police and Crime Commissioner (OPCC) for Thames Valley.

Maintaining balances

The balance of the in year budgetary position against the proposed budget will be managed against the general reserve. As and when budget pressures emerge then it is first for the service to contain, then the directorate and finally a corporate issue. If there is still a pressure at year end then General Reserves will reduce and will need to be replenished up to a level in future years as noted above. This helps ensure that the Council is in a position to maintain its service provision without drastic actions.

If an event occurs that is so serious it depletes the Council reserves to below the limit set, then the Council will take appropriate measures to raise general fund reserves to the recommended level as soon as possible without undermining service provision.

Specific grants

The Government provides the Council with a number of specific grants. These grants have conditions attached to their use as detailed by Government.

The grants are allocated out to specific directorates and these are utilised to deliver the objectives contained within the grant conditions.

Grant	Amount / £m
Public Health	7.563
Local Council Tax Support	0.168
Housing Benefit administration subsidy	0.540
Better Care Fund (through existing NHS and Social Care budgets)	8.567

HRA Rents and Service Charges 2018/19

The annual increases in rents and service charges reflects the need to increase income in order to meet the increase in utility and service costs, and to provide sufficient financial resources to reinvest in the programmes of improvement for social housing to ensure that the needs of local residents are met; the increases follow government guidance and are based upon the previous September's inflation rate. These increases are built into the HRA 30 Year Business plan and are intended to ensure that the Housing service, annual housing repairs and maintenance programme, and the long term capital investment programmes, provide decent homes to meet local needs over the life of the Business Plan.

- Council house dwelling rents for 2018/19 to **decrease by 1%** over the 2017/18 rent with effect from Monday 2nd April 2018. This is in line with current government guidelines and legislation.
- Garage rents, heating, utility and ancillary charges to **increase by 3.0%** with effect from Monday 2nd April 2018. This is based upon the September CPI figure.
- Service charges to **increase by 3.0%** with effect from Monday 2nd April 2018. This is based upon the September CPI figure.
- 'Other committee' property rents to increase by an average of 3.0% from Monday 2nd April 2018 in line with the September CPI figure.

APPENDIX J

Equality Impact Assessments

Appendix K – Flexible use of Capital Receipts Strategy

Policy for Flexible use of Capital Receipts

Purpose

1. This document highlights the Government's statutory guidance on the flexible use of Capital Receipts and its application within this council.

Background

2. Capital receipts can only be used for specific purposes and these are set out in Regulation 23 of the Local Authorities (Capital Finance and Accounting) (England) Regulations 2003 made under Section 11 of the Local Government Act 2003.
3. The Secretary of State is empowered to issue Directions allowing expenditure incurred by local authorities to be treated as capital expenditure. Where such a direction is made, the specified expenditure can then be funded from capital receipts under the Regulations.
4. The Secretary of State for Communities and Local Government issued guidance in March 2016, giving local authorities greater freedoms with how capital receipts can be used to finance expenditure. This Direction allows for the following expenditure to be treated as capital,

“expenditure on any project that is designed to generate ongoing revenue savings in the delivery of public services and/or transform service delivery to reduce costs and/or transform service delivery in a way that reduces costs or demand for services in future years for any of the public sector delivery partners.”

5. In order to comply with this Direction, the Council must consider the Statutory Guidance issued by the Secretary of State. This Guidance requires authorities to prepare, publish and maintain a Flexible Use of Capital Receipts Strategy within Annual Budget documents.
6. There is no prescribed format for the Strategy; the underlying principle is to support local authorities to deliver more efficient and sustainable services by extending the use of capital receipts to support the revenue costs of reform projects
7. The Statutory Guidance for the Flexible Use of Capital Receipts Strategy states that the Strategy should include a list of each project which plans to make use of the capital receipts flexibility, together with the expected savings that the project will realise. The Strategy should also include the impact of this flexibility on the affordability of borrowing by including updated Prudential Indicators.
8. The Flexible Use of Capital Receipts Strategy is set out below:

Flexible Use of Capital Receipts Strategy

1. Government has provided a definition of expenditure which qualifies to be funded from capital receipts. This is:

“Qualifying expenditure is expenditure on any project that is designed to generate ongoing revenue savings in the delivery of public services and/or transform service delivery to reduce costs and/or transform service delivery in a way that reduces costs or demand for services in future years for any of the public sector delivery partners. Within this definition, it is for individual local authorities to decide whether or not a project qualifies for the flexibility.”

2. The Council's intends to use capital receipts to fund the following:

2016/17			
Project	Projected Spend (£m)	Expected Benefits	Expected Benefits (£m)
Adult Social Care Reform	1.046	£5.1m ongoing savings by 2019/20	5.100
Re-commissioning of major contracts to delivery procurement savings and more effective use of frameworks	0.703	Depends upon market price, but at least 0.5 ongoing savings post new commissioning options from 2018	0.703
Slough Children's Services Trust	2.469	Invest to save bid to reduce ongoing revenue costs to projections of between £1-2m p.a. over the next four years	4.000
Slough Children's Services Trust - Organisational Agility	0.654	On embedding of the new working practices, the Trust will deliver £229,000 in annual efficiency savings directly and indirectly dependent on the adoption of the new technology, including a re-profiling of the workforce.	0.916
Development of income generation proposals from capital assets	0.060	£0.7m annual income generation from 2017/18	2.100
Development of housing company	0.055	1 st year payment to elicit £0.2m annual income generation from 2017/18	
Head of Customer and Digital/Business Analysts	0.126	£0.3m from 2017/18 on efficiencies arising from SBC enhancing its Customer Services offer.	0.900

Council Tax and Business Rates collection increases	0.270	£0.6m per annum additional council tax collected	2.400
Housing Regulations Team - Business Development Manager	0.076	£0.1m per annum	0.300
Insourcing Environmental Services	0.130	1 st year payment to achieve £1m per annum from 2018/19 from removal of profit element from Private Sector Contract	N/A
Total 2016/17	5.589		16.419

2017/18			
Local Plan	0.135	Review of plan especially for external factors such as Heathrow and Local Plan progress of neighbouring authorities.	
Slough Children's Services Trust	1.299	Invest to save bid to reduce ongoing revenue costs to projections of between £1-2m p.a. over the next four years	1.500
Re-commissioning of major contracts to delivery procurement savings and more effective use of frameworks	0.317	At least £0.5m ongoing savings post new commissioning options from 2018	1.000
Insourcing Environmental Services	0.720	2 nd year payment to achieve £1m per annum from 2018/19 from removal of profit element from Private Sector Contract	2.000
Development of housing company	0.045	2 nd year payment to elicit £0.2m annual income generation from 2017/18	0.600
Homelessness Prevention Strategy	0.100	Reduction in demand	0.400
Counter-Fraud Invest to Save proposal	0.042	£0.050m additional income through counter-fraud arrangements	0.150
Senior Management Restructure (associated redundancy and pension costs)	0.710	It has been calculated that the proposed reorganisation of the second and third tiers of the organisation, as set out within the initial consultation document, will realise revenue savings of £640,000 per annum.	1.920
Landlords Registration / Additional HMO Licensing Scheme	0.078	Reduction in demand	0.250
Private Sector Acquisition Team (Housing)	0.406	Reduction in demand	0.700
Economic Development	0.025	Will attract over £80k from private	0.080

		Sector match-funding for Town centre initiatives	
Slough Children's Services Trust	1.000	Provides financial stability to the Trust to allow for achievement of ongoing efficiency gains and overall reductions in demand	2.500
Total 2017/18	4.877		10.100

2018/19			
Local Plan	0.110	Review of plan especially for external factors such as Heathrow and Local Plan progress of neighbouring authorities.	
Capita Transformation Project	0.121	Capita ONE IT system will help ensure children and young people have best start in life	
Children Learning and Skills	1.500	Provides financial stability to CLS to allow for review of Children's Centres and other efficiencies	2.000
CT and NNDR Collection Rates	0.060	£0.6m per annum additional council tax collected	1.200
Homelessness Prevention	0.513	To reduce homelessness demand	1.500
Waste and Environment Insourcing	0.500	To pump-prime sale of services to other organisations	1.800
Bus lane cameras – (plus team set up)	0.790	Initial finance required for self-funding model.	0.790
Resident Consultations	0.420	To allow member consultation with Ward Members to identify and facilitate efficiencies and service improvements across the Council	1.000
Customer and Accommodation	2.000	To enable the Council's Customer Strategy, and Accommodation and Hub Strategies	5.000
Electric Vehicle Initiatives	0.750	To reduce harmful carbon emissions in SBC and improve air quality and reduce staff mileage payments.	1.500
Town Centre Growth Bid	0.475	To provide various initiatives to maintain the High St whilst works are undertaken to ensure the ongoing viability of the area and associated business rates.	2.000
Slough Children's Services Trust	0.500	Provides financial stability to the Trust to allow for achievement of ongoing efficiency gains and overall reductions in demand	1.000
Third and Fourth Tier Restructures	1.000	To achieve ongoing revenue savings from staffing efficiencies	2.000
Total 2018/19	8.739		19.790

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3. The Prudential Indicators show that this Strategy is affordable and will not impact on the Council's operational and authorised borrowing limits.

Pay Policy Statement for the Year 2018/19

1. Introduction

- 1.1 The Localism Act requires local authorities to publish, on their website, an annual Pay Policy Statement, which has been approved by Full Council.
- 1.2 No remuneration may be made to officers that fall outside of the Pay Policy Statement, although it is possible for a meeting of the Full Council to amend the statement at any time.
- 1.3 In drawing up this statement, Slough Borough Council has taken into account the guidance issued by the Department of Communities and Local Government in February 2012 and the supplementary guidance issues in February 2013.
- 1.4 Slough Borough Council is committed to complying with the statutory obligation to pay the National Living Wage.
- 1.5 This statement does not apply to schools' staff as local authority schools' employees are outside the scope of the legislation.
- 1.6 This statement will be approved by Full Council in February 2018.
- 1.7 Slough Borough Council fully endorses and supports the requirement to be open and transparent about the pay of our staff.
- 1.8 The Council is committed to paying nationally negotiated pay awards and this Pay Policy Statement will be updated as and when any such pay awards are agreed.

2. Remuneration of Chief Officers

- 2.1 In accordance with the Localism Act, the following SBC posts are defined as Chief Officers, and their salary bands are as follows. (The SBC grading structure is attached in Appendix A).

2.2

Head of the Paid Service and Statutory Chief Officers		
Post	Reports To	Salary Band
Chief Executive / Head of Paid Service.		£133,869 - £160,645
Director of Adults &	Head of Paid Service	SML 16

Communities		£110,185 - £128,515
Director of Children Learning & Skills	Head of Paid Service	SML 16 £110,185 - £128,515
Monitoring Officer	Head of Paid Service	Interim cover – £650 per day (4 days per week)
Director of Finance & Resources / Section 151 Officer	Head of Paid Service	SML 16 £110,185 - £128,515
Service Lead - Finance (Deputy section 151 Officer)	Director of Finance & Resources / Section 151 Officer	SML 12 £65,723 - £73,215
Director of Public Health	The Director of Public Health is employed by Bracknell Forest Council	
Posts that report directly to the Head of Paid Service or Statutory Chief Officer		
Post	Reports To	Salary Band
Director of Place & Development, (Non-statutory Chief Officer).	Head of Paid Service	SML 16 £110,185 - £128,515
Director of Regeneration (Non-statutory Chief Officer).	Head of Paid Service	SML 16 £110,185 - £128,515
Service Lead – School Effectiveness	Director of Children, Learning & Skills	SML 12 £65,723 - £73,215
Service Lead – Early Years	Director of Children, Learning & Skills	SML 12 £65,723 - £73,215
Service Lead - Access & Inclusion	Director of Children, Learning & Skills	SML 12 £65,723 - £73,215
Service Lead – Children, Commissioning, Partnership & Performance	Director of Children, Learning & Skills	SML 12 £65,723 - £73,215
Service Lead - SEND	Director of Children, Learning & Skills	SML 12 £65,723 - £73,215
Service Lead - Strategy & Performance	Director of Finance & Resources / Section 151 Officer	SML 12 £65,723 - £73,215
Service Lead – Customer & Communications	Director of Finance & Resources / Section 151 Officer	SML 12 £65,723 - £73,215
Service Lead - Governance	Director of Finance & Resources / Section 151 Officer	SML 12 £65,723 - £73,215
Service Lead - People	Director of Finance & Resources / Section 151 Officer	SML 12 £65,723 - £73,215
Service Lead – Digital & Strategic IT	Director of Finance & Resources / Section 151 Officer	SML 12 £65,723 - £73,215
Service Lead – Public	Director of Adults &	SML 12

Health	Communities	£65,723 - £73,215
Service Lead – Adult Social Care Operations	Director of Adults & Communities	SML 12 £65,723 - £73,215
Service Lead – Adult Social Care Commissioning	Director of Adults & Communities	SML 12 £65,723 - £73,215
Service Lead – Regulatory Services	Director of Adults & Communities	SML 12 £65,723 - £73,215
Service Lead – Communities & Leisure	Director of Adults & Communities	SML 12 £65,723 - £73,215
Directorate Finance Manager x2	Service Lead Finance (Deputy Section 151 Officer)	SML 11 £55,578 - £63,226

Posts that report directly to Non-Statutory Chief Officers		
Post	Reports To	Salary Band
Service Lead – Regeneration Delivery	Director of Regeneration	SML 12 £65,723 - £73,215
Service Lead – Regeneration Development	Director of Regeneration	SML 12 £65,723 - £73,215
Service Lead – Strategic Housing Services	Director of Place & Development	SML 12 £65,723 - £73,215
Service Lead – Neighbourhood Services	Director of Place & Development	SML 12 £65,723 - £73,215
Service Lead – Environmental Services	Director of Place & Development	SML 12 £65,723 - £73,215
Service Lead – Building Management	Director of Place & Development	SML 12 £65,723 - £73,215
Service Lead – Planning & Transport	Director of Place & Development	SML 12 £65,723 - £73,215

The Head of Democratic Services is appointed as the Council's Returning Officer in accordance with the Representation of the Peoples Act 1983. The Returning Officer is eligible for fees linked to duties undertaken for running national, European or local elections/referenda. These fees are determined by the number of electors registered in the borough/parliamentary constituency and are paid subject to a formula applied by the Government for determining fees to all Returning Officers across the Country.

2.3 Remuneration on Appointment

Newly appointed chief officers are paid in accordance with the pay scales set out above.

Salary packages amounting to £100,000 or more for new appointments will be approved by Full Council.

2.4 Job Evaluation

The pay of all employees, including Chief Officers, is based on job evaluations undertaken through the Hay Job Evaluation Scheme.

2.5 Terms and Conditions of Employment

The Chief Executive is employed on JNC for Local Authority Chief Executives terms and conditions of employment.

All other chief officers are employed on JNC or NJC terms and conditions of employment. Pay awards for these officers are negotiated nationally, and the Council applies any/all nationally negotiated pay awards to these posts.

2.6 Travel and Subsistence Expenses

There are occasions when employees incur additional expenditure than normal in the course of undertaking their official duties on behalf of the Council away from their normal place of work.

The Council has a comprehensive Travel and Subsistence Expenses Scheme, which applies to all our staff, including Chief Officers, in such circumstances.

2.7 Payment of Professional Fees

The Council will pay the cost of one professional subscription per annum, per employee, including Chief Officers, which is relevant and necessary for the role.

2.8 Honoraria

An honoraria payment may be made to an employee, including to a chief officer, in recognition of undertaking temporarily additional or outstanding extra work, which is:

- outside the normal scope of the duties and responsibilities of the employee
- over an extended period undertaking part of the duties of a higher graded post
- or where the additional duties and responsibilities are exceptionally onerous
- or in situations which merit the employee being rewarded for specific work.

The Honoraria Scheme applies in these circumstances and the amount of payment is based on the duties undertaken.

2.8 Acting Up

Acting up arises when an employee temporarily undertakes full or part duties of a higher graded post for a consecutive period of at least four weeks.

All employees, including Chief Officers, are entitled to an acting up payment in recognition of the responsibilities. Decisions on payment take into account the following:

- The nature and complexity of the responsibilities, undertaken by the employee and their current spinal column point.
- Whether the employee is undertaking full or part responsibilities
- If the employee is placed into post as a development opportunity

2.9 Secondments

Secondments are intended to provide developmental opportunities to gain skills and experience rather than for financial gain. Therefore, secondees will normally transfer from their current position into the secondment on their existing salary. Terms and conditions of the secondee may change depending on the local variations within the department, i.e. flexi-time. However, if there is a significant difference between the secondment and the individual's salary this must be brought to the attention of the ODHR Department and a decision will be taken on whether to review salary arrangements in line with complexities of the job.

2.10 Market Supplements

A Market Supplement is payable, in exceptional circumstances, for posts (including Chief Officer posts), which are critical to the delivery of essential/statutory services, and to which the Council has been unable to recruit.

2.11 Pay protection

An employee, who is redeployed to a suitable post which is one grade lower, will receive protection of earnings (basic pay plus local weighting allowance) for a period of one year. The salary will be frozen at its current level and the employee will not receive annual pay awards. At the end of the protection period the employee will be placed on the salary grade relevant to the redeployed post.

Where an employee accepts redeployment to a post which is more than one grade lower, there is no entitlement to protection of earnings. In exceptional circumstances, in order to minimise financial hardship and avoid redundancies Strategic Directors may, subject to budgetary considerations, exercise discretion to grant some element of protection. This would apply for no longer than one year.

2.12 Termination Payments

In the event of a redundancy situation, all employees, including chief officers, are entitled to redundancy payments based on a multiple of 1.5 times statutory provision, based on weekly pay, subject to a cap of 30 weeks as the maximum number of weeks payable, and to a cap of 20 years service.

The terms, and any payment relating to the termination of employment of any officer of the Council in any contentious circumstances which do not result from an award made by an Employment Tribunal or Court are settled by the Council on the basis of the legal merits of the case, the time and disruption which protracted litigation would involve, any limit of statutory entitlement on monetary claim available to an employee, and what is considered prudent in all circumstances.

Any redundancy or severance packages of £100,000 or more will be approved by Full Council. In presenting the information to Full Council the components of any such severance package will be set out including; salary paid in lieu, redundancy compensation, pension entitlements, holiday pay and any bonuses, fees or allowances paid.

If an applicant for a post (including Chief Officer posts) is in receipt of a severance payment from any local authority, or a Local Government retirement pension, this does not form part of the Council's decision as to whether or not they should be appointed.

Any employee, who is made redundant, including Chief Officers, must have a break of at least four weeks in order to retain a redundancy payment before they can be re-employed by the Council in a different position.

Consultancies over £5,000 (excluding cover for established posts) or any consultancy/employment offered to former senior officers of the Council of third tier and above are a "significant officer decision." (Significant officer decisions are circulated monthly to all members and published on the website).

2.13 The Government is consulting on regulations regarding the recovery of public sector exit payments. SBC will comply with any future legislative requirements.

2.14 Pension Payments

All employees who are members of the Local Government Pension Scheme, including Chief Officers, are entitled to a retirement pension calculated in accordance with the Local Government Pension Scheme Regulations.

3. Remuneration of Our Lowest Paid Employees

- 3.1 All SBC employees are paid in accordance with a locally determined salary scale, appendix A.
- 3.2 “Lowest Paid Employee” means the employee on the lowest grade, assuming that the posts are full-time, excluding apprentices. The lowest grade is Level 1, £16,266.
- 3.3 Unsocial Hours Payments

The Council has a comprehensive Working Pattern Arrangement Scheme which sets out the allowances payable for:

- Overtime (for employees up to and including Level 5)
- Saturday and Sunday working
- Bank holidays
- Night working
- Sleeping-in duty
- Shift working
- Standby, on-call and call-out

3.4 Terms and Conditions of Employment

Employees, who are not Chief Officers, are employed on NJC terms and conditions of employment. Pay awards for these officers are negotiated nationally, and the Council applies any/all nationally negotiated pay awards to NJC employees.

4. Relationship between the Remuneration of Our Chief Officers and our lowest paid employees

- 4.1 The base pay of the Chief Executive is currently £133,869. This is 8.2 times the pay of our lowest paid employees. ($133,869 / 16,266 = 8.229$)

The median earnings of all employees as of 1 April 2017, was £25,694. The median earnings figure complies with the specific requirements within the Local Government Transparency Code 2015 and includes all elements of remuneration that can be valued.

- 4.2 The pay of the Chief Executive is currently 5.2 times the pay of median earnings of our employees.

Date last updated: January 2018

Appendix A: Slough Borough Council Salary Scales

NEW SLOUGH LEVELS STRUCTURE 1ST APRIL, 2017

Level		SCP	Basic	L/W	Inclusive Annual Salary
L1	01	5	N/A	N/A	N/A
	02	7	N/A	N/A	N/A
	03	9	15375	891	16266
L2	01	10	15613	891	16504
	02	11	15807	891	16698
	03	13	16491	891	17382
L3	01	14	16781	891	17672
	02	16	17419	891	18310
	03	18	18070	891	18961
L4	01	19	18746	891	19637
	02	20	19430	891	20321
	03	21	20138	891	21029
	04	22	20661	891	21552
L5	01	23	21268	891	22159
	02	24	21962	891	22853
	03	25	22658	891	23549
	04	27	24174	891	25065
	05	29	25951	891	26842
L6	01	30	26822	891	27713
	02	31	27668	891	28559
	03	32	28485	891	29376
	04	34	30153	891	31044
	05	35	30785	891	31676
L7	01	36	31601	891	32492
	02	37	32486	891	33377
	03	38	33437	891	34328
	04	40	35444	891	36335
	05	41	36379	891	37270
L8	01	42	37306	891	38197
	02	44	39177	891	40068
	03	46	41025	891	41916
	04	47	41967	891	42858
L9	01	48	42899	891	43790
	02	50	44750	891	45641
	03	52	46635	891	47526
	04	53	47584	891	48475
L10	01	54	48589	891	49480
	02	55	49590	891	50481
	03	57	51610	891	52501
	04	59	53612	891	54503

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SLOUGH BOROUGH COUNCIL

REPORT TO: Cabinet **DATE:** 5th February 2018
CONTACT OFFICER: Neil Wilcox; Director of Finance and Resources
(For all enquiries) (01753) 875358
WARD(S): All
PORTFOLIO: Cllr Mohammed Nazir, Cabinet Member for Corporate Finance & Housing

PART I
KEY DECISION

COUNCIL TAX AND BUSINESS RATES DISCRETIONARY POLICIES

1 Purpose of Report

To provide updated Council Policies for Business Rates for 2018-19 onwards in respect of

- Discretionary Rate Relief for Charities and not for Profit Organisations
- Partially Occupied Relief (Section 44a)
- Hardship Relief
- General Rate Relief
- Revaluation Relief
- Inward Investment
- Public House Relief Scheme
- Council Tax Hardship Relief
- Amended policy for 2017-18 on Revaluation Relief

2 Recommendation(s)/Proposed Action

The Cabinet is requested to resolve:

- (a) That the policies for Business Rates for 2018-19 onwards as set out in Appendix A-H be approved
- (b) That the amended policy for Business Rates Revaluation Relief as set out in Appendix I be approved.

3. The Slough Joint Wellbeing Strategy, the JSNA and the Five Year Plan

The awarding of relief businesses in line with government guidance is a key priority of the Council.

This report supports the 5 Year Plan through Outcome 5, Slough will attract, retain and grow businesses and investment to provide jobs and opportunities for our residents.

3a. **Slough Joint Wellbeing Strategy Priorities**

The awarding of Business Rate relief is in line with government legislation and government guidance and is a key priority of the Council in relation to income collection.

3b. **Five Year Plan Outcomes**

This report will primarily have implications for Outcome 5 as it will assist in retaining businesses in the borough as well as attracting businesses to the borough which will provide jobs and opportunities for our residents.

It will also provide overall support to the whole of the 5 year plan as it will help maintain income to the Council.

4 **Other Implications**

(a) Financial

There are a number of different relief's that can be awarded under the Business Rates and Council Tax discretionary legislation and they attract different levels of financial support from Central government.

Slough Borough Council as part of the Berkshire consortium will be piloting Rates Retention from April 2018 onwards. Rates Retention is complex area that overall should see income to the Council increase, but there are risks also associated and one of these risks is the fact that certain relief's that were paid in part by Central Government prior to Rates Retention now has to be paid by the Local Authority.

The following relief's will now have to be fully funded by Slough Borough Council and were in the past funded 50% by Central Government

- Discretionary Rate Relief for Charities and not for Profit Organisations
- Partially Occupied Relief (Section 44a)
- Hardship Relief
- General Rate Relief

In 2017-18 it is estimated that relief of a total value of £225k will be awarded to charities and not for profit organisations.

In 2017-18 it is estimated that relief of a total value of £75k will be awarded for partially occupied premises

In 2017-18 there have been no awards for Business Rates Hardship Relief or General Rate Relief.

In relation to the following relief's Central Government has provided guidance on how the relief should be awarded and will reimburse Local Authorities for the full amount of the spend as long as the scheme is enacted within the guidelines.

- Revaluation Relief
- Public House Relief scheme
- Amended policy for 2017-18 on Revaluation Relief

The Council proposes to administer the scheme within the guidelines and therefore maintain spend within the payment methodology proposed by central government so as not to put any additional pressure on the Council's general fund budget.

The Council will receive £350,000 for Revaluation Relief for 2017-18 and £170,000 for 2018-19. The schemes are designed to maximise the budget provided but not to exceed the budget.

Public House relief the Council will receive up to £1,000 per Public House relief awarded for 2018-19 as long as the Rateable Value (RV) of the public House is below £100,000.

The Council will fully fund the following relief's, there has been no change to the funding regime

- Inward Investment
- Council Tax Hardship Relief

In 2017-18 to date there have been no awards of Inward Investment

In 2017-18 £6k has been awarded for Council Tax Hardship Relief.

(b) Risk Management

Recommendation from section 2 above	Risks/Threats / Opportunities	Current Controls	Using the Risk Management Matrix Score the risk	Future Controls
To approve the following policies Discretionary Rate Relief for Charities and not for Profit Organisations Partially Occupied Relief (Section 44a) Hardship Relief General Rate Relief Revaluation Relief	The policies give additional opportunity to businesses to work and remain within the borough by assisting them when there are issues which affect the business such as a downturn sales which could lead to partially occupied premises, in	All policies state the period of relief and all awards are time limited and approved by the S 151 officer		Policies will be reviewed annually.

<p>Inward Investment</p> <p>Public House Relief Scheme</p> <p>Council Tax Hardship Relief</p> <p>Revaluation Relief 2017-18</p>	<p>providing relief it allow the business to remain at the premises, continue trading in Slough and have the opportunity to increase sales in the future</p> <p>Rates Retention is a risk in relation to a number of the policies as the Council has to fund 100% of the relief, however until further guidance is released and a year of Rates Retention is administered it is not known how great the risk is if any.</p>	<p>The income and expenditure will be monitored throughout the 2018-19 financial year.</p>	<p>6</p> <p>(Risk of overall increase in expenditure is low as Central Government has stated LA's should not lose income the severity should this happen will be marginal as the amount of loss in relation to the net collectable debit is low)</p>	
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(c) Human Rights Act and Other Legal Implications

There are no direct Human Rights implications as this relates to Businesses.

There are no direct Legal implications.

(d) Equalities Impact Assessment

There is no EIA as these policies refer to businesses in the borough only.

5 Supporting Information

5.1 The Council has a variety of policies in place in respect of Business Rates, some have not been updated for two years and have been refreshed to include current legislation and some need to be reviewed year on year.

- 5.2 The following policies have been reviewed and consideration given to changes such as Rates Retention and the impact on the cost of the policies, in these instances the policies have remained the same with regard to the criteria for the award, but it is good practice to review all policies on a regular basis.
- Discretionary Rate Relief for Charities and not for Profit Organisations
 - Partially Occupied Relief (Section 44a)
 - Hardship Relief
 - General Rate Relief
- 5.3 The Public House Relief policy was designed based on the announcement from the Chancellor to be for one year only, but this has now been extended and a further policy for 2018-19 is required.
- 5.4 The grant has been awarded under Section 31 of the Business Rates legislation, and due to time constraints the government has not passed any enabling legislation but stated that the award should be made under the Councils discretionary powers under section 47 of the Local Government Finance Act as amended.
- 5.5 The scheme has been developed in line with the government guidelines to maximise the use of the grant but not to spend more than the allocation.
- 5.6 The scheme has been developed to ensure that the recipients are considered firstly under the Supporting Small Business Relief (SSBR) scheme and that State Aid is taken into consideration in line with the government guidelines.
- 5.7 The Revaluation Relief Scheme 2017-18 was designed based on the announcement from the Chancellor of the budget provision, as it was not possible to fully model the scheme an estimate of spend was made, as this was underestimated for 2017-18 a review of the scheme has been completed and a revised policy developed in order to maximise the use of the budget awarded.
- 5.8 The Revaluation Relief Scheme 2018-19 needs a new scheme as the budget awarded by Central Government is 50% of the award for 2017-18.
- 5.9 The grant for the Revaluation Relief Schemes has been awarded under Section 31 of the Business Rates legislation, and due to time constraints the government has not passed any enabling legislation but stated that the award should be made under the Councils discretionary powers under section 47 of the Local Government Finance Act as amended.
- 5.10 The scheme for both financial years has been developed in line with the government guidelines to maximise the use of the grant but not to spend more than the allocation.
- 5.11 The scheme has been developed to ensure that the recipients are considered firstly under the Supporting Small Business Relief (SSBR) scheme and that State Aid is taken into consideration in line with the government guidelines.
- 5.12 The following policies have been reviewed there is no changes on the criteria and as the awards have been small the policies have been refreshed to take into consideration the changes in legislation and guidance.
- Inward Investment

- Council Tax Hardship Relief

6 **Comments of Other Committees**

This report has not been considered by any other committees.

7 **Conclusion**

That Members are requested to review and approve these policies.

8 **Appendices Attached**

- 'A' - Discretionary Rate relief for Charities and not for Profit Organisations
- 'B' - Partially occupied relief (Section 44a)
- 'C' - Hardship Relief
- 'D' - General Rate Relief
- 'E' - Revaluation relief
- 'F' - Inward Investment
- 'G' - Public House Relief scheme
- 'H' - Council Tax Hardship Relief
- 'I' - Amended policy for 2017-18 on Revaluation Relief

9 **Background Papers**

- "1" - Business Rates Information letter (2/2017) from DCLG
- "2" - Local Government Finance Act 1992 as amended
- "3" - Local Government Finance Act 1988 as amended

Policy for Discretionary Business Rate Relief
to Charities and other Not-for-Profit
Organisations

2018-19 onwards

1. Introduction

1.1 The law governing the granting of Discretionary Rate Relief is found in Section 47 of the Local Government Finance Act 1988 and subsequent amending legislation and Section 69 of the Localism Act 2011.

1.2 The policy relates to the discretionary award of rate relief and the process for the award of mandatory relief for Business Rates for 2018-19 onwards.

2 The Reasons for this Policy

2.1 This policy has been agreed by the Council to ensure all ratepayers making applications for this relief are treated in a fair, consistent and equal manner.

2.2 Through this policy, Slough Borough Council is providing a mechanism to reduce, or remove the business rate liability from such charities, non - profit making organisations, and other businesses that are providing valuable facilities and services to communities within Slough Borough Council.

2.3 The policy is intended to provide a simple transparent process that aligns awards of discretionary rate relief with the council's corporate priorities.

2.4 This policy;

- Sets guidelines for the factors that should be considered when making a decision to award or refuse relief
- Establishes a framework to ensure applications are dealt with in an efficient manner
- Sets out the delegated authority to award relief in appropriate circumstances
- Establishes an appeals procedure for organisations that are dissatisfied with the Council decision.
- Seeks to safeguard the interest of local taxpayers by ensuring that funds allocated for the award of discretionary rate relief are used in the most effective and economic way.

3 Background

3.1 Section 47 of the Local Government Act 1998 and subsequent amending legislation and Section 69 of the Localism Act 2011, gives billing authorities the discretion to award Discretionary Rate relief in two circumstances:

a) Where the ratepayer is a registered charity or certain other charitable organisation and the property is wholly or mainly used for charitable purposes

b) Where the ratepayer is an organisation which is not established or conducted for profit and whose main objects are as set out below at 3.4

3.2 The Council will consider awarding Discretionary Rate Relief to all organisations that meet the qualifying criteria as specified in this Policy. The amount of any award is at the discretion of the Council.

3.3 Discretionary Rate Relief will be awarded after taking in to consideration all other reliefs an organisation may qualify for.

3.4 It will consider each individual application against set criteria. This process ensures that all applications are considered on a fair and transparent basis.

3.5 In the first instance organisations that meet the qualifying criteria for Small Business Rates Relief will be considered for this type of relief.

3.6 Registered charities are entitled to a mandatory rate relief of 80% for properties which are occupied for charitable purposes.

3.7 The Council's has discretionary powers to award further rate relief of up to 20% (this is commonly referred to as 'top up' relief).

3.8 The Council has the discretion to award relief of up to 100% to organisations which are not established for profit and which meet the following criteria:

Either, the organisation's main objects are;

- charitable,
- philanthropic,
- religious

Or are concerned with

- education,
- social welfare,
- science,
- literature
- fine arts

Or, the organisation is a club, society or other organisation not established or conducted for profit and the rateable property is used mainly used for purposes of recreation.

3.9 The Council cannot award relief to itself or any other organisation which has the powers to raise, or precept on a Council Tax.

3.10 The amount of relief awarded is entirely at the discretion of the Council.

4 Legal Requirements – State Aid

4.1 There are European Union regulations which restrict the award of state aid and under certain circumstances the award of discretionary relief could be considered to be state aid.

4.2 These circumstances in which the EU regulations need to be considered will be where the organisation engages in commercial activities or competes with commercial bodies because of an activity it carries out. For example a not for profit training organisation that also provides training services to businesses.

4.3 If the organisation undertakes any commercial activity it must be commercially insignificant and localised so that there is no potential impact on intra-community trade, otherwise the regulations governing state aid will apply.

4.4 Guidance on State Aid is available via the government web site at

<https://www.gov.uk/government/publications/enterprise-zones-state-aid-and-business-rate-discounts>

4.5 All businesses applying for any Business Rates relief will need to confirm any other state aid they are receiving.

5 Cost to the Council

5.1 The Council is with effect from April 2018 part of the Berkshire Rates Retention Pilot and this has changed the costs of awarding charitable relief. This means that with effect from the 1st April 2018 the Council will bear the full cost of the relief.

6 The scheme

6.1 The scheme consists of Mandatory and Discretionary Charity Relief.

6.2 Mandatory and Discretionary Rate Relief may be granted under Sections 43, 45, 47 and 48 of the Local Government Finance Act 1988.

6.3 Mandatory Rate Relief

Occupied Rates

Mandatory Relief of 80% may be granted to a Charity under Section 43 (occupied rates), provided that the property concerned is wholly or mainly used for charitable purposes.

Definition of a Charity

The definition of a Charity comes under Section 67 of the Local Government Finance Act 1988 as “*an institution or other organisation established for charitable purposes only, or a person administering a trust established for charitable purposes only*”. Registration with the Charity Commission under the Charities Act 1960 is proof of Charity status.

Absence from the Register does not mean that an organisation has not been established for charitable purposes, as certain organisations are exempt from registration. These include Church Commissioners, Boy Scouts or Girl Guides, any registered society within the meaning of the Friendly Societies Acts 1896-1974 and voluntary schools within the meaning of the Education Act 1944 – 1980.

Established for Charitable Purposes

If none of the above are applicable, and in the absence of any other information, the following will be considered:

Are the main objectives of the organisation:

- the relief of poverty; or
- the advancement of religion; or
- the advancement of education; or
- other purposes that is beneficial to the local community

Wholly or Mainly Used for Charitable Purposes

The use must be charitable, i.e. in meeting the objectives of the Charity. “Wholly or mainly “covers either: use of over half the property all of the time; use of the property for over half of the time; or a combination of both amounting to more than 50%.

Relief can only be granted, therefore, if **either** more than 50% of the property is used for charitable purposes **or** the property is used for more than 50% of the time for Charitable purposes

Charity Shops

In addition Section 64 of the Local Government Finance Act 1988 provides that Charity Shops are only entitled to 80% Mandatory Relief if they use the premises:

- wholly or mainly for the sale of goods DONATED to the Charity;

and

- the net proceeds of the sale of goods are applied to the purpose of the Charity.

6.4 Community Amateur Sports Clubs (CASCs)

6.5 Mandatory Relief for CASCs

Registered CASCs can receive 80% mandatory rate relief. To qualify as a CASC, a sports club must be open to the whole community, be run as an amateur club, be a non profit making organisation and aim to provide facilities for, and encourage people to take part in, eligible sport. For further details please see <http://www.inlandrevenue.gov.uk/casc/index.htm> or call the Inland Revenue Sports Club Unit on 0131 777 4147.

6.6 Discretionary Rate Relief Top Up

6.7 Discretionary Rate Relief may be granted in addition to Mandatory Rate Relief, i.e. a “top up” of up to the remaining 20%. This may be granted under Section 47 for occupied properties and Section 48 for unoccupied properties

6.8 Charitable Bodies

6.9 A 20% ‘top up’ of discretionary relief may be applied to charities but will only be awarded if the charity is a local one, not a national one (a local charity is defined to be one who operates within the area of Slough Borough Council and whose charitable objects benefit residents of Slough Borough Council and is not affiliated to a national charitable organisation).

6.10 Each case will be considered on its own merits with priority given to efficient and well managed organisations that:

- primarily benefit Slough Borough Council residents
- demonstrate a link with council priorities
- relieve the council of providing certain facilities or services
- serve the needs of poorer and excluded sections of the local community
- provide services for and in the borough’s most deprived neighbourhoods
- maximise the use of their premises for community benefit
- serve equalities groups protected under the Equality Act 2010

Consideration will be given to

- local organisations that are funded by the council through grant-aid
- local organisations that have a governing body whose membership mainly consists of people who live and/or work in Slough
- organisations reliant on volunteers to carry out their activities

- self-help groups with few sources of funding to carry out their activities

Other Considerations

- the financial cost to the council incurred in awarding relief
- the organisation's ability to pay its rates
- the amount of central government funding levered-in by a discretionary rate relief award to deliver statutory or other council services

Top up Relief will not be awarded to

- profit making organisations
- empty properties
- charity shops
- private schools, colleges, nurseries or schools
- national charities or associations affiliated to national charities
- Housing Associations
- car parking spaces
- buildings used for worship

6.11 Community Amateur Sports Clubs

If there is any commercial activity the amount of the award may be limited by up to 50%.

6.12 Rate Relief for Non Profit Making Organisations

Discretionary Rate Relief may be granted under **Sections 43, 45, 47 and 48 of the Local Government Finance Act 1988.**

Occupied Properties

Discretionary Relief of up to 80% may be granted for occupied properties under **Section 47**

Each case will be considered on its own merits with priority given to efficient and well managed organisations that:

- primarily benefit Slough Borough Council residents
- demonstrate a link with council priorities
- relieve the council of providing certain facilities or services
- serve the needs of poorer and excluded sections of the local community
- provide services for and in the borough's most deprived neighbourhoods
- maximise the use of their premises for community benefit
- serve equalities groups protected under the Equality Act 2010

Consideration will be given to

- local organisations that are funded by the council through grant-aid
- local organisations that have a governing body whose membership mainly consists of people who live and/or work in Slough
- organisations reliant on volunteers to carry out their activities
- self-help groups with few sources of funding to carry out their activities

Other Considerations

- the financial cost to the council incurred in awarding relief
- the organisation's ability to pay its rates
- the amount of central government funding levered-in by a discretionary rate relief award to deliver statutory or other council services

Rate Relief for Non Profit making organisations will not be awarded to

- profit making organisations
- empty properties
- charity shops
- private schools, colleges, nurseries or schools
- national charities or associations affiliated to national charities
- Housing Associations
- car parking spaces
- buildings used for worship

7 The Application Process

7.1 Information to be provided to support applications

7.2 Before an application can be considered the Council must be satisfied that it has all the information necessary to enable it to make a fair consideration. For the purposes of efficiency all applications must be made on the standard application form set out at Appendix A , Discretionary Rate Relief.

7.3 In addition to the standard application form ratepayers will be required to supply supporting information such as audited accounts and articles of association. In some circumstances the Council may decide that it is necessary for one or more officers to visit the rated premises to establish further facts.

7.4 In some instances the Council may require the applicant to visit the Council's offices to provide verbal information in support of the application. Where a visit is required the Council will give a minimum of fourteen days notice of the date the visit is required.

7.5 The Council will not consider applications where the ratepayer has failed to provide information that has been requested, or where the ratepayer does not cooperate with the Council's request to visit a property.

7.6 It is recognised that some organisations may not currently keep records of sufficient detail to provide the information that is normally required to support an application. Where the Council is satisfied that the information is genuinely not available, and that the organisation has co-operated to provide all information that is available, the Council will consider the application based on the information provided. Only one application will be considered in this way, and future applications must provide all information that is required.

7.7 If the process of keeping record to the standard required will incur additional expense for the organisation it will be up to the organisation to decide whether the additional expense is worthwhile in order to apply for relief.

7.8 Persons who can make application

7.9 Applications must be made by the ratepayer.

7.10 Where the ratepayer is an organisation the application must be made by a person with the authority to act on behalf of the organisation. The Council may ask for evidence that the person making the application is entitled to act in that capacity.

7.11 Reapplications

7.12 Where an application has been refused either initially or following an appeal, further applications will not be considered within the same financial year except where:

- a) The use of the property changes, or
- b) The objectives of the organisation change, or
- c) There have been other changes that may affect the Council's decision (for example where an organisation has taken action to address an issue which had previously precluded an award of relief).

8 Applications Not Meeting Legal Requirements

8.1 Where an application does not meet the legal requirement (for example if an organisation is established for profit) the application cannot be considered.

8.2 On receipt of each application the Business Rates Manager (or a suitable experienced officer of similar seniority) will assess whether it meets the essential legal requirements. Where the application does not meet those requirements it cannot be considered. The applicant will be advised in writing within four weeks of receipt of the application, giving the reason that the application does not meet the legal requirements.

8.3 Where the applicant disputes the decision of the Business Rates Manager they should make a written submission to the Head of Revenue and Benefits setting out their reasons for believing the legal requirements are met. The

decision will be reviewed by the Head of Revenue and Benefits whose decision will be final.

8.4 This process does not affect an applicant's right to challenge a decision by way of Judicial Review.

9 The Decision Making Process

9.1 All applications will be considered on an individual basis.

9.2 Normally discretionary relief will be awarded where it is clear that the activities of the applicant are of direct benefit to the local community and assist the Council in achieving its Sustainable Community Strategy.

9.3 Relief will not be awarded to organisations whose activities are contrary to the principles established by the Sustainable Community Strategy Priorities.

9.4 Consideration will be given to the financial impact on the Council and the local community in making awards. Relief may be refused or capped if it is considered that the financial cost to the Council or the local community outweighs the benefits generated through the award of relief.

9.5 In order to ensure there is a fair and consistent approach to the award of relief, all applications will be considered within the guidelines of this policy.

9.6 The criteria for the awarding of discretionary relief is set out in Appendix B

9.7 All applications will be considered on an individual basis by the Business Rates Manager who will provide an in depth report and recommendations which will include but not be limited to review sheet, with findings and financial implications and initial recommendations to the Council's Section 151 officer.

9.8 A written record will be kept of the decision and of the factors considered in the process. This record will be available to the applicant free of charge on request.

9.9 The decision will be notified to the applicant in writing and where less than the maximum amount of relief is granted an explanation of the reasons why full relief was not granted will be given.

9.10 Appeals against awards to be determined by a Member Appeals Panel.

9.11 Details of the recipients and the amount of awards will be reported to the Cabinet annually.

9.12 Interest of Officer and Members

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

9.14 Examples of interests include those in the following list. However, the list is not intended to be exhaustive.

- Membership of the organisation making an application
- A close relative who is a member of the organisation making an application
- An interest in the property for which the relief is being sought
- Membership of a similar organisation (e.g. a rival sporting club)

Where an officer is unsure whether they have an interest they should seek advice from the Section 151 Officer . Where a Councillor is unsure whether they have an interest they should seek advice from the Council's Monitoring Officer.

These three Heads of Service (i.e. Section 151 officer, Democratic Support & Legal) may in turn need to liaise with the Head of Revenue and Benefits on any case referred to them (e.g. where cases of conflict of interest will need to be monitored by Revenue Services on an on-going basis).

10 Calculation of relief

10.1 Relief will be calculated as a percentage of the rates bill.

10.2 If the rate bill reduces, for any reason, the relief will be reduced proportionately.

10.3 If the rates bill increases during the course of a year, for example due to an increase in rateable value, the amount awarded will not automatically be increased. However in all such cases the Council will reconsider the ratepayer's application and may award additional relief.

11 Right of Appeal

11.1 There is no statutory right of appeal against a decision regarding discretionary rate relief made by the Council. However, the Council recognises that ratepayers should be entitled to have a decision reviewed objectively if they are dissatisfied with the outcome.

11.2 The Council agrees to abide by the following appeals process and aggrieved ratepayers should make an appeal in accordance with the process.

11.3 Ratepayers will be notified of the appeals process in writing at the time that they are notified of the outcome of their request for rates relief.

11.4 This appeals process does not affect a ratepayer's legal rights.

12 Appeals Process

12.1 Appeals may only be made by the original applicant. An appellant may appoint an agent to act on their behalf and in such cases the Council will require written authorisation from the appellant before dealing with their agent.

12.2 Appeals against decisions will be considered by the Members Appeal Panel.

12.3 Decisions on appeals made by the Members Appeals Panel will be final.

12.4 Applicants must make an appeal within four weeks of the issue of the letter notifying them of the Council's decision.

12.5 Applicants will be notified of the date on which the appeal will be considered, which will be within twelve weeks of receipt of the appeal or as soon as reasonably practicable thereafter.

12.6 Applicants may appeal against the decision to award or not award relief, or against the level of relief awarded.

12.7 Appeals must be made in writing and must give the reasons why it is believed the decision should be amended. New or additional information may be included, but only if it is relevant to the decision making process.

12.8 The appellant does not have a right to appear in person but may make a request to present evidence in person. Such requests will be considered at the discretion of the Members Appeal Panel as appropriate.

12.9 The Members Appeal Panel can request a meeting with either the applicant and/or the appropriate Revenues and Benefits officer to hear evidence in person. The Members Appeal Panel may nominate a representative or representatives to attend such meetings on its behalf.

12.10 Each application will be considered individually on its merit.

12.11 The appeal decision may be adjourned if further information is required from either party.

12.12 The applicant will be informed of the final decision, and the reasons for the decision within four weeks of the hearing.

12.13 Submitting an appeal does not affect the appellant's legal rights to challenge a decision made by the Council through the Judicial Review process.

13 Discontinuation of Applications or Appeals

13.1 If the Council has requested further evidence from the ratepayer and this has not been received within four weeks the application or appeal will be deemed to have been discontinued.

13.2 Ratepayers will be notified in writing in these circumstances.

13.3 The ratepayer can reapply for Discretionary Rate Relief at a later date but the application will only be assessed from the date of the new application

14 Period of Rate Relief

14.1 Rate relief awarded under this policy will be awarded for one financial year except where it is considered between 1st April and 30th September where consideration may be given to awarding relief for the previous financial year.

14.2 Ratepayers receiving relief will be contacted and invited to reapply for relief for the following year, this invitation may be by signed declaration or the council may request a full application to be completed. Only one signed declaration will be accepted between applications.

15 Awards for previous financial years

14.1 The law allows claims received between 1st April and 30th September in any year to be considered for the previous financial year.

15.2 Requests for a backdated award of relief (i.e. for the previous year) will be dealt with in the same way as applications for the current year.

15.3 Relief cannot otherwise be backdated beyond 1st April of the year in which it is awarded.

16 Cancellation of relief

16.1 Relief will be cancelled if:

1. The applicant ceases to be the ratepayer
2. The property becomes empty or becomes occupied
3. The use of the property changes
4. The aims or objectives of the ratepayer change

5. There is an increase in the amount of rates payable

16.2 Where relief is cancelled for any of the reasons from (2) to (4) above, a new application may be made straight away.

16.3 Where relief is cancelled for reason (5) above the decision will immediately be reconsidered and a new decision made, based on the new amount of rates payable (see 10.3).

16.4 Any existing relief may apply upon change of address within the borough, following confirmation that the nature of occupation is unchanged.

17 Notification of awards

17.1 The Council will consider applications within six weeks of the application and all supporting information being received or as soon as practicable thereafter.

17.2 Notification of the outcome of the decision will be made in writing within fourteen days of the decision being considered.

18 Action to recover unpaid rates whilst a decision is pending

18.1 Unless otherwise agreed, ratepayers are required to continue to pay, in accordance with the latest demand notice, pending the outcome of an application

19 Promotion of the availability of relief

19.1 The Council will proactively promote the availability of discretionary relief, and this policy, in the following ways.

- All rate demands will have accompanying information explaining the availability of relief.
- Employees who deal with enquiries from ratepayers will be trained in all aspects of this policy
- The Council will work in partnership with other organisations that may have a stake in this area.
- The policy will be published on the Council's web site and printed copies will be made available to ratepayers and other stakeholders on request.

20 Budget for Rate Relief

20.1 The Council will set an annual budget for awards of discretionary rate relief. The balance of funds within this budget will be considered when making decisions for the award of relief.

**Appendix A
Discretionary Rate Relief**

Application for Charitable Discretionary Rate Relief under Sections 43(6) and 47 of the Local Government Finance Act 1988.

Please read the guidance notes below before completing this form. If you need further help please contact the Business Rates Section on
01753 772220

1. Details of Organisation:

Name:

What are the main objects and purposes of the organisation?

Area covered by organisation:

Name of any Organisation affiliated to:

Please give details of other organisations in Slough Borough Council area providing the same services:

3. Details of premises for which relief is sought:

Description:

Address:

Business Rates Account Reference (if known)

For what purposes are the premises used?

If used for any other purpose other than those of the claimant please give details:

Are there any facilities in the property which are made available to people other than members, e.g. schools, casual public sessions?

Yes/No
If YES please provide details:

Is there a bar on the premises?

Yes/No

If Yes and the organisation is not a Social Club, please state the number of:

Paying Members	
Non-Paying Members	

Are your premises and activities accessible for all groups of disabled people, including wheelchair users, deaf people and blind people? Are your materials accessible to everybody? (For example: print size, graphic design, plain English, meetings structure, speaker's presentations etc.)

Yes/No
If Yes please provide details:

4. Membership Details

Number of Members

Do members pay a Subscription? Yes/No If Yes, how much?

Adults:	Juniors:
----------------	-----------------

When were subscriptions last increased?

From what other sources are funds raised?

To what extent have the facilities been provided by self help?

Of the total membership, how many live outside the Borough Council's area?

Is membership open to all members of the community?

Yes/No

Are profits made available to people other than members?

Yes/No

If Yes please provide details:

Is membership encouraged from minority groups?

Yes/No

If yes please detail what positive steps are taken to involve hard to reach groups such as black and ethnic minority people, young people, different religions, lesbians and gay men.

Does the organisation provide training or education for its members and are there schemes for particular groups to develop their skills, e.g. young people, the disabled, retired people?

Yes/No
If Yes please provide details:

5. Charitable Status

Is the organisation a registered charity?

Yes/No

If yes, please state the charity registration number.

If not, has an application been made for registration under the provisions of the Charities Act 1960?

Yes/No

If exempt from registration please state why.

If you are not a registered charity or an exempt charity, is the organisation recognised as a charity for tax purposes?

Yes/No

If yes please provide a copy of a letter from the HM Revenue & Customs confirming this.

6. If you are applying for Discretionary Relief please supply:

- (a) a copy of the Memorandum and Articles of Association, or Rules of the Association.**
- (b) Copies of your latest accounts and balance sheets for the last two years.**
- (c) A copy of the organisation's Equal Opportunities Policy, if available.**

7. Contact details:

Please provide the name, address and contact telephone number of the secretary or correspondent.

Please remember to notify us of any change to these contact details

8. I certify that the information provided above is correct to the best of my knowledge and belief:

Signature:	Date:
Capacity in which signed:	

When completed this form should be returned to:

**Slough Borough Council
St Martins Place
51 Bath Road
Slough
SL1 3UF**

Business Rates Discretionary Relief Application Guidance

What is Charitable Rate Relief?

It is a relief scheme that allows rates bills to be reduced for charitable and non-profit making organisations.

What Organisations may Qualify?

If your organisation is a registered charity, and the property concerned is used wholly or mainly for charitable purposes, then you may be entitled to 80% relief.

If your organisation is not a charity, but is another type of non-profit making organisation, the Council still has discretion to award relief. To be eligible for consideration you must be a non-profit making body and the property used for charitable, philanthropic or religious purposes, or concerned with education, social welfare, science, literature or the fine arts, or used wholly or mainly for recreation by a not-for-profit club or society.

How do I Apply?

Complete the application form and return to the address shown on the form.

If there is insufficient space on the form and you would like to add additional information then you can attach additional sheets if you wish.

Factors Considered when Assessing your Application for Discretionary Relief

(a) Whether the application satisfies the legal requirements

The Authority cannot award relief to any organisation that does not meet the legal requirements of Section 47 of the Local Government Finance Act 1988.

(b) The benefit the ratepayer brings to the residents of the Borough

The Authority needs to ensure that the award of Discretionary Rate Relief is to the benefit of the wider population of the Slough Borough Council. Any ratepayer whose membership comes from largely outside the Borough's boundaries is unlikely to qualify for relief

unless they can prove a sound case for a specific and unequivocal benefit to residents of the Borough.

(c) Whether the ratepayer is a local organisation, or a branch of a national organisation

The Authority will need to consider the overall benefit to the community of the organisation and what effect the award of rate relief will have upon the organisation. If the benefit of the rate relief is kept locally, the relief is more likely to be awarded than if it goes to a national organisation which is based elsewhere.

(d) Membership costs

The cost of membership should not be used as a means to restrict membership.

(e) Whether the organisation actively promotes representation from disadvantaged or under-represented groups in the community

Organisations which do so are more worthy of rate relief and are requested to supply detailed information on action taken to ensure that the benefits of the organisation are in practice reaching or being brought to the attention of all those who might benefit.

(f) Whether membership is determined by the votes of existing members

Where an organisation determines membership based on the election by existing members this could be construed as a restriction. Such organisations will need to be carefully evaluated as to whether they should receive rate relief.

(g) Whether the organisation provides training or education for its members

An organisation which provides training packages or educational aspects for its members is more worthy of relief than one which does not.

(h) Is the organisation or the facilities provided being funded largely self-help rather than relying on full external funding?

Whilst many organisations do depend on grant-aid and awards from statutory bodies, those which undertake fundraising themselves by various methods are probably more worthy of rate relief than those who do not make additional efforts.

What if Circumstances Change?

If the aims and objectives of the organisation, or the way in which the premises are used, change then the Council needs to be notified of this immediately.

Further Information

If you require further information then contact the Business Rates Section on 01753 772220

Where to send your Application Form

Slough Borough Council

St Martins Place

51 Bath Road

Slough

SL1 3UF

Appendix B

	Guidelines	Mandatory Relief	Discretionary Relief (Up to a maximum)	Total Relief (Up to a maximum)
1	Charitable bodies ^{i,ii} whose main objectives are to work with vulnerable areas of the community (for example but not limited to – children, youth, elderly).	80%	20%	100%
2	Charitable bodies whose main objectives are to work with vulnerable areas of the community in respect, but not limited to, health, disability, well- being.	80%	20%	100%
3	Charitable bodies whose main objectives are concerned with the Arts. This includes for example, but not limited to, museums, theatres, artists workshops.	80%	20%	100%
4	Charitable bodies that run educational establishments including voluntary aided, Foundation Schools, and Academy schools.	80%	Nil	80%
PAGE 8 OF 8	Charitable bodies that provide advice and information to the residents of Slough Borough Council either free of charge or at minimal cost. This includes, but not limited to, employment advice.	80%	Nil	80%
	Charitable bodies that are established for the purposes of running and maintaining meeting places, halls and community spaces	80%	20%	100%
8	Organisations which are registered with Inland Revenue as Community Amateur Sports Clubs (CASCs).	80%	20%	100%
8	Charitable bodies that are established for the purposes of encouraging sport or other elements of a healthy lifestyle to the residents of Slough Borough Council . Membership must be in excess of 50% of residents within Slough Borough Council .	80%	20%	100%
9	Properties that are occupied by Charitable bodies for the purposes of income generation, for example charity shops, who are eligible for mandatory rate relief.	80%	Nil	80%
10	Properties that are occupied by Charitable bodies for the purposes of administering the organisation, for example Admin Offices for National Charities, Over seas Aid Organisations who are eligible for mandatory rate relief.	80%	Nil	80%
11	Properties that are occupied by Charitable bodies who currently receive other funding from the Council	80%	20%	100%
12	Properties that are occupied by Charitable bodies for the purposes of Social Clubs	80%	Nil	80%
13	Not for profit organisations whose main objectives are charitable or are otherwise philanthropic, or religious, or concerned with education, social welfare, science, literature or the fine arts and do not fit in the above categories.	-	80%	80%
14	Properties that are occupied by non-profit organisations and are wholly or mainly used for purposes of recreation and sport or other elements of a healthy lifestyle to the residents of Slough Borough Council Membership must be in excess of 50% of residents within Slough Borough Council	-	80%	80%

	Guidelines	Mandatory Relief	Discretionary Relief (Up to a maximum)	Total Relief (Up to a maximum)
15	Where the property is used for purposes which are of benefit to the wider local community but does not fall in any of the above guidelines and it would be in the interests of the Council Tax payer to make an award.	-	80%	80%

Charitable bodies covers both registered charities and bodies established for charitable purposes (ie not for profit or Community Interest Companies (which have been established. for charitable purposes)) and who qualify under the definition under s43 and s47 of LGFA. The property must be used wholly or mainly for charitable purposes.

**DISCRETIONARY RATE RELIEF CRITERIA
CHARITABLE, VOLUNTARY & NOT-FOR-PROFIT ORGANISATIONS**

Table 1 – Qualifying Criteria

	Criteria	Evidence	Points
1	Premises used wholly or mainly for the benefit of the community	Written declaration	Mandatory as per the regulations
2	Proof and acceptance of written constitution	Copy of current document	Mandatory as per the regulations
3	Audited accounts	Copy of latest certified accounts	Mandatory as per policy
4	Membership is open to all sections of the community	Copy of current membership list / articles of association	5
5	Demonstrable Link to SBC Priorities	Application Form	Yes / No
6	Is the Council relieved of providing certain facilities or services because of this organisation and is therefore relieved of the financial burden	Application Form	Yes / No
7	local organisations that have a governing body whose membership mainly consists of people who live and/or work in Slough	Application Form	Yes /No
8	organisations reliant on volunteers to carry out their activities	Application Form	Yes/ No
9	Membership / services are free or charged at an affordable level	Copy of fee structure / articles of association Affordable is defined at £20 - £30 per annum or less	10
10	No Alternative Service provision within the borough	Written declaration and knowledge from SBC	15

11	Percentage of members / service users resident within the borough	Membership list / written confirmation	<80 0 >80 10
12	Provision of facilities by self-help	Fund raising activities	10
13	Premises used by non-members	Details of groups / frequency of meetings	Free 5 Regular 5
14	Additional services including training	Service documentation	5 per additional service (max.10)
15	Does the organisation have the ability to pay their rates	Historical information	Yes/ No

Table 2 – Relief Awards

Points Total	% Discretionary Rate Relief	
	Non-Registered Charity	Registered Charity
0 – 5	10	Mandatory Relief only
6-10	20	Mandatory Relief only
11-15	30	Mandatory Relief only
16-20	35	Mandatory Relief only
21-25	40	Mandatory Relief only
26-30	45	Mandatory Relief only
31-35	50	Mandatory Relief only
36-40	55	Mandatory Relief only
41-45	60	Mandatory Relief only
46-50	65	5
51-55	70	10
56-60	75	15
61-70	80	20

Exclusions

- Organisations carrying out activities that are not deemed beneficial to the local community will be excluded from the Discretionary Rate Relief Scheme.
- Organisations operating restrictive membership schemes will be excluded from the Discretionary Rate Relief Scheme.
- Charity Shops will be restricted to Mandatory Rate Relief only (80%).
- Overseas Aid Organisations, National Charities and those affiliated to national charities, will be restricted to Mandatory Relief
- Social Clubs will be restricted to Mandatory Relief only

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Policy for a Business Rates

Rate Relief for Properties that are Partially Unoccupied for a Temporary Period (Section 44a)

2018-19 onwards

1 Background

1.1 Under section 44a of the Local Government Finance Act 1988 the Council has a discretionary power to allow rate relief where a property is partly occupied for a temporary period.

1.2 The granting of this relief is entirely under the discretion of Slough Borough Council and each case will be considered on its merits and be referenced to the interests of Slough Council Tax payers.

1.3 Applications will be considered where the premises are partly unoccupied due to:

- a) full occupation being phased in over a period of time
- b) full vacation occurring in stages over a period of time
- c) temporary occupation due to remedial building or refurbishment works, fire damage or similar

2 Calculation of Rate Relief

2.1 The amount of relief is calculated on a statutory basis based on the rateable value of the empty portion of the property. The appropriate rateable value is provided by the Valuation Office Agency.

3 Cost to the Council

3.1 Relief is generally funded partly from the Council's collection fund, certain reliefs or exemptions are partly by central government.

3.2 The Council is with effect from April 2018 part of the Berkshire Rates Retention Piolet and this has changed the costs of awarding Section 44a , partially occupied relief. This means that with effect from the 1st April 2018 the Council will bear the full cost of the relief.

3.3 The Council recognises that awarding partially occupied rate relief (also referred to as Section 44a Relief) is beneficial to local businesses and can contribute to the Sustainable Community Strategy, priority of Economy and Skills.

4 Policy

4.1 A ratepayer is liable for the full business rate whether a property is wholly occupied or only partly occupied. Where a property is partly occupied for a short time, the local authority has discretion to award relief on the unoccupied part

4.2 The Council recognises the important part this relief can play in the economic regeneration of the Borough and will give serious consideration to each complete application submitted

4.3 Relief can only be awarded where the partial occupation is of a temporary nature. Where the same area, or part of the same area, is, or is expected to be, unoccupied for a period in excess of one year the Council will not consider this to be of a temporary nature.

4.4 From 1 April 2008, as a consequence of the reforms to empty property relief, the empty part will receive a complete exemption from business rates for the first 3 months it is empty (or, if it is an industrial property, for the first 6 months). After the initial rate-free period expires, in most cases the apportionment will cease to have effect and the occupied business rate will apply to the whole property.

5 Applications

5.1 To qualify for relief the ratepayer is required to make a written application and must supply a plan of the property with the unoccupied portions clearly identified.

6 Verification of Claim

6.1 The Council will require access to the property during normal working hours within four weeks of receiving the application, to verify the claim.

6.2 Further access may be required on at least one occasion each month, during normal office hours, during the period for which relief is being awarded.

6.3 Relief will not be awarded under any circumstance where it is not possible to verify the claim.

6.4 There will be no retrospective granting of relief where a request is made after the premises become fully operational or fully vacated.

7 The Decision Making Process

7.1 All applications will be considered on an individual basis.

7.2 In order to ensure there is a fair and consistent approach to the award of relief, all applications will be considered within the guidelines of this policy.

7.3 All applications will be considered on an individual basis by the Business Rates Manager who will provide an in depth report and recommendations which will include but not be limited to review sheet, with findings and financial implications and initial recommendations to the Council's Section 151 officer.

7.4 A written record will be kept of the decision and of the factors considered in the process. This record will be available to the applicant free of charge on request.

7.5 The decision will be notified to the applicant in writing and where less than the maximum amount of relief is granted an explanation of the reasons why full relief was not granted will be given.

7.6 Appeals against awards to be determined by a Member Appeals Panel.

7.7 Details of the recipients and the amount of awards will be reported to the Cabinet annually.

8 Interest of Officer and Members

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

8.2 Examples of interests include those in the following list. However, the list is not intended to be exhaustive.

- An interest in the business making an application
- A close relative who has an interest in the business making an application
- An interest in the property for which the relief is being sought
- In interest in a similar business

Where an officer is unsure whether they have an interest they should seek advice from the Section 151 Officer . Where a Councillor is unsure whether they have an interest they should seek advice from the Council's Monitoring Officer.

These three Heads Service Leads (i.e. Section 151 officer, Democratic Support & Legal) may in turn need to liaise with the Head of Revenue and Benefits on any case referred to them (e.g. where cases of conflict of interest will need to be monitored by Revenue Services on an on-going basis).

9 Appeals

9.1 The ratepayer may appeal against a decision to refuse relief within four weeks of being notified of the refusal.

9.2 Any appeal must be in writing and should set out the reasons for the appeal.

9.3 Appeals will be considered by the Members Appeal Panel whose decision will be final.

10 Duration of Relief

10.1 Relief will end under the following circumstances:

- a) At the end of a financial year
- b) All or part of the unoccupied area becoming occupied
- c) A change of liable person
- d) Where all or part of the unoccupied area has remained unoccupied for one year*

10.2 A new application may be submitted immediately if relief ends for any of the reasons numbered from (a) to (c) above.

11 Payment of Business Rates

11.1 Payment of Business rates cannot be withheld because an application has been submitted or pending the receipt of the Section 44A Certificate from the Valuation Officer.

11.2. Unless otherwise agreed, ratepayers are required to continue to pay, in accordance with the latest demand notice, pending the outcome of an application

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Policy for Business Rate Relief on the Grounds of Hardship

2018-19 onwards

1 Background

- 1.1 Under section 49 of the Local Government Finance Act 1988, the Council has a discretionary power to allow Business Rates relief to relieve hardship. The hardship does not necessarily need to be financial in nature.
- 1.2 In considering applications for hardship relief the Council must have regard for the interest of the community as a whole. This includes the cost to the community and the benefits, or disadvantages of awarding hardship relief.

2 Costs to the Council

- 2.1 The Council is with effect from April 2018 part of the Berkshire Rates Retention Piolet and this has changed the costs of awarding Hardship Relief. This means that with effect from the 1st April 2018 the Council will bear the full cost of the relief.

3 Policy

Business Rates

- 3.1 There is no definition in the legislation for 'hardship', and as the scheme is aimed at covering unforeseen events it is not possible to list precise criteria.
- 3.2 However, a 'crisis' would have to result in a serious loss of income, trade or have a major effect on the services that can be provided for Business Rates
- 3.3 'Exceptional circumstances' will usually be circumstances that are outside the control of the business or organisation and are beyond the normal risks faced by businesses. The effect of strikes within a business or organisation increased running costs and increased competition would not be considered as 'exceptional circumstances' as they are normal business risks.
- 3.4 As a general rule, circumstances that would be covered by a commercial insurance policy or by compensation from public funding would not be considered
- 3.5 The Council recognises that there may be occasional circumstances in which the use of this power is beneficial to ratepayers or the community. However, in accordance with Government guidelines it accepts that this power should be used sparingly and only in the most exceptional circumstances.
- 3.6 All requests for hardship relief will be considered on an individual basis and decisions will be made in accordance with this policy and where the Council is satisfied that:
 - a) The ratepayer will suffer hardship if the relief is not granted

b) There is a direct benefit to the ratepayer, or the community, and there is no adverse impact to other ratepayers or the community as a result of awarding relief

c) The cost to local taxpayers is proportional to the benefits to the community

4 Applications

4.1 Applications must be made in writing by the ratepayer, their agent or someone authorised to act on their behalf .

4.2 Applications must provide the following information as appropriate

For Business Rates

1. The reason for the application
2. A set of the most recent accounts
3. A set of the last audited accounts
4. An up to date trading statement showing the current financial situation of the business
5. Details of the amount of relief requested
6. An explanation of the benefits to the community arising from and award of relief.
7. All other eligible discounts/reliefs have been awarded to the ratepayer.
8. The liable person for a unoccupied property has made their best efforts to sell or let the property and to levy a Business Rates charge would cause them exceptional financial hardship.
9. The Council's finances allow for a reduction to be made and it is reasonable to do so in light of the impact on other chargepayers and the community.

5 Additional Items

5.1 The following items contained in the policy for the award of relief for charities and not-for-profit organisations will also apply in respect of applications for business rate relief on the grounds of hardship.

6 State Aid Regulations

- 6.1 There are European Union regulations which restrict the award of state aid and under certain circumstances the award of discretionary relief could be considered to be state aid.
- 6.2 These circumstances in which the EU regulations need to be considered will be where the organisation engages in commercial activities or competes with commercial bodies because of an activity it carries out. For example a not for profit training organisation that also provides training services to businesses.
- 6.3 If the organisation undertakes any commercial activity it must be commercially insignificant and localised so that there is no potential impact on intra-community trade, otherwise the regulations governing state aid will apply.
- 6.4 Guidance on State Aid is available via the government web site at <https://www.gov.uk/government/publications/enterprise-zones-state-aid-and-business-rate-discounts>
- 6.5 All businesses applying for any Business Rates relief will need to confirm any other state aid they are receiving.

7 Information to Support Applications

- 7.1 In addition to the standard application form ratepayers will be required to supply supporting information such as audited accounts and articles of association. In some circumstances the Council may decide that it is necessary for one or more officers to visit the rated premises to establish further facts.
- 7.2 In some instances the Council may require the applicant to visit the Council's offices to provide verbal information in support of the application. Where a visit is required the Council will give a minimum of fourteen days notice of the date the visit is required.
- 7.3 The Council will not consider applications where the ratepayer has failed to provide information that has been requested, or where the ratepayer does not cooperate with the Council's request to visit a property.
- 7.4 It is recognised that some organisations may not currently keep records of sufficient detail to provide the information that is normally required to support an application. Where the Council is satisfied that the information is genuinely not available, and that the organisation has co-operated to provide all information that is available, the Council will consider the application based on the information provided. Only one application will be considered in this way, and future applications must provide all information that is required.

8 Authority to award relief

- 8.1 All applications will be considered on an individual basis by the Head Revenues and Benefits who will provide an in depth report and recommendations which will include but not be limited to review sheet, with findings and financial implications and initial recommendations to the Council's Section 151 officer.
- 8.2 All applications for awards of Hardship Relief will be determined by the Council's S151 Officer.
- 8.3 All applications for awards of Hardship Relief will be subject to a maximum award of the equivalent of 6 months Business Rates payable.
- 8.4 A written record will be kept of the decision and of the factors considered in the process. This record will be available to the applicant free of charge on request.
- 8.5 The decision will be notified to the applicant in writing
- 8.6 Appeals against awards to be determined by a Member Appeals Panel.
- 8.7 Details of the recipients and the amount of awards will be reported to the Cabinet annually.

9 Interests of Officers and Members

- 9.1 Officers and Members who have an interest in any aspect of an application for relief must not participate in the decision making process and must declare their interest.
- 9.2 Examples of interests include those in the following list. However, the list is not intended to be exhaustive.
 - An interest in the business making an application
 - A close relative who has an interest in the business making an application
 - An interest in the property for which the relief is being sought
 - In interest in a similar business

Where an officer is unsure whether they have an interest they should seek advice from the Section 151 Officer . Where a Councillor is unsure whether they have an interest they should seek advice from the Council's Monitoring Officer.

These three Heads Service Leads (i.e. Section 151 officer, Democratic Support & Legal) may in turn need to liaise with the Head of Revenue and

Benefits on any case referred to them (e.g. where cases of conflict of interest will need to be monitored by Revenue Services on an on-going basis).

10 Appeals

- 10.1 There is no statutory right of appeal against a decision regarding a hardship relief decision made by the Council. However, the Council recognises that ratepayers should be entitled to have a decision reviewed objectively if they are dissatisfied with the outcome.
- 10.2 The Council agrees to abide by the following appeals process and aggrieved ratepayers should make an appeal in accordance with the process.
- 10.3 Ratepayers will be notified of the appeals process in writing at the time that they are notified of the outcome of their request for rates relief.
- 10.4 This appeals process does not affect the Ratepayers legal rights.

11 Appeals Process

- 11.1 Appeals may only be made by the original applicant. An appellant may appoint an agent to act on their behalf and in such cases the Council will require written authorisation from the appellant before dealing with their agent.
- 11.2 Appeals against decisions will be considered by the Members Appeal Panel. Decisions on appeals made by the Members Appeal Panel will be final.
- 11.3 Applicants must make an appeal within four weeks of the issue of the letter notifying them of the Council's decision.
- 11.4 Applicants will be notified of the date on which the appeal will be considered, which will be within eight weeks of receipt of the appeal, or as soon as reasonably practicable thereafter.
- 11.5 Applicants may appeal against the decision to award or not award relief, or against the level of relief awarded.
- 11.6 Appeals must be made in writing and must give the reasons why it is believed the decision should be amended. New or additional information may be included, but only if it is relevant to the decision making process.
- 11.7 The appellant does not have a right to appear in person but may make a request to present evidence in person. Such requests will be considered at the discretion of the Members Appeal Panel as appropriate.
- 11.8 The Members Appeal Panel can request a meeting with either the applicant and/or the appropriate Revenues and Benefits officer to hear evidence in

person. The Members Appeal Panel may nominate a representative or representatives to attend such meetings on its behalf.

- 11.9 Each application will be considered individually on its merit.
- 11.10 The appeal decision may be adjourned if further information is required from either party.
- 11.11 The applicant will be informed of the final decision, and the reasons for the decision within four weeks of the hearing.
- 11.12 Submitting an appeal does not affect the appellant's legal rights to challenge a decision made by the Council through the Judicial Review process.

12 Discontinuation of Applications or Appeals

- 12.1 If the Council has requested further evidence from the Ratepayer and this has not been received within four weeks the application or appeal will be deemed to have been discontinued.
- 12.2 Ratepayers will be notified in writing in these circumstances

13 Notifications and payment of award

- 13.1 The Council will consider applications within six weeks of the application and all supporting information being received or as soon as practicable thereafter.
- 13.2 Notification of the outcome of the decision will be made in writing within fourteen days of the decision being considered.
- 13.3 If your application is successful, the balance on your Business Rates account will be reduced. The maximum amount of help is 100% of your Business Rates liability. Any hardship payment will be made by way of reduction to your Business Rates charge.

14 Amount of Relief

- 14.1 Relief may be awarded as a fixed sum or as a percentage of the rates bill.

15 Duration of Relief

- 15.1 Relief will normally only be awarded retrospectively. However, where the applicant can show that the circumstances will remain the same for a period up to the end of the current financial year relief may be award for the remainder of the year.

In all cases relief will end in the following circumstances:

1. At the end of a financial year
2. A change of liable person
3. The property becomes empty, or become occupied
4. The ratepayer enters any form of formal insolvency
5. The ratepayers financial circumstances change (the ratepayer must inform the Council if their circumstance change)

16 Examples of appropriate circumstances

- 16.1 The following examples indicate circumstances where it may be appropriate to award relief. They are included in this policy in the form of broad general guidelines and are not intended to be prescriptive.

In the first instance the District Valuation Officer will be asked to review the assessment.

- a) The ratepayer is severely or terminally ill
- b) Without rate relief the business will close and deprive local residents of an essential service.
- c) The ratepayer's business has been detrimentally affected by circumstances beyond the ratepayers control and that do not constitute part of the normal risks in running a business (e.g. a natural disaster, an unusual or uncontrollable event in the neighbourhood of the business such as a fire making the immediate area of the business unsafe).

17 Action to recover unpaid Business Rates

- 17.1 Once an application, or an appeal, is received for Hardship Relief no action will be taken to recover unpaid charges until fourteen days after the decision has been notified to the ratepayer.
- 17.2 In the event of an application or appeal being discontinued recovery action may be commenced seven days after the Ratepayer has been notified of the discontinuation.

18 Promotion of Rate Relief

- 18.1 The Council will promote the availability of hardship relief, and this policy, in the following ways.
- All demands will have accompanying information explaining the availability of relief.

- Employees who deal with enquiries from Ratepayers will be trained in all aspects of this policy
- The Council will work in partnership with other organisations that may have a stake in this area.
- The policy will be published on the Council's web site and printed copies will be made available to ratepayers and other stakeholders on request.

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Policy for a Business Rates General Rate Relief Scheme

2018-19 onwards

1 Background

1.1 Section 69 of the Localism Act 2011 amends the Local Government Finance Act 1988 to allow local authorities the discretion to award rate relief to all types of businesses.

1.2 The granting of this relief is entirely under the discretion of Slough Borough Council and each case will be considered on its merits and be referenced to the interests of Slough Council Tax payers.

2 Calculation of Rate Relief

2.1 The amount of relief is will be determined by Slough Borough Council

3 Cost to the Council

3.1 The Council is with effect from April 2018 part of the Berkshire Rates Retention Piolet and this has changed the costs of awarding General Rate Relief. This means that with effect from the 1st April 2018 the Council will bear the full cost of the relief.

4 Policy

4.1 Any ratepayer applying for discretionary rate relief who does not meet the criteria for relief under the specifically named categories mentioned in this policy, may apply for general rate relief. Relief will be considered on the individual merits of each case, having due regard to:

- The ratepayer must not be entitled to any other Rate Relief including Mandatory or Discretionary Rate Relief
- The ratepayer must not be an organisation that could receive relief as a non profit making organisation or as Community Amateur Sports Club
- The ratepayer must occupy the premises - no relief will be granted for unoccupied properties

4.2 Consideration will only be given to businesses where awarding the relief will provide a major benefit to the tax payers of Slough Borough Council and the authority.

4.3 Consideration will be given to applications from the following

- If the ratepayer is a new business coming into the Slough Borough Council area

- If the ratepayer creates new employment opportunities for a minimum of 5 employee's for a period of twelve months for individuals:

- who reside in the Slough Borough Council area

and

- who have been unemployed* for a period of six months (continuous) Are they going to sign a declaration to this effect?

* Unemployed refers to those in receipt of Job Seekers Allowance or Employment Support Allowance.

- The premises and the organisation must be of significant benefit to the residents of the Slough Borough Council area
- If the ratepayer provides:
 - Facilities to certain priority groups such as elderly, disabled, minority or disadvantaged groups
 - Significant employment or employment opportunities to residents of the Slough Borough Council
 - Residents of the Council with such services, opportunities or facilities that cannot be obtained locally or are not provided by another organisation
- If the ratepayer complies with all legislative requirements and operates in an ethical, sustainable and environmentally friendly manner at all times
-
- The impact and best interests of the Council Tax payers of Slough Borough Council
- The financial status of the applicant

4.4 Consideration will also be given to application which aid access to **free** to use cash machines.

Recent reports have highlighted the difficulties of obtaining cash in certain localities. We will therefore consider applications in order to provide relief to cash machines where there is a clear community benefit, such as where cash machine providers commit to introduce extra cash machines or reduce charges on existing machines.

4.5 The Council recognises the important part this relief can play in the economic regeneration of the Borough and will give serious consideration to each complete application submitted

5 Applications

5.1 To qualify for relief the ratepayer is required to make a written application, setting out, as part of the application; the benefits that the ratepayer considers will accrue to the Slough Borough Council Taxpayers as a result of the award.

5.2 The application must demonstrate how the ratepayer meets the criteria outlined above

5.3 Applications in respect of a new liability will be determined from the date the liability commences if the application is made within 28 days of the dispatch of the Business Rates bill and for existing liability from the date the application is submitted.

6 Verification of Claim

6.1 The Council will request documentation to verify the claim which must be submitted within 28 days of the request

6.2 The Council may chose to visit the premises, and access must be given within 28 days of the request.

6.3 Failure to provide access or documentation within the timescale will render you application void.

6.4 Reapplications can be made at any future time but the award will only be made from the date that the application is received by Slough Borough Council

7 Authority to Award Relief

7.1 All applications will be considered on an individual basis by the Section 151 officer in conjunction with the Chief Executive

7.2 A written record will be kept of the decision and of the factors considered in the process. This record will be available to the applicant free of charge on request.

7.3 The decision will be notified to the applicant in writing

7.4 Appeals against awards to be determined by a Member Appeals Panel.

7.5 Details of the recipients and the amount of awards will be reported to the Cabinet annually.

8 Interests of Officers and Members

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

8.2 Examples of interests include those in the following list. However, the list is not intended to be exhaustive.

- An interest in the business making an application
- A close relative who has an interest in the business making an application
- An interest in the property for which the relief is being sought
- In interest in a similar business

Where an officer is unsure whether they have an interest they should seek advice from the Section 151 Officer. Where a Councillor is unsure whether they have an interest they should seek advice from the Council's Monitoring Officer.

These three Heads Service Leads (i.e. Section 151 officer, Democratic Support & Legal) may in turn need to liaise with the Head of Revenue and Benefits on any case referred to them (e.g. where cases of conflict of interest will need to be monitored by Revenue Services on an on-going basis).

9 Appeals

9.1 There is no statutory right of appeal against a decision regarding a General Rate Relief decision made by the Council. However, the Council recognises that ratepayers should be entitled to have a decision reviewed objectively if they are dissatisfied with the outcome.

9.2 The Council agrees to abide by the following appeals process and aggrieved ratepayers should make an appeal in accordance with the process.

9.3 Ratepayers will be notified of the appeals process in writing at the time that they are notified of the outcome of their request for rates relief.

9.4 This appeals process does not affect the Ratepayers legal rights.

10.0 Appeals Process

10.1 Appeals may only be made by the original applicant. An appellant may appoint an agent to act on their behalf and in such cases the Council will require written authorisation from the appellant before dealing with their agent.

10.2 Appeals against decisions will be considered by the Members Appeal Panel. Decisions on appeals made by the Members Appeal Panel will be final.

10.3 Applicants must make an appeal within four weeks of the issue of the letter notifying them of the Council's decision.

10.4 Applicants will be notified of the date on which the appeal will be considered, which will be within eight weeks of receipt of the appeal, or as soon as reasonably practicable thereafter.

10.5 Applicants may appeal against the decision to award or not award relief, or against the level of relief awarded.

10.6 Appeals must be made in writing and must give the reasons why it is believed the decision should be amended. New or additional information may be included, but only if it is relevant to the decision making process.

10.7 The appellant does not have a right to appear in person but may make a request to present evidence in person. Such requests will be considered at the discretion of the Members Appeal Panel as appropriate.

10.8 The Members Appeal Panel can request a meeting with either the applicant and/or the appropriate Revenues and Benefits officer to hear evidence in person. The Members Appeal Panel may nominate a representative or representatives to attend such meetings on its behalf.

10.9 Each application will be considered individually on its merit.

10.10 The appeal decision may be adjourned if further information is required from either party.

10.11 The applicant will be informed of the final decision, and the reasons for the decision within four weeks of the hearing.

10.12 Submitting an appeal does not affect the appellant's legal rights to challenge a decision made by the Council through the Judicial Review process.

11 Discontinuation of Applications or Appeals

11.1 If the Council has requested further evidence from the Ratepayer and this has not been received within four weeks the application or appeal will be deemed to have been discontinued.

11.2 Ratepayers will be notified in writing in these circumstances

12.0 Notifications and payment of award

12.1 The Council will consider applications within six weeks of the application and all supporting information being received or as soon as practicable thereafter.

12.2 Notification of the outcome of the decision will be made in writing within fourteen days of the decision being considered.

12.3 If your application is successful, the balance on your Business Rates account will be reduced.

13 Amount of Relief

13.1 Relief may be awarded as a fixed sum or as a percentage of the rates bill.

14.0 Duration of Relief

14.1 Relief will normally only be awarded for the financial year the application was submitted.

In all cases relief will end in the following circumstances:

1. At the end of a financial year
2. A change of liable person
3. The property becomes empty, or become occupied
4. The ratepayer enters any form of formal insolvency
5. The ratepayers financial circumstances change (the ratepayer must inform the Council if their circumstance change)

15.0 Payment of Business Rates

15.1 Payment of Business rates cannot be withheld because an application has been submitted

15.2 Unless otherwise agreed, ratepayers are required to continue to pay, in accordance with the latest demand notice, pending the outcome of an application

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Policy for Business Rates 2018-19 onwards

New Discretionary Relief Scheme / Revaluation Support

1 Introduction

- 1.1 The Chancellor in the Spring Statement on 3rd March 2017 announced that the government would provide Council's with additional Section 31 grant to assist businesses affected by the April 2017 revaluation of Business Rates, that this scheme would run until 2020-21 with a reducing budget over the period.
- 1.2 There was no definition or guidance proposed by central government on the basis that local authorities would be best placed to determine the parameters of the scheme as they knew their area.
- 1.3 As the legislation has been amended to introduce this change under the discretionary powers, this means that each Local Authority needs to develop a policy to deal with the operation and delivery of the relief up to State Aid De Minimis limits.

2. How the relief will be provided?

- 2.1 As this is a temporary measure for 2017-18 to 2020-21, the government is not changing the legislation; instead the government will reimburse local authorities that use their discretionary relief powers, under section 47 of the Local Government Finance Act 1988, as amended, to grant relief.
- 2.2 It will be for individual local billing authorities to adopt a local scheme and decide in each individual case when to grant relief under section 47.
- 2.3 Central Government will fully reimburse local authorities for the local share of the discretionary relief (using a grant under section 31 of the Local Government Act 2003). The Government expects local government to grant relief to qualifying ratepayers.

3. Who will be eligible for Relief

- 3.1 This policy applies to those moving to higher bills only it is not available for those businesses whose bills have decreased or remain the same following the revaluation or after applying eligibility for other relief schemes would not be eligible for the extra relief for new discretionary relief also known as revaluation support.
- 3.2 If an award is made and a subsequent award of another discount, exception or relief is awarded the award of the new discretionary relief / revaluation support will be reviewed to ensure that the award remains in line with the current policy
- 3.3 As the grant of the relief is discretionary, Slough may choose not to grant the relief if they consider that appropriate, for example where granting the relief would go against the authority's wider objectives for the local area.
- 3.4 Properties that will benefit are those with a rateable value up to and including £150,000

- 3.5 The relief awarded will be on a sliding scale over the course of the 4 year period and was calculated in 2017-18 on 30% of the increase in business rates against the charge in 2016-17 for 2018-19 the amount of grant is reduced and therefore the discount will reduce to 15% discount on their business rate bill increase from 2016-17.
- 3.6 The businesses that would benefit would be small and medium sized businesses that are independent businesses based in the borough of Slough.
- 3.7 As with all other reliefs as a precepting authority, Slough Borough Council will not be able to benefit from this relief for any property that they are responsible (defined as the name on the account).
- 3.8 The grant award is small and needs to be directed; therefore national and multinational companies will be excluded, on the basis that large national businesses with high turnovers are more likely to be able to afford to pay higher business rate bills than small and medium sized firms and independents. Furthermore, following the 2017 revaluation most national and multinational based businesses will have seen their business rate bills decrease in property they occupy in other parts of the country.
- 3.9 Through giving preference to small and medium sized firms which are independents, this would enable the Council to target more of the extra relief for new discretionary relief /revaluation support at those businesses and organisations that may find it most difficult to adjust to paying higher business rate bills .

4. How much relief will be available?

- 4.1 In this year's Budget, the Government announced £300 million for local councils to finance business rates relief for new discretionary relief / revaluation support. The Government's extra funding will only support relief schemes targeted at businesses facing an increase in their business rate bills following the 2017 revaluation.
- 4.2 Relief will be available for up to four years (2017-18 to 2020-21) though the grant award reduces year on year
- 4.3 Allocations of funding were sent to Local Authorities on 28th April 2017.
- 4.4 Slough Borough Council was awarded the following, against the full costs of the Business Rates. This will be pro rata on the basis of the amount of Business Rates that the authority actually keeps, below is the total amount that can be awarded to ratepayers

Amount of discretionary pot awarded (£000s)					
LA	2017-18	2018-19	2019-20	2020-21	Total
Slough	350	170	70	10	600

4.5 The scheme applies only to properties based on the value shown for 1/4/17 or the substituted day in the cases of splits mergers and appeals.

4.6 Recalculations of Relief

The amount of relief awarded will be recalculated in the event of a change of circumstances. This could include, for example, a backdated change to the rateable value or the hereditament. This change of circumstances could arise during the year in question or during a later year.

4.7 The Non-Domestic Rating (Discretionary Relief) Regulations 1989 (S.I. 1989/1059) require authorities to provide ratepayers with at least one year's notice in writing before any decision to revoke or vary a decision so as to increase the amount the ratepayer has to pay takes effect. Such a revocation or variation of a decision can only take effect at the end of a financial year. But within these regulations, local authorities may still make decisions which are conditional upon eligible criteria or rules for calculating relief which allow the amount of relief to be amended within the year to reflect changing circumstances.

4.8 In addition the policy formally notes and provides notice that as the grant income diminishes year on year the amount of relief award will follow and therefore no annual notice will be provided. Though new bills will be issued each year of the scheme showing the revised amounts.

5 State Aid

5.1 There are European Union regulations which restrict the award of state aid and under certain circumstances the award of discretionary relief could be considered to be state aid. However Reoccupation Relief will be State Aid compliant where it is provided in accordance with the De Minimis Regulations (1407/2013)

5.2 The De Minimis Regulations allow an undertaking to receive up to €200,000 of De Minimis aid in a three year period (consisting of the current financial year and the two previous financial years).

5.3 These circumstances in which the EU regulations need to be considered will be where the organisation engages in commercial activities or competes with commercial bodies because of an activity it carries out. For example a not for profit training organisation that also provides training services to businesses.

5.4 If the organisation undertakes any commercial activity it must be commercially insignificant and localised so that there is no potential impact on intra-community trade, otherwise the regulations governing state aid will apply.

5.5 All applicants will be required to complete a declaration form (Appendix 2) to confirm that they have not received more than the De Minimis amount of State Aid.

5.6 Guidance on State Aid is available via the government web site at

<https://www.gov.uk/government/publications/enterprise-zones-state-aid-and-business-rate-discounts>

6 Administration

- 6.1 Slough Borough Council will administer the scheme under the Local Government Finance Act 1988 as amended, the Local Government Finance Act 1992 as amended, the Business RATES Information letter (2/2017) and the policy defined.
- 6.2 It will provide relief as outlined above to all premises as entitled to New Discretionary Relief / revaluation relief
- 6.3 The scheme is fully funded by central Government.
- 6.4 The reliefs awarded will be administered by the Business Rates team who will provide an annual report to the Section 151 officer for approval, and monthly reports for information.

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Policy for a Business Rates Discount Scheme to attract Inward Investment

2018-19 onwards

1 Background

- 1.1 The Council has a policy for the award of discretionary national non-domestic rate relief to charities and other not-for-profit organisations and the award of hardship relief, these policies were developed in accordance with sections 44a, 47 and 49 of the Local Government Finance Act 1988.
- 1.2 Clause 69 of the Localism Act 2011 amends section 47 of the Local Government Finance Act 1988 to allow local authorities to grant discounts, in relation to business rates as it thinks fit. The guidance states:
- “Give councils the power to set local discounts on business rates, provided that they are funded locally.”*
- 1.3 It is subject to the condition that, except in the limited circumstances specified, the local authority may only grant relief if it would be reasonable to do so having regard to the interests of council tax payers in its area (not business rate payers).
- 1.4 The amendments also require a local authority to have regard to any relevant guidance issued by the Secretary of State when deciding whether to grant relief under section 47 of the 1988 Act. No guidance has yet been issued, but it may be at any time.
- 1.5 This amendment to the business rate policy is designed to:
- attract business which will directly and indirectly make a significant contribution to the scale and robustness of the business base in the town
 - deliver significant employment opportunities for local people
 - add further to the attractiveness of the town as a place to invest whether by: adding a new key sector or increasing the critical mass of business in a key sector; adding to the countries investing in the town or increasing the critical mass of business from a target inward investing country
 - attract businesses which will create demand in the local supply chain
 - in the long term increase the business rates base and therefore income to the Council and benefit to the council taxpayer in general

2 Criteria

- 2.1 The application process as set out in the main policy (section 6) should be followed. The application must be made in writing. All other sections of the main policy will also apply e.g. the decision making process and appeal process.

- 2.2 As part of the application, the applicant must clearly demonstrate why they believe it is in the interests of the local council tax payer for the relief to be granted. Applications should support Slough Borough Council's economic development priorities as set out in the Slough Wellbeing Strategy.
- 2.3 Each case will be considered on its merits and the degree to which it demonstrates the benefits to both the community and the council tax payer.
- 2.4 Agreement of a business rate discount will be based on the following criteria:
- Whether the organisation assists in developing a priority sector within the borough.
 - Whether the organisation provides inward investment from a country outside the United Kingdom and is one of the initial companies from that country locating in Slough.
 - Whether the organisation provides a significant number of jobs which may be applied for by Slough residents and whether the organisation undertakes to advertise all of its vacancies locally and to pursue other measures which are likely to result in the recruitment of local people.
 - Whether the organisation currently has or plans to provide skills and training for its staff, particularly to upskill its staff and where possible provides apprenticeship opportunities.
 - Whether the organisation has made a commitment to remain in the borough for at least five years and whether the viability, sector and any background to the investment demonstrate the likelihood of this being the case.
 - Whether the business where reasonable and appropriate is committed to support local economic development initiatives, e.g. Slough Aspire and to participate in local business partnerships.

An applicant may not be expected to deliver against all of these criteria but will be required to demonstrate that they will make a significant impact on the economy of the borough and bring community benefit through their combined delivery against these criteria.

- 2.5 The matters to be taken into consideration when determining whether to grant a discount are:
- That discount will be paid only on occupied premises.

- What other sources of local or national government support the business has received in the last two financial years preceding the application. This would not necessarily preclude a grant of discount but the total benefit derived from the public purse should be considered.
- The impact on other businesses in the area which provide the same or similar services or facilities including whether the award of relief could have an anti-competitive effect on other businesses.
- Whether the organisation provides residents with such services, opportunities or facilities that cannot be obtained locally or are not provided by another organisation.
- Whether the ratepayer can demonstrate they have complied or will comply with all legislative requirements and operate in an ethical, sustainable and environmentally friendly manner at all times.

- 2.6 The Council will not award Business Rate Discount in any circumstances where it appears that an award will result in the ratepayer receiving state aid that is above the current EU State Aid de minimis level.
- 2.7 Where the premises occupied are leased the Council will only consider a rate discount where the landlord has already committed to a rent discount.
- 2.8 Therefore each application must be accompanied by a statement signed by the appropriate person representing the business setting out the amount of state aid, including but not limited to rate relief, which the ratepayer has received within the previous three years. Applications will not be considered until this statement is received. The Council has the right to audit the recipient of any relief to ensure that the objectives set out in the grant determination have been met
- 2.9 In addition the following should be taken into account:
- The cost to the Council taxpayer, including the loss of income or of retained rates yield, in making an award and normally ensuring that any award brings a net financial benefit to the Council taxpayer over a five year period;
 - The impact of the cost or loss of income in relation to the Council's overall financial situation;
 - A grant of rate relief awarded under this policy shall apply for a limited period or level, not normally amounting to more than 50%

of business rates in one financial year and shall not be renewable.

- 3 The amount of rate relief to be granted will be proportionate to the costs and benefits assessed as above.

4 Payment of Business Rates

- 4.1 Payment of Business rates cannot be withheld because an application has been submitted or pending the receipt of the Section 44A Certificate from the Valuation Officer.
- 4.2. Unless otherwise agreed, ratepayers are required to continue to pay, in accordance with the latest demand notice, pending the outcome of an application

Business Retention and Inward Investment Incentive Application Form

Name	
Address	
Job title	
Name of Business	
Business Address	
Which sector does your business fall into? <i>(please tick)</i>	<ol style="list-style-type: none"> 1. Energy and Water 2. Manufacturing 3. Construction 4. Services 5. Wholesale and retail, including motor trades 6. Transport storage 7. Accommodation and food services 8. Information and Communication 9. Financial and other business services 10. Public admin, education and health 11. Other services
What are your business objectives and purpose?	
Are you locating from a country outside of the UK?	Yes / No If Yes, which country?
Will your business provide jobs in the local area? Please tick which type and how many	Yes / No <ul style="list-style-type: none"> • Administrative • Technical • Customer services • Managerial • Other
Will you advertise these jobs in the local press and local area?	Yes / No

Does your business provide training and education for staff?	Yes / No
Do you currently provide apprenticeship opportunities?	Yes / No
If NO, do you intend to recruit new apprentices?	Yes / No
What length of lease are you committed to in your premises? <i>(please tick)</i>	<ul style="list-style-type: none"> • 1-5 years • 6-10 years • 10 years +
What services, facilities or contributions do you make to the community?	
Does your business receive any form of financial assistance from any other organisation? e.g. grant, commercial, sponsorship etc	
How would the award of relief to your business benefit you?	
Has your business previously received a discount in the past 3 years? If yes, please provide details	Yes / No

**Has your business received a reduction in rateable value in the past 2 years
e.g. Small business rates relief** Yes / No

If yes, please provide details

**Has your business received grants from any public bodies, including state aid
in the last three years?** Yes / No

If yes, please provide details

**Does your business comply with all legislative requirements and operate in an
ethical, sustainable and environmentally friendly manner at all times?**

Yes / No

Any additional information that will support your claim

Declaration :

*I declare that the details in this application are true and accurate to the best of my
knowledge. I undertake to notify the Council immediately of any changes in the
circumstances*

Name: _____

Signature: _____

Position: _____

Contact telephone number: _____

Email: _____

Date: _____

Business Rates Policy 2018-19

Discretionary Relief Scheme (Public Houses)

1 Introduction

- 1.1 The Chancellor in the Spring Statement on 3rd March 2017 announced that the government would provide Council's with additional Section 31 grant to assist businesses affected by the April 2017 revaluation of Business Rates.
- 1.2 The Chancellor subsequently announced that the scheme, which was only intended to run for 1 year would be extended to 2018-19
- 1.3 In the Spring 2017 budget there were three schemes announced, one of which was for Public Houses with an Rateable Value below £100,000.
- 1.4 There was no definition or guidance proposed by central government on the basis that local authorities would be best placed to determine the parameters of the scheme as they knew their area.
- 1.5 As the legislation has been amended to introduce this change under the discretionary powers, this means that each Local Authority needs to develop a policy to deal with the operation and delivery of the relief up to State Aid De Minimis limits.

2. How the relief will be provided?

- 2.1 As this is a temporary measure for 2017-18 and 2018-19, the government is not changing the legislation; instead the government will reimburse local authorities that use their discretionary relief powers, under section 47 of the Local Government Finance Act 1988, as amended, to grant relief.
- 2.2 It will be for individual local billing authorities to adopt a local scheme and decide in each individual case when to grant relief under section 47.
- 2.3 Central Government will fully reimburse local authorities for the local share of the discretionary relief (using a grant under section 31 of the Local Government Act 2003). The Government expects local government to grant relief to qualifying ratepayers.

3. Who will be eligible for Relief

- 3.1 This policy applies to eligible occupied properties with a rateable value of less than £100,000. The majority of pubs are independently owned or managed and will not be part of chains. Where pubs are part of a chain, relief will be available for each eligible property in the chain, subject to meeting State Aid requirements (see section 5 of this policy).
- 3.2 There is no definitive description of a traditional pub or public house in law which could be readily used to determine eligibility. The government therefore carried out a consultation exercise and based on this consultation exercise the following guidance was issued.
- 3.3 The objective by central government was to adopt a definition that makes the design and eligibility of the scheme easy to implement in a clear and

consistent way, is widely accepted by the industry and which is consistent with the government's policy intention.

- 3.4 Slough Borough Council will follow the defined definition which is
- 3.5 That eligible pubs should:
- be open to the general public
 - allow free entry other than when occasional entertainment is provided
 - allow drinking without requiring food to be consumed
 - permit drinks to be purchased at a bar
- 3.6 For these purposes, it will exclude:
- restaurants
 - cafes
 - nightclubs
 - hotels
 - snack bars
 - guesthouses
 - boarding houses
 - sporting venues
 - music venues
 - festival sites
 - theatres
 - museums
 - exhibition halls
 - cinemas
 - concert halls
 - casinos
- 3.7 The exclusions in the list at para 3.6 is not intended to be exhaustive.
- 3.8 Slough Borough Council will determine those cases where eligibility is unclear, under section 3.5 and 3.6.
- 3.9 The scheme will be implemented with regard to their business rates base and existing collection practices.
- 3.10 Where eligibility is unclear Slough Borough Council will consider broader factors in their considerations – i.e., in meeting the stated intent of policy that it demonstrates the characteristics that would lead it to be classified as a pub, for example being owned and operated by a brewery.
- 3.11 Additionally, Slough Borough Council will also consider other methods of classification, such as the planning system and the use classes order to decide whether a property is a pub or not. However, permission for a particular use class will not necessarily mean that the property meets the definition of a pub
- 3.12 If an award is made and a subsequent award of another discount, exception or relief is awarded the award of the new discretionary relief / revaluation support will be reviewed to ensure that the award remains in line with the current policy

- 3.13 As the grant of the relief is discretionary, Slough may choose not to grant the relief if they consider that appropriate, for example where granting the relief would go against the authority's wider objectives for the local area.
- 3.14 Properties that will benefit are those with a rateable value below £100,000
- 3.15 As with all other reliefs as a precepting authority, Slough Borough Council will not be able to benefit from this relief for any property that they are responsible (defined as the name on the account).

4. How much relief will be available?

- 4.1 The total amount of Government-funded relief available for 2018/19 under this scheme is up to £1,000 for each eligible property. There is no relief available under this scheme for properties with a rateable value of £100,000 or more.
- 4.2 Eligibility for the relief and the relief itself will be assessed and calculated on a daily basis.
- 4.3 Relief will be available for up to two years (2017-18 and 2018-19) and reviewed taking into consideration the government guidelines and grant awards.
- 4.4 The scheme applies only to properties based on the value shown for 1/4/17 or the substituted day in the cases of splits mergers and appeals.
- 4.5 Recalculations of Relief

The amount of relief awarded will be recalculated in the event of a change of circumstances. This could include, for example, a backdated change to the rateable value or the hereditament, or where the occupier moves out of the premises. This change of circumstances could arise during the year in question or during a later year.
- 4.6 The Non-Domestic Rating (Discretionary Relief) Regulations 1989 (S.I. 1989/1059) require authorities to provide ratepayers with at least one year's notice in writing before any decision to revoke or vary a decision so as to increase the amount the ratepayer has to pay takes effect. Such a revocation or variation of a decision can only take effect at the end of a financial year. But within these regulations, local authorities may still make decisions which are conditional upon eligibility criteria or rules for calculating relief which allow the amount of relief to be amended within the year to reflect changing circumstances.
- 4.7 In addition the policy formally notes and provides notice that as the grant income is currently for one year only that relief will be awarded for one year and therefore no annual notice will be provided. Though new bills will be issued each year of the scheme showing the revised amounts.

5 State Aid

- 5.1 There are European Union regulations which restrict the award of state aid and under certain circumstances the award of discretionary relief could be considered to be state aid. However Reoccupation Relief will be State Aid compliant where it is provided in accordance with the De Minimis Regulations (1407/2013)
- 5.2 The De Minimis Regulations allow an undertaking to receive up to €200,000 of De Minimis aid in a three year period (consisting of the current financial year and the two previous financial years).
- 5.3 These circumstances in which the EU regulations need to be considered will be where the organisation engages in commercial activities or competes with commercial bodies because of an activity it carries out. For example a not for profit training organisation that also provides training services to businesses.
- 5.4 If the organisation undertakes any commercial activity it must be commercially insignificant and localised so that there is no potential impact on intra-community trade, otherwise the regulations governing state aid will apply.
- 5.5 All applicants will be required to complete a declaration form to confirm that they have not received more than the De Minimis amount of State Aid.
- 5.6 Guidance on State Aid is available via the government web site at <https://www.gov.uk/government/publications/enterprise-zones-state-aid-and-business-rate-discounts>

6 Administration

- 6.1 Slough Borough Council will administer the scheme under the Local Government Finance Act 1988 as amended, the Local Government Finance Act 1992 as amended, the Business Rates Information letter (4/2017) and the policy defined.
- 6.2 To avoid any unnecessary administrative problems, or confusion for ratepayers, in relation to state aid, the relief will be initially awarded in the following circumstances
 - where the description of the property is “public house”
 - Where there are any other description we will expect the ratepayer to contact us to discuss whether they should be included or not) and the RV is under £100,000:
 - to any ratepayer who is an individual the award will be automatically calculated and awarded sending a letter informing them that the relief has been awarded for one year only (and will be apportioned if they move out before 1st April, 2018)
 - to any ratepayer who appears to be a limited company that is not part of a national chain, relief will be calculated and awarded sending a letter informing them it is for one year only, it will be apportioned if they move out before 1st

April, 2018 and they must advise us if this relief takes them over the de minimis state aid limit.

- to any ratepayer who appears to be part of a national chain relief will not be awarded automatically but a letter will be sending asking them to apply for the relief. (This is in order to ensure that State Aid rules are adhered to).

- 6.3 The scheme is fully funded by central Government.
- 6.4 The reliefs awarded will be administered by the Business Rates team who will provide an annual report to the Section 151.
- 6.5 If there are any disputes with regard to the decision made there is a right of appeal.

7 Right of Appeal

- 7.1 There is no statutory right of appeal against a decision regarding discretionary rate relief made by the Council. However, the Council recognises that ratepayers should be entitled to have a decision reviewed objectively if they are dissatisfied with the outcome.
- 7.2 The Council agrees to abide by the following appeals process and aggrieved ratepayers should make an appeal in accordance with the process.

8 Appeals Process

- 8.1 Appeals may only be made by the original applicant. An appellant may appoint an agent to act on their behalf and in such cases the Council will require written authorisation from the appellant before dealing with their agent.
- 8.2 Appeals against decisions will be considered by the Members Appeal Panel.
- 8.3 Decisions on appeals made by the Members Appeals Panel will be final.
- 8.4 Applicants must make an appeal within four weeks of the issue of the letter notifying them of the Council's decision.
- 8.5 Applicants will be notified of the date on which the appeal will be considered, which will be within twelve weeks of receipt of the appeal or as soon as reasonably practicable thereafter.
- 8.6 Applicants may appeal against the decision to award or not award relief, or against the level of relief awarded.
- 8.7 Appeals must be made in writing and must give the reasons why it is believed the decision should be amended. New or additional information may be included, but only if it is relevant to the decision making process.
- 8.8 The appellant does not have a right to appear in person but may make a request to present evidence in person. Such requests will be considered at the discretion of the Members Appeal Panel as appropriate.

- 8.9 The Members Appeal Panel can request a meeting with either the applicant and/or the appropriate Revenues and Benefits officer to hear evidence in person. The Members Appeal Panel may nominate a representative or representatives to attend such meetings on its behalf.
- 8.10 Each application will be considered individually on its merit.
- 8.11 The appeal decision may be adjourned if further information is required from either party.
- 8.12 The applicant will be informed of the final decision, and the reasons for the decision within four weeks of the hearing.
- 8.13 Submitting an appeal does not affect the appellant's legal rights to challenge a decision made by the Council through the Judicial Review process.

9 Discontinuation of Applications or Appeals

- 9.1 If the Council has requested further evidence from the ratepayer and this has not been received within four weeks the application or appeal will be deemed to have been discontinued.
- 9.2 Ratepayers will be notified in writing in these circumstances.
- 9.3 The ratepayer can reapply for Public House Relief at a later date but the application will only be assessed from the date of the new application

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Policy for Council Tax Relief on the Grounds of Hardship

2018-19 onwards

1 Introduction

- 1.1 The Local Government Finance Act 1992 section 13a has always allowed for a discretionary relief of Council Tax in exceptional circumstances including hardship.
- 1.2 From 1 April 2013 the Council Tax Benefits scheme was replaced with the Council Tax Support scheme
- 1.3 The Council Tax Hardship scheme is developed to support residents who are suffering hardship and need assistance for a specified period of time to pay their Council Tax.
- 1.4 The scheme will only be used for the payment of Council Tax and all payments will be credited to the Council Tax account, no payments will be paid direct to the Customer.

2 Background

The following legislation and regulations are relevant to this document:

- 2.1 The Local Government Finance Act 2012
- 2.2 The Local Government Finance Act 1992 Section 13A(1)(c)
- 2.3 The Council Tax Reduction Schemes (Prescribed Requirements) (England) Regulations 2012
- 2.4 Slough Borough Council Local Council Tax Support Scheme 2018-19
- 2.5 Child Poverty Act 2010
- 2.6 Equality Act 2010 (incorporating the Disabled Persons Act 1986)
- 2.7 Housing Act 1996
- 2.8 Armed Forces Covenant
- 2.9 Social Security Act 1992

3 Costs to the Council

- 3.1 There is a cost to the Council of the full amount of hardship relief awarded for Council Tax which must be met by the Councils collection fund.

4 Council Tax

- 4.1 There is no definition in the legislation for 'hardship', and as the scheme is aimed at covering unforeseen events it is not possible to list precise criteria. Applications will be accepted on the basis that the applicant or household would suffer exceptional financial hardship if financial assistance were not given.
- 4.2 Exceptional circumstances for hardship under the Council Tax regulations will usually be circumstances that are outside the control of the household and

beyond normal risks faced by a household. The household must demonstrate that it has done all it can to mitigate those risks and is taking action to minimise them.

- 4.3 To get help with Council Tax payments you need to apply for Council Tax Support. The Council recognises that where the Council Tax Support is less than 100% of the Council Tax due there may be cases of exceptional financial hardship where additional support is sought.
- 4.4 The Council also recognises that there are circumstances where a Council Tax Payer may be experiencing exceptional hardship but may not be eligible for Council Tax Support; the policy does not preclude applications from any Council Tax Payer as long as they meet the criteria set out.
- 4.5 Council Tax hardship relief will not be awarded for any reason other than to reduce Council Tax liability
- 4.6 Only one Council Tax hardship application can be made in a financial year by the household.
- 4.7 Council Tax hardship relief will only be awarded for the financial year in which the application is made.
- 4.8 An application can be made for backdated hardship relief but this will only be considered where the householder was incapacitated and unable to make a claim in the previous year.
- 4.9 Council Tax hardship payment cannot be made to cover previous year's arrears.
- 4.10 Individuals in this group will not be defined but need to be able to demonstrate their circumstances and have exhausted other sources of income that are available to them.

5 The scheme

- 5.1 This scheme exists for those experiencing exceptional financial hardship which is defined as the total weekly amount of uncontrolled outgoings being 65% or more of weekly income.
- 5.2 Individuals in this group will not be defined but need to be able to demonstrate their circumstances and have exhausted other sources of income that are available to them.

- 5.3 Each case will be considered on its own merits.
- 5.4 Where there is a Joint and Several liability for Council Tax, each liable person must be party to the application and both/all provide the information required to support the claim (see section 6).
- 5.5 Applications for Hardship Relief should be one of last resort. Applicants will be expected to have explored and secured any lawful entitlement to other benefits, incomes and reductions in preference to claiming Hardship Relief
- 5.6 Applicants will need to ensure they are able to satisfy the Council that they have taken all reasonable steps to resolve their own situation prior to award.
- 5.7 Awards may be made if the above applies and:
- There is evidence of exceptional financial hardship that justifies an award
 - The applicant or household has supplied all evidence requested by the Local Authority in respect of their claim for CTS
 - The applicant or household must have applied for any appropriate discount or exemption and supplied any evidence requested by the Local Authority in respect of that application
 - The applicant or household does not have access to any other financial assets that could be realised to pay the Council Tax
 - The applicant or household must not be avoiding outstanding Council Tax due to wilful refusal or culpable neglect
 - The Council's finances must allow for an award to be made
 - The applicant has applied for any welfare benefits they may be entitled to.

6 Applications

- 6.1 Applications must be made in writing using the approved claim form together with supporting evidence as required.
- 6.2 The applicant must be the person or persons liable to pay the Council Tax, or be their representative with authority to act on their behalf i.e. Power of Attorney
- 6.3 If an applicant or household needs advice and support to complete a claim form, they will be signposted to an appropriate service that offers support relevant to their needs.
- 6.4 The applicant must set out the reasons for applying including explaining any special circumstances or hardship being experienced.
- 6.5 Applicants must provide the following to support their application
- Evidence of hardship or personal circumstances that justifies a reduction in Council Tax Liability.
 - Evidence that the Council Tax Payer has taken reasonable steps to resolve their situation prior to application.

- The Council Tax Payer can demonstrate that they do not have access to other assets that could be realised and used to pay Council Tax
- The Council Tax payer must provide evidence of their income and outgoings, where a Housing Benefit or Council Tax Support claim is in payment this can be used for income purposes
- All other eligible discounts/reliefs have been awarded to the council tax payer
- All eligible benefits must have been claimed, where a benefit is suspended this will be treated as in payment for the purposes of the above calculation.
- The liable person for a long term unoccupied domestic property has made their best efforts to sell or let the property and to levy a council tax charge would cause them exceptional financial hardship.

6.6 The Council may require further information e.g.

- Evidence may be requested that is relevant to the nature of the claim e.g. evidence of illness. It should be noted that no costs will be borne by the Council with regard to obtaining the evidence.
- Failure to provide supporting information and evidence that is requested will lead to a refusal, unless the applicant can show good cause for the failure.
- All information and evidence provided will be treated in confidence and in accordance with the Data Protection Act 1998 and proposed GDPR legislation.
- Where the Council requires additional information or evidence it will write to the applicant requesting that the information is supplied within one calendar month.
- The applicant is required to report any changes in their circumstances or the circumstances of household members immediately in writing to the Council. A failure to report changes will lead to a loss of Council Tax Hardship Payment and may lead to prosecution where appropriate.

7 Authority to award relief

- 7.1 All applications will be considered on an individual basis by the Head Revenues and Benefits who will provide an in depth report and recommendations which will include but not be limited to review sheet, with findings and financial implications and initial recommendations to the Council's Section 151 officer.
- 7.2 All applications for awards of Local Council Tax discount in cases of hardship will be determined by the Council's S151 Officer.

- 7.3 Hardship Relief will only be awarded where it is reasonable to do so in light of the impact on other council tax payers
- 7.4 All applications for awards of Hardship Relief will be subject to a maximum award of the equivalent of 6 months Council Tax Payable
- 7.5 A written record will be kept of the decision and of the factors considered in the process. This record will be available to the applicant free of charge on request.
- 7.5 The decision will be notified to the applicant in writing
- 7.6 Appeals against awards to be finally determined by a Member Appeals Panel.
- 7.7 Details of the recipients and the amount of awards will be reported to the Cabinet annually.

8 Interests of Officers and Members

- 8.1 Officers and Members who have an interest in any aspect of an application for relief must not participate in the decision making process and must declare their interest.
- 8.2 Examples of interests include those in the following list. However, the list is not intended to be exhaustive.
 - A close relative of the applicant
 - An interest in the property for which the relief is being sought

Where an officer is unsure whether they have an interest they should seek advice from the Section 151 Officer . Where a Councillor is unsure whether they have an interest they should seek advice from the Council's Monitoring Officer.

These three Heads Service Leads (i.e. Section 151 Officer, Monitoring Officer and Head of Paid Service, & Legal) may in turn need to liaise with the Head of Revenue and Benefits on any case referred to them (e.g. where cases of conflict of interest will need to be monitored by Revenue Services on an on-going basis).

9 Appeals

- 9.1 There is no statutory right of appeal against a decision regarding a hardship relief made by the Council. However, the Council recognises that chargepayers should be entitled to have a decision reviewed objectively if they are dissatisfied with the outcome.
- 9.2 The Council agrees to abide by the following appeals process and aggrieved chargepayers should make an appeal in accordance with the process.
- 9.3 Chargepayers will be notified of the appeals process in writing at the time that they are notified of the outcome of their request for rates relief.

9.4 This appeals process does not affect a chargepayers legal rights.

10 Appeals Process

10.1 Appeals may only be made by the original applicant. An appellant may appoint an agent to act on their behalf and in such cases the Council will require written authorisation from the appellant before dealing with their agent.

10.2 Appeals against decisions will be considered by the Appeal Panel Decisions on appeals made by the Appeal Panel will be final.

10.3 Applicants must make an appeal within four weeks of the issue of the letter notifying them of the Council's decision.

10.4 Applicants will be notified of the date on which the appeal will be considered, which will be within eight weeks of receipt of the appeal, or as soon as reasonably practicable thereafter.

10.5 Applicants may appeal against the decision to award or not award relief, or against the level of relief awarded.

10.6 Appeals must be made in writing and must give the reasons why it is believed the decision should be amended. New or additional information may be included, but only if it is relevant to the decision making process.

10.7 The appellant does not have a right to appear in person but may make a request to present evidence in person. Such requests will be considered at the discretion of the Appeal Panel as appropriate.

10.8 The Appeal Panel can request a meeting with either the applicant and/or the appropriate Revenues and Benefits officer to hear evidence in person. The Appeal Panel may nominate a representative or representatives to attend such meetings on its behalf.

10.9 Each application will be considered individually on its merit.

10.10 The appeal decision may be adjourned if further information is required from either party.

10.11 The applicant will be informed of the final decision, and the reasons for the decision within four weeks of the hearing.

10.12 Submitting an appeal does not affect the appellant's legal rights to challenge a decision made by the Council through the Judicial Review process.

11 Discontinuation of Applications or Appeals

11.1 If the Council has requested further evidence from the chargepayer and this has not been received within four weeks the application or appeal will be deemed to have been discontinued.

11.2 Chargepayers will be notified in writing in these circumstances

12.0 Notifications and payment of award

12.1 The Council will consider applications within six weeks of the application and all supporting information being received or as soon as practicable thereafter.

12.2 Notification of the outcome of the decision will be made in writing within fourteen days of the decision being considered.

12.3 If your application is successful, the balance on your Council Tax. The maximum amount of help combined with Council Tax Support is 100% of your Council Tax. Any hardship payment will be made by way of reduction to your Council Tax charge.

13 Action to recover unpaid Council Tax

13.1 Once an application, or an appeal, is received for Hardship Relief no action will be taken to recover unpaid charges until fourteen days after the decision has been notified to the ratepayer.

13.2 In the event of an application or appeal being discontinued recovery action may be commenced seven days after the chargepayer has been notified of the discontinuation.

14 Promotion of Hardship Relief

14.1 The Council will promote the availability of hardship relief, and this policy, in the following ways.

- All demands will have accompanying information explaining the availability of relief.
- Employees who deal with enquiries from chargepayers will be trained in all aspects of this policy
- The Council will work in partnership with other organisations that may have a stake in this area.
- The policy will be published on the Council's web site and printed copies will be made available to ratepayers and other stakeholders on request.

15 Recovery of a Hardship Relief award

- 15.1 If an amount of hardship relief awarded is subsequently cancelled the amount will be removed from the applicant's Council Tax account and will be payable as Council Tax due under Council Tax regulations.

16 Fraud

- 16.1 The Council may always correct any award made under this scheme where fraud or error has occurred.
- 16.2. Where a customer has failed to provide information or has knowingly supplied false or misleading information the Council reserves the right to withdraw any award made under this scheme.
- 16.3. Furthermore, the Council reserves the right to investigate any alleged offences, to levy penalties in accordance with the law and to prosecute anyone who has committed a criminal offence

17 Data Sharing and Fair Processing

- 17.1 The Council may use any evidence and information supplied to it in respect of hardship relief to check the eligibility of the applicant in respect of this scheme or any other welfare benefit, discounts or exemptions.
- 17.2 Slough Borough Council is required by law to protect the public funds it administers. It may share information provided to it with other bodies responsible for auditing or administering public funds, in order to prevent and detect fraud. Data will only be shared if the law permits it.

18 Budget Restrictions

- 18.1 The Council Tax Hardship Relief will have a budget set each financial year.
- 18.2 The allocated budget will be taken into account when making a decision on the award of relief but the availability of the budget will not preclude the award of relief.

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Business Rates Policy 2017-18 – 2020-21

Business Rates –
New Discretionary Relief Scheme/ Revaluation
Support

1 Introduction

- 1.1 The Chancellor in the Spring Statement on 3rd March 2017 announced that the government would provide Council's with additional Section 31 grant to assist businesses affected by the April 2017 revaluation of Business Rates, that this scheme would run until 2020-21 with a reducing budget over the period.
- 1.2 There was no definition or guidance proposed by central government on the basis that local authorities would be best placed to determine the parameters of the scheme as they knew their area.
- 1.3 As the legislation has been amended to introduce this change under the discretionary powers, this means that each Local Authority needs to develop a policy to deal with the operation and delivery of the relief up to State Aid De Minimis limits.

2. How the relief will be provided?

- 2.1 As this is a temporary measure for 2017-18 to 2020-21, the government is not changing the legislation; instead the government will reimburse local authorities that use their discretionary relief powers, under section 47 of the Local Government Finance Act 1988, as amended, to grant relief.
- 2.2 It will be for individual local billing authorities to adopt a local scheme and decide in each individual case when to grant relief under section 47.
- 2.3 Central Government will fully reimburse local authorities for the local share of the discretionary relief (using a grant under section 31 of the Local Government Act 2003). The Government expects local government to grant relief to qualifying ratepayers.

3. Who will be eligible for Relief

- 3.1 This policy applies to those moving to higher bills only it is not available for those businesses whose bills have decreased or remain the same following the revaluation or after applying eligibility for other relief schemes would not be eligible for the extra relief for new discretionary relief also known as revaluation support.
- 3.2 If an award is made and a subsequent award of another discount, exception or relief is awarded the award of the new discretionary relief / revaluation support will be reviewed to ensure that the award remains in line with the current policy
- 3.3 As the grant of the relief is discretionary, Slough may choose not to grant the relief if they consider that appropriate, for example where granting the relief would go against the authority's wider objectives for the local area.
- 3.4 Properties that will benefit are those with a rateable value up to and including £150,000

- 3.5 The relief awarded will be on a sliding scale over the course of the 4 year period and will be calculated at 30% discount on their year on year business rate bill increase
- 3.6 The businesses that would benefit would be small and medium sized businesses that are independent businesses based in the borough of Slough.
- 3.7 As with all other reliefs as a precepting authority, Slough Borough Council will not be able to benefit from this relief for any property that they are responsible (defined as the name on the account).
- 3.8 The grant award is small and needs to be directed; therefore national and multinational companies will be excluded, on the basis that large national businesses with high turnovers are more likely to be able to afford to pay higher business rate bills than small and medium sized firms and independents. Furthermore, following the 2017 revaluation most national and multinational based businesses will have seen their business rate bills decrease in property they occupy in other parts of the country.
- 3.9 Through giving preference to small and medium sized firms which are independents, this would enable the Council to target more of the extra relief for new discretionary relief /revaluation support at those businesses and organisations that may find it most difficult to adjust to paying higher business rate bills .

4. How much relief will be available?

- 4.1 In this year's Budget, the Government announced £300 million for local councils to finance business rates relief for new discretionary relief / revaluation support. The Government's extra funding will only support relief schemes targeted at businesses facing an increase in their business rate bills following the 2017 revaluation.
- 4.2 Relief will be available for up to four years (2017-18 to 2020-21) though the grant award reduces year on year
- 4.3 Allocations of funding were sent to Local Authorities on 28th April 2017.
- 4.4 Slough Borough Council was awarded the following, against the full costs of the Business Rates. This will be pro rata on the basis of the amount of Business Rates that the authority actually keeps, below is the total amount that can be awarded to ratepayers

Amount of discretionary pot awarded (£000s)					
LA	2017-18	2018-19	2019-20	2020-21	Total
Slough Borough Council	350	170	70	10	600

4.5 The scheme applies only to properties based on the value shown for 1/4/17 or the substituted day in the cases of splits mergers and appeals.

4.6 Recalculations of Relief

The amount of relief awarded will be recalculated in the event of a change of circumstances. This could include, for example, a backdated change to the rateable value or the hereditament. This change of circumstances could arise during the year in question or during a later year.

4.7 The Non-Domestic Rating (Discretionary Relief) Regulations 1989 (S.I. 1989/1059) require authorities to provide ratepayers with at least one year's notice in writing before any decision to revoke or vary a decision so as to increase the amount the ratepayer has to pay takes effect. Such a revocation or variation of a decision can only take effect at the end of a financial year. But within these regulations, local authorities may still make decisions which are conditional upon eligible criteria or rules for calculating relief which allow the amount of relief to be amended within the year to reflect changing circumstances.

4.8 In addition the policy formally notes and provides notice that as the grant income diminishes year on year the amount of relief award will follow and therefore no annual notice will be provided. Though new bills will be issued each year of the scheme showing the revised amounts.

5 State Aid

5.1 There are European Union regulations which restrict the award of state aid and under certain circumstances the award of discretionary relief could be considered to be state aid. However Reoccupation Relief will be State Aid compliant where it is provided in accordance with the De Minimis Regulations (1407/2013)

5.2 The De Minimis Regulations allow an undertaking to receive up to €200,000 of De Minimis aid in a three year period (consisting of the current financial year and the two previous financial years).

5.3 These circumstances in which the EU regulations need to be considered will be where the organisation engages in commercial activities or competes with commercial bodies because of an activity it carries out. For example a not for profit training organisation that also provides training services to businesses.

5.4 If the organisation undertakes any commercial activity it must be commercially insignificant and localised so that there is no potential impact on intra-community trade, otherwise the regulations governing state aid will apply.

5.5 All applicants will be required to complete a declaration form (Appendix 2) to confirm that they have not received more than the De Minimis amount of State Aid.

5.6 Guidance on State Aid is available via the government web site at

<https://www.gov.uk/government/publications/enterprise-zones-state-aid-and-business-rate-discounts>

6 Administration

6.1 Slough Borough Council will administer the scheme under the Local Government Finance Act 1988 as amended, the Local Government Finance Act 1992 as amended, the Business RATES Information letter (2/2017) and the policy defined.

6.2 It will provide relief as outlined above to all premises as entitled to New Discretionary Relief / revaluation relief

6.3 The scheme is fully funded by central Government.

6.4 The reliefs awarded will be administered by the Business Rates team who will provide an annual report to the Section 151 officer for approval, and monthly reports for information.

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SLOUGH BOROUGH COUNCIL

REPORT TO: Cabinet **DATE:** 5th February 2018
CONTACT OFFICER: Michael Jarrett, Service Lead – Early Years
(For all enquiries) (01753) 476556
WARD(S): All
PORTFOLIO: Children, Learning and Skills, Cllr Shabnum Sadiq

PART I
NON-KEY DECISION

ANNUAL EARLY YEARS CHILDCARE SUFFICIENCY REPORT**1 Purpose of Report**

The purpose of this report is to inform the Cabinet about the outcomes of the annual Early Years Childcare Sufficiency Assessment completed in December 2017, with particular regard to the fulfilment of the Local Authority's statutory duty (contained in the Childcare Act 2006 and 2016) to secure sufficient funded early learning places for every eligible child in Slough.

2 Recommendation(s)/Proposed Action

The Cabinet is requested to resolve:

- (a) That it be noted that current childcare sufficiency information indicates that there will be insufficient childcare places in some wards across Slough by the summer of 2018.
- (b) That the need to prioritise the development of early years and childcare provision in those wards where demand for places is projected to exceed supply be noted.
- (c) That the need for additional early years provision for children with SEND be noted.
- (d) That the intention to publish an Early Years Strategy by September 2018 be noted.

3. The Slough Joint Wellbeing Strategy, the Joint Strategic Needs Analysis (JSNA) and the Five Year Plan

This report makes direct reference to the protection of vulnerable children as detailed in priority 1 of the Slough Joint Wellbeing Strategy. Key JSNA data forms an integral part of the sufficiency information on which the 2018 place predictions in this report are based and the entirety of the childcare sufficiency assessment report is concerned with the capacity of the early year's sector to work towards Outcome 1 of the Five Year Plan for all children in Slough. *"Our children and young people will have the best start in life and opportunities to give them positive lives."*

Without sufficient capacity for all children to receive their funded early learning place we limit our chance to achieve outcome 1 of the Five Year Plan in early years as well as potentially failing to meet our statutory sufficiency duty as outlined in the 2006 Childcare Act.

4 **Other Implications**

(a) Financial

There are financial implications arising from this information report. The Slough Early Years Service facilitates payments for providers of funded early learning places via the Dedicated Schools Grant and providers receive payments against confirmed headcount information.

The development of inclusive places for children with SEND is significantly higher than current funding levels and only currently applies to children accessing their universal entitlement to 15 hours. Children eligible for a place under the extended entitlement, 30 hours, do not currently receive any additional financial support to access this provision.

(b) Risk Management

Risk	Mitigating action	Opportunities
Legal Claims that the Council are in breach of their statutory duties under the Childcare Act 2006 or the Childcare Act 2016	Actions to ensure that the statutory duties are being complied with	Actions taken pursuant to this report
Property	N/A	N/A
Human Rights	N/A	N/A
Health and Safety	N/A	N/A
Employment Issues	N/A	N/A
Equalities Issues	N/A	N/A
Community Support	N/A	N/A
Communications	N/A	N/A
Community Safety	N/A	N/A
Financial	Early learning places are funded through the Dedicated Schools Grant. The Slough Early Years Service will provide census information to draw down universal funding for additional places created. The funding is payable based on last years headcount which may result in a funding shortfall if places developed and taken up exceed previous years	N/A

	figures.	
Timetable for delivery	Work is already underway across the sector to explore expansion opportunities. Recruitment days and information sessions have been organised to promote career options.	N/A
Project Capacity	Place creation is dependent on partnership working with private, voluntary and independent sector providers.	N/A
Other	N/A	N/A

(c) Human Rights Act and Other Legal Implications

Article 2 of the First Protocol to the Convention for the Protection of Human Rights and Fundamental Freedoms provides that no person shall be denied the right to education and this is given effect to in the United Kingdom by the Human Rights Act 1998. To the extent that early childcare provision can be considered to be provision of education, therefore, there is potential for the Human Rights Act to be engaged in relation to the Council's statutory duties referred to in this report.

It is the statutory duty of all English local authorities to secure sufficient childcare for local parents who need it, and to measure this sufficiency by conducting a comprehensive Childcare Sufficiency Assessment.

(d) Equalities Impact Assessment

There is no identified need for the completion of an Equalities Impact Assessment.

(e) Workforce

The development of any additional early years and childcare provision will require additional staffing to maintain statutory ratios. The Early Years Service has developed a workforce strategy for the sector which details opportunities in relation to working with children and families.

(f) Property

There is scope to consider the use of community resources to accommodate new places. The council will work with the sector to explore expansion opportunities as appropriate.

5 Supporting Information

5.1 The Local Authority has a statutory duty (contained in the Childcare Act 2006 and 2016) to secure sufficient funded early learning places for every eligible child in Slough. Achieving this duty has wider benefits, the Effective Pre-School, Primary and Secondary

Education Project (EPPSE) report of October 2015 clearly demonstrates the importance of early education. The report says that attending any pre-school, compared to none, predicts higher total GCSE scores, higher grades in GCSE English and maths, and increases the likelihood of achieving 5 or more GCSEs at grade A*-C. The more months children spend in pre-school, the greater the impact on their total GCSE scores and grades in English and Maths.

There are continuing effects of pre-school at age 17. EPPSE students who had attended a high quality pre-school were twice as likely as those who hadn't to take AS-levels.

Parents who can depend upon flexible, good quality childcare are able to take up paid employment.

The Slough Early Years Service – Childcare Sufficiency Assessment (CSA) refresh is underpinned by key JSNA data. The service has also taken account of housing development information, in order to make realistic predictions about future levels of demand, to 2023, for funded early learning places.

- In 2014 Slough had the 3rd highest birth rate in the UK
- The under 19's population in Slough is expected to rise by 9% in the next 10 years
- 20% of households are families with dependant children
- 20% of households are overcrowded. Slough has much larger than average households (2nd highest in England) national 2.3 Slough 2.8

This snapshot indicates the need for a continued focus on place development for two, three and four 4 year olds. The Childcare Sufficiency Assessment refresh highlights the areas of Slough where further place development is required to maintain the provision of sufficient early years places so that all children can receive funded early learning as soon as they become eligible.

Currently, early years place capacity in the Chalvey and Cippenham Meadow wards and Upton and Central wards is at significant risk of insufficiency. The town centre area within central ward is the area where demand for places is currently exceeding supply and future housing developments are expected to increase this demand considerably.

Without sufficient and maintained place development the percentage of children accessing funded early learning in Slough will fall. This could have an adverse impact on the ability of the service to deliver on the many initiatives that rely on partnership working with providers and for the council to fulfil its statutory responsibilities.

5.2 The Slough Early Years Service - Service Plan makes specific reference to ensuring the most effective use of the limited capital funding from the Department for Education to support either new providers or the expansion of existing provision. The very effective use of this resource has allowed the service to meet shortfalls in previous years. There is now a need to identify additional capital funding, including s106 contributions. As a result, the service is alerting Cabinet of the need to develop more early years places in specific locations across Slough and for specific groups of children in particular children with SEND.

Whilst the service has a strong track record in place creation and plans to address future need there is a need to formalise an early years strategy by September 2018 which will address the identified shortfall and outline plans for future developments.

Maintaining sufficient places for all children in early years provision enables the service to address issues such as poor dental health, high levels of obesity at age five, the percentage of young children overweight (which currently stands at twice the national average) and MMR uptake at 85% (with a 95% target) which are currently all significantly worse than national figures. Children's centres and early years providers can support the council and its partners to address issues, both directly whilst in a setting and through information sharing around health and development initiatives.

The Slough Early Years Service is a key member at each of the Local Area Collaboratives, supporting local working between schools, nursery providers, children's centres, childminders, health services, family support and other key partners to improve children's outcomes. Slough children's centres, early years providers and childminders are often amongst some of the first people to have meaningful contact with vulnerable children and families before a child reaches statutory school age. They therefore, not only provide early intervention but also garner invaluable information for the planning of support services. Operating as hub and spoke approach across Slough presents opportunities to work collaboratively across the sector.

In 2017 Slough's educational attainment at age five exceeded the national average for the first time, with 71.2 % of Slough children achieving a Good Level of Development compared with 70.7% of children nationally. Supporting regular attendance at good quality early years provision is a key component of maintaining and improving children's attainment at age five and beyond.

5.3 SEND

The JSNA summary does not currently offer figures for the number of children, especially young children, with SEND. However, our Childcare Sufficiency Assessment refresh draws details from the SEND database (as of 9th January 2018):

- There were 88 children aged 0 – 5 years resident in Slough with an Education, Health and Care Plan or a statement of special educational need(s)
- There were 1216 children and young people aged 5 – 25 years resident in Slough with an Education, Health and Care Plan or a statement of special educational need(s)
- There were 366 children aged 0 – 4 years resident in Slough in receipt of support from the Slough Early Years Service outreach and home visiting services for children with special needs, disabilities or complex medical needs
- In 2016 the number of children with complex needs not accessing a nursery placement due to the lack of suitable provision was 245.

The Slough Early Years Service has recently compiled a database providing information about young children with SEND which confirms there are insufficient places for families to access their universal entitlement to funded early learning. The recent extended entitlement for working families (30hrs) has increased demand for places but there continues to be insufficient supply for children with SEND especially where children have severe and complex needs or for children who require additional adult/carer support to access provision.

The Slough Early Years Service is acutely aware that continued place development, especially for children with SEND is a key factor in protecting vulnerable children. All registered providers are supported to apply safer recruitment procedures as well as have up to date knowledge of safeguarding and child protection, health and safety, paediatric first aid, food hygiene and the administration of medicine in accordance with Ofsted standards. Attending early years provision facilitates contact for vulnerable children and families with knowledgeable and supportive adults. It is therefore imperative that we continue to increase the number of places available to children with SEND. The Childcare Sufficiency Assessment refresh clearly indicates that provision for children with SEND is insufficient.

The most recent data comparisons illustrate an increase of 150 children requiring a free early learning place compared with 2016.

The rapid increase in demand for suitable places for children with SEND is unmet. It also indicates an increasing future demand for SEND provision at statutory school age.

The Childcare Sufficiency Assessment confirms that:

- The Early Years Resource Bases are full and it is unlikely there will be available spaces until September 2018
- Current funding constraints have resulted in transport not being available for children and families trying to attend specialist playgroups.

The Slough Early Years Service supports Private, Voluntary and Independent sector providers (PVI's) and schools to provide inclusive practice and offer specialist provision to meet the needs of children.

The rapid increase in the number of young children receiving diagnoses of Autistic Spectrum Disorder (ASD), complex medical needs and significant conditions is placing additional pressure on the sector to meet the needs of our residents. We currently require further places for children in receipt of diagnoses to be able to access their funded early learning entitlement.

5.4 Childcare Sufficiency Assessment Priority Areas

The Childcare Sufficiency Assessment informs the service about the potential sufficiency or insufficiency of child care places in Children's Centre Areas (wards) across Slough, now and in the future.

In order to address immediate issues and compile increasingly detailed information for future planning, actions have been identified to drive forward work in specific wards in 2018, prior to a further refresh in autumn 2018.

The table below shows the number of places that will need to be developed in each of the children's centre areas/wards. The table is RAG rated in relation to areas of priority. The projected figures are based on as accurate data as could be obtained but demand is always the most difficult aspect to determine. The figures take into account increases due to population growth and housing developments but in some areas participation rates are historically lower than in others. Total projected requirements will be effected by fluctuations in demand.

Place Development 2017 - 2022

Children's Centre Areas / Wards	Funded 2 year olds	Funded 3 & 4 year olds	0 – 4 year old childcare places	Total number of places required 2017-18	Projected number of places required beyond 2018/19	Total Number of places required	Risks	Proposed Actions
Yew Tree Road (Central ward / Upton ward)	85	115	327	270	257	527	There is a significant risk of insufficient child care places in the summer term of 2018. Future housing developments in this area are expected to lead to a further increase in demand for child care places through 2018 and onto 2023.	Develop further two, three and four year old places by expanding a current nursery's capacity. Look for further opportunities for new providers in this area to create additional funded and childcare places including encouraging schools to extend their offer. Continue to seek capital funding opportunities to support providers with plans.
Chalvey Grove (Chalvey and Cippenham Meadow wards)	68	289	27	366	18	384	There is a significant risk of insufficient funded early learning places in the summer term of 2018 despite being an area of relatively low early years participation rates. Future housing developments in this	Increase numbers of two year olds accessing funded early learning by raising awareness with families and partners of the benefits for young children in participating in early learning. Monitor and support the development of funded three and four year old participation rates as a result of

							area are expected to lead to a small increase in demand for places through 2018 and onto 2023.	increased two year old numbers.
Monksfield Way (Britwell ward)	0	0	0	0	0	0	This is currently an area with an over supply of childcare places and little expectation of increasing demand due to future housing development.	To focus on the impact of changes to the benefits system (universal credit rollout April 2018) and changes to the criteria for funded two year old places in the 2018 autumn term refresh.
Orchard Avenue (Haymill ward)	0	83	17	83	17	100	This area is currently presenting as an area with a possible shortfall of early years and childcare places. Since completing the CSA several providers have notified the Slough Early Years Service of their intention to increase provision. A housing development scheduled for 2019/20 is likely to increase demand in this area.	Review and conduct further audits of provider capacity in this area to provide up to date information for the 2018 autumn term refresh.

St Andrew's Way (Cippenham Green ward)	5	84	10	99	0	99	There is a risk of insufficient early years and childcare places from the summer term 2018. The CSA identifies a lack of full time day care for three and four year olds in this area.	To support providers to work in partnership to understand and meet parental demand in this area. Consider opportunities for new providers in this area and / or support existing providers to review their current offer and consider developments.
Elliman Avenue (Farnham and Central wards)	52	8	15	52	8	60	This is an area currently with insufficient funded two year old places. Housing developments in 2017 / 18 is likely to only have a small impact on demand but there are many other changes likely to affect demand for early years and childcare in this area and further exploration of the factors at work and developing trends is essential before projections can be made with certainty.	To explore the impact of changes to the benefits system (universal credit rollout April 2018) and changes to the criteria for funded two year old places in the 2018 autumn term CSA refresh; Conduct further parental and provider consultations to ascertain specific issues regarding changing working patterns and their impact on demand.

Penn Road (Baylis and Stoke and Farnham wards)	33	112	2	146	1	147	This area is at risk of insufficient early years and childcare places from the summer term 2018. Housing developments scheduled for 2017 / 18 and 2019 / 20 will increase demand slightly and whilst historically this is an area of a relatively low percentage demand for places, participation rates in the PVI sector have increased in the autumn term.	Explore opportunities for providers in this area to create additional funded and childcare places.
Wexham Road (Central and Wexham Lea wards)	20	24	39	50	33	83	This area is at a slight risk of insufficient childcare places beyond 2018. Projections for this area are based on a steady increase in housing development and the probable impact of changes to the benefits system.	Explore opportunities for providers to create additional funded two year old places, extended entitlement places that meets the needs of working families. Facilitate partnership working to share providers' market knowledge and therefore determine local trends and the most effective ways to support working families.

Romsey Close (Foxborough, Kedermister and Langley St. Mary's wards)	0	0	0	0	0	0	This area currently has sufficient childcare and early learning places.	Explore in greater detail through partnership working the potential impact of Crossrail, Heathrow expansion, relocation from London and benefit changes in preparation for the CSA refresh in the autumn term 2018.
Vicarage Way (Colnbrook with Poyle ward)	17	99	8	118	2	120	There is a risk of insufficient childcare places from the summer term 2018 despite having relatively low participation rates. Recent evidence indicates that the area is undergoing significant reduction in demand for provision within the ward. More families are looking for full day care, outside of the locality.	Facilitate partnership working to share providers' knowledge and identify initiatives that will better support parents requirements and support provider sustainability.
Total	280	814	445	1184	336	1520		

Autumn term 2017 - Children living outside of the borough and accessing a funded place in Slough.

There are currently 2 children's centre areas which have sufficient spaces to offer places to parents in over subscribed areas.

Two year olds	9	Three year olds	122
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6 Comments of Other Committees

None

7 Conclusion

Members are asked to note the childcare sufficiency information contained in this report and the proposed actions to address any shortfall. Members are asked to note the need for the Early Years Service to be involved in future planning of developments that may influence or determine the supply and demand for early learning and childcare places in Slough.

8 Background Papers

1. Five Year Plan
2. JSNA Summary
3. Housing 5 year plan

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SLOUGH BOROUGH COUNCIL

REPORT TO: Cabinet **DATE:** 5th February 2018

CONTACT OFFICER: Neil Wilcox, Director of Finance & Resources (01753) 875358

(For all enquiries) John Griffiths, Service Lead Neighbourhoods, (01753) 875436

WARD(S): All

PORTFOLIO: Cabinet Member for Corporate Finance & Housing, Cllr Nazir

PART I
KEY DECISION**ESTABLISHMENT OF TRADING PARTNERSHIP WITH OPSL****1 Purpose of Report**

To update Cabinet, that in accordance with the cabinet paper requirements of the 18th September 2017, officers are developing a business case and structure for the Trading Partnership (TP) in conjunction with OPSL . Officers are finalising a draft of an appropriately worded legal agreement so as to implement operations and seek where appropriate to utilise retained 1-4-1 RTB receipts for the benefit of delivering modular units and small site development.

2 Recommendation(s)/Proposed Action

2.1 The Cabinet is requested to resolve that:

- (a) That the business case set out in Appendix A, and indicative programme for the first 12 months (5.2) be approved.
- (b) That the Service Lead Governance, following consultation with the Cabinet Member for Corporate Finance and Housing and Leader of the Council, be authorised to seek the incorporation of the Trading Partnership and to complete all necessary procedures for this purpose.
- (c) That authority be delegated to the Service Lead Governance and Service Lead Neighbourhoods, following consultation with the Leader and Cabinet Member for Corporate Finance & Housing, to confirm the governance arrangements and complete and agree the Articles of Association and Shareholder Agreement.
- (d) That the TP continuously report back to RMI Strategic Management Board which consists of Contract Administrator (Neighbourhood Service Lead), Strategic Director, Place & Development, Cabinet Member for Corporate Finance & Housing and OPSL.
- (e) That the Section 151 officer sanction any financial support including the use of retained 1-4-1 RTB receipts or pump priming investment by HRA or GF to facilitate Trading Partnership start up so as to deliver work programmes.

3. The Slough Joint Wellbeing Strategy, the JSNA and the Five Year Plan

3a. Slough Joint Wellbeing Strategy Priorities

The establishment of the Trading Partnership will help improve the quality and standards of housing within the borough, through delivering repairs, maintenance and investment services to the private sector with the potential in the future to move to small scale development, remodelling and modular housing for the private and public sector. The profit share will generate income that the council can reinvest in its services and communities.

3b. Five Year Plan Outcomes

Establishing a trading partnership with OPSL will contribute to the following 5 Year Plan outcomes:

- Our children and young people will have the best start in life and opportunities to give them positive lives.
- Our people will become healthier and will manage their own health, care and support needs.
- Slough will be an attractive place where people choose to live, work and visit.
- Our residents will have access to good quality homes.

It is well established that having a stable, attractive home has a significant impact on a person's health and well-being. Establishing a trading partnership will offer an opportunity to increase the quality and quantity of housing for Slough's residents.

4. Other Implications

(a) Financial

The successful operation of the TP represents another opportunity for the Council to utilise scarce financial resources to meet the needs of its residents. As investment projects and developments are put forward through the TP, they will accordingly need to be evaluated on a project by project basis to ascertain their financial viability, their impact on the Council's finances, and their ability to maximise the 'Slough pound'.

(b) Risk Management

Recommendation from section 2 above	Risks/Threats/ Opportunities	Current Controls	Using the Risk Management Matrix Score the risk	Future Controls
(a) That the business plan set out in Appendix A, and indicative programme for	Risk is that OPSL and SBC do not agree on terms of TP or projects. Opportunity is	TP is a contractual offer by OPSL Governance	6 (Management inc contractual	Governance measures in place as part of RMI

the first 12 months (5.2) be approved.	considerable support to addressing accommodation needs for Homeless households	measures in place as part of RMI	risk – Marginal impact, Low probability	
(b) That the Service Lead Governance, following consultation with the Cabinet Member for Corporate Finance & Housing and Leader of the Council, be authorised to seek the incorporation of the Trading Partnership and to complete all necessary procedures for this purpose.	Risk is that OPSL and SBC do not agree on terms of TP.	Service Lead Governance instruct Trowers & Hamlin to adapt established framework of legal document to SBC requirements	6 (Management inc contractual risk – Marginal impact, Low probability)	Governance measures in place as part of RMI
(c) That authority be delegated to the Leader and Cabinet Member for Corporate Finance & Housing, in consultation with the Head of Legal Services to confirm the governance arrangements and complete and agree the Articles of Association and Shareholder Agreement	Opportunity is engagement with members from the outset and continued involvement with Cabinet member as part of governance	Governance measures in place as part of RMI include Cabinet Member	6 (Management inc contractual risk – Marginal impact, Low probability)	Governance measures in place as part of RMI include Cabinet Member

<p>(d) The TP report back continuously to RMI Strategic Management Board which consists off Contract Administrator (Neighbourhood Service Lead), Strategic Director, Place & Development, Cabinet Member for Corporate Finance & Housing and OPSL</p>	<p>Opportunity to ensure core business of RMI not adversely affected by TP</p>	<p>Governance measures in place as part of RMI include Cabinet Member Strategic Director and Neighbourhood Service Lead</p>	<p>6 (Management inc contractual risk – Marginal impact, Low probability)</p>	<p>Governance measures in place as part of RMI include Cabinet Member Strategic Director and Neighbourhood Service Lead</p>
<p>(e) The Section 151 officer sanction any financial support including the use of retained 141 RTB receipts or pump priming investment by HRA or GF to facilitate Trading Partnership start up so as to deliver work programs</p>	<p>Risk is that TP enter into Projects that are not viable or under resourced</p> <p>Opportunity is that retained 141 RTB receipts are fully utilised to provide homes for homeless households</p>	<p>Initial sanction of pump priming investment is based on outline of viable program of projects.</p> <p>That each project is assessed individually for viability and has a program mapped out for assessment of resources and presented to SBC finance team for approval.</p> <p>That ongoing monitoring of each project to establish that viability of achieving outcomes is</p>	<p>2 (Economical / Financial risk – negligible impact. Low probability)</p>	<p>Governance measures in place as part of RMI include Cabinet Member Corporate Finance & Housing, Strategic Director – Place & Development and Neighbourhood Service Lead</p>

		offered as continual update		
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(c) Human Rights Act and Other Legal Implications

There are no Human Rights Act Implications.

Other legal implications are set out in paragraph 7, of the Business Case attached as Appendix A.

(d) Equalities Impact Assessment

There are none

5 Supporting Information

- 5.1 Further to the Cabinet meeting of 18th September 2017, a draft business case for the Trading Partnership has been developed and is attached a Appendix A.
- 5.2 The intention is for the Trading partnership's indicative work programme for the first 12 months to be:
- Modular Homes for provision of affordable housing for residents of Slough focused on offering accommodation for homeless households and Key Workers. There are 7 initial sites identified for evaluation and presentation or proposal to Cabinet. These are:
 - 173-190 Lodge Farm Estate (Weekes Drive)
 - 18-43 Quantock Close
 - Broom House & 155-173 / 5050-520 Churchill Road
 - 427-470 High Street Langley
 - 33-63 Borderside
 - 64-110 Borderside
 - 67-80 Goldsworthy Way
 - A Home Improvement, Repairs and Maintenance incentive offer to private landlords so as to prevent homelessness and also to incentivise homeless households

- To offer Handy Person scheme, Home Improvement Services (including aids & adaptations) so as to support SBC initiatives for early hospital release, safeguarding and care
- The roll out an offer to owner occupiers for Home Improvements, Gas Servicing, Out-of-Hours call out and Repairs & Maintenance.

5.3 The Trading Partnership, will report to the Strategic Management Board of the RMI. The latter is in turn part of the Council's scrutiny process.

6 **Comments of Other Committees**

None

7 **Conclusion**

7.1 The recommendation in this report is to establish a trading partnership with OPSL and agree the work programme for the first 12 months. The company would be run by its Directors but their decision making would be constrained by a Shareholders Agreement which would define the limits the Council and OPSL wish to place on the ability of the Directors to make decisions and in particular the decisions that would need shareholder consent.

8. **Appendices**

8.1 The following appendices contain exempt information and are included in Part II of the agenda

Appendix A – Business Case for Trading Partnership

9. **Background Papers**

None

SLOUGH BOROUGH COUNCIL

REPORT TO: Cabinet **DATE:** 5th February 2018

CONTACT OFFICER: Catherine Meek, Head of Democratic Services
(For all enquiries) 01753 875011

WARD(S): All

PORTFOLIO: Leader, Regeneration & Strategy – Councillor Swindlehurst

PART I
NON-KEY DECISION

NOTIFICATION OF DECISIONS**1. Purpose of Report**

To seek Cabinet endorsement of the published Notification of Decisions, which has replaced the Executive Forward Plan.

2. Recommendation

The Cabinet is requested to resolve that the Notification of Decisions be endorsed.

3. Slough Joint Wellbeing Strategy Priorities

The Notification of Decisions sets out when key decisions are expected to be taken and a short overview of the matters to be considered. The decisions taken will contribute to all of the following Slough Joint Wellbeing Strategy Priorities:

1. Protecting vulnerable children
2. Increasing life expectancy by focusing on inequalities
3. Improving mental health and wellbeing
4. Housing

4. Other Implications**(a) Financial**

There are no financial implications.

(b) Human Rights Act and Other Legal Implications

There are no Human Rights Act implications. The Local Authorities (Executive Arrangements) (Meetings and Access to Information)(England) Regulations 2012 require the executive to publish a notice of the key decisions, and those to be taken in private under Part II of the agenda, at least 28 clear days before the decision can be taken. This notice replaced the legal requirement for a 4-month rolling Forward Plan.

5. Supporting Information

5.1 The Notification of Decisions replaces the Forward Plan. The Notice is updated each month on a rolling basis, and sets out:

- A short description of matters under consideration and when key decisions are expected to be taken over the following three months;
- Who is responsible for taking the decisions and how they can be contacted;
- What relevant reports and background papers are available; and
- Whether it is likely the report will include exempt information which would need to be considered in private in Part II of the agenda.

5.2 The Notice contains matters which the Leader considers will be the subject of a key decision to be taken by the Cabinet, a Committee of the Cabinet, officers, or under joint arrangements in the course of the discharge of an executive function during the period covered by the Plan.

5.3 Key Decisions are defined in Article 14 of the Constitution, as an Executive decision which is likely either:

- to result in the Council incurring expenditure which is, or the making of savings which are, significant, having regard to the Council's budget for the service or function to which the decision relates; or
- to be significant in terms of its effects on communities living or working in an area comprising two or more wards within the Borough.

The Council has decided that any expenditure or savings of £250,000 or more shall be significant for the purposes of a key decision.

5.4 There are provisions for exceptions to the requirement for a key decision to be included in the Notice and these provisions and necessary actions are detailed in paragraphs 15 and 16 of Section 4.2 of the Constitution.

5.5 To avoid duplication of paperwork the Member Panel on the Constitution agreed that the Authority's Notification of Decisions would include both key and non key decisions – and as such the document would form a comprehensive programme of work for the Cabinet. Key decisions are highlighted in bold.

6. Appendices Attached

'A' - Current Notification of Decisions – published 5th January 2018.

7. Background Papers

None.

NOTIFICATION OF DECISIONS

1 FEBRUARY 2018 TO 30 APRIL 2018

Date of Publication: 5th January 2018

SLOUGH BOROUGH COUNCIL

NOTIFICATION OF DECISIONS

Slough Borough Council has a decision making process involving an Executive (Cabinet) and a Scrutiny Function.

As part of the process, the Council will publish a Notification of Decisions which sets out the decisions which the Cabinet intends to take over the following 3 months. The Notice includes both Key and non Key decisions. Key decisions are those which are financially significant or have a significant impact on 2 or more Wards in the Town. This Notice supersedes all previous editions.

Whilst the majority of the Cabinet's business at the meetings listed in this document will be open to the public and media organisations to attend, there will inevitably be some business to be considered that contains, for example, confidential, commercially sensitive or personal information.

This is formal notice under The Local Authorities (Executive Arrangements) (Meetings and Access to Information) (England) Regulations 2012 that part of the Cabinet meetings listed in this Notice will/may be held in private because the agenda and reports for the meeting will contain exempt information under Part 1 of Schedule 12A to the Local Government (Access to Information) Act 1985 (as amended) and that the public interest in withholding the information outweighs the public interest in disclosing it.

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This document provides a summary of the reason why a matter is likely to be considered in private / Part II. The full reasons are listed alongside the report on the Council's website.

If you have any queries, or wish to make any representations in relation to the meeting being held in private for the consideration of the Part II items, please email catherine.meek@slough.gov.uk (no later than 15 calendar days before the meeting date listed).

What will you find in the Notice?

For each decision, the plan will give:

- The subject of the report.
- Who will make the decision.
- The date on which or the period in which the decision will be made.
- Contact details of the officer preparing the report.
- A list of those documents considered in the preparation of the report (if not published elsewhere).
- The likelihood the report would contain confidential or exempt information.

What is a Key Decision?

An executive decision which is likely either:

- To result in the Council incurring expenditure which is, or the making of savings which are, significant having regard to the Council's budget for the service or function to which the decision relates; or
- To be significant in terms of its effects on communities living or working in an area comprising two or more wards within the borough.

Who will make the Decision?

Decisions set out in this Notice will be taken by the Cabinet, unless otherwise specified. All decisions (unless otherwise stated) included in this Notice will be taken on the basis of a written report and will be published on the Council's website before the meeting.

The members of the Cabinet are as follows:

- | | | |
|---|---|-------------------------|
| • | Leader of the Council - Regeneration & Strategy | Councillor Swindlehurst |
| • | Deputy Leader - Transformation & Performance | Councillor Hussain |
| • | Environment & Leisure | Councillor Anderson |
| • | Planning & Transport | Councillor Carter |
| • | Regulation and Consumer Protection | Councillor Mann |
| • | Corporate Finance & Housing | Councillor Nazir |
| • | Health & Social Care | Councillor Pantelic |
| • | Children & Education | Councillor Sadiq |

Where can you find a copy of the Notification of Decisions?

The Plan will be updated and republished monthly. A copy can be obtained from Democratic Services at St Martin's Place, 51 Bath Road on weekdays between 9.00 a.m. and 4.45 p.m., from MyCouncil, Landmark Place, High Street, or Tel: (01753) 875120, email: catherine.meek@slough.gov.uk. Copies will be available in the Borough's libraries and a copy will be published on Slough Borough Council's Website.

How can you have your say on Cabinet reports?

Each Report has a contact officer. If you want to comment or make representations, notify the contact officer before the deadline given.

What about the Papers considered when the decision is made?

Reports relied on to make key decisions will be available before the meeting on the Council's website or are available from Democratic Services.

Can you attend the meeting at which the decision will be taken?

Where decisions are made by the Cabinet, the majority of these will be made in open meetings. Some decisions have to be taken in private, where they are exempt or confidential as detailed in the Local Government Act 1972. You will be able to attend the discussions on all other decisions.

When will the decision come into force?

Implementation of decisions will be delayed for 5 working days after Members are notified of the decisions to allow Members to refer the decisions to the Overview and Scrutiny Committee, unless the decision is urgent, in which case it may be implemented immediately.

What about key decisions taken by officers?

Many of the Council's decisions are taken by officers under delegated authority. Key decisions will be listed with those to be taken by the Cabinet. Key and Significant Decisions taken under delegated authority are reported monthly and published on the Council's website.

Are there exceptions to the above arrangements?

There will be occasions when it will not be possible to include a decision/report in this Notice. If a key decision is not in this Notice but cannot be delayed until the next Notice is published, it can still be taken if:

- The Head of Democratic Services has informed the Chair of the Overview and Scrutiny Committee or relevant Scrutiny Panel in writing, of the proposed decision/action. (In the absence of the above, the Mayor and Deputy Mayor will be consulted);
- Copies of the Notice have been made available to the Public; and at least 5 working days have passed since public notice was given.
- If the decision is too urgent to comply with the above requirement, the agreement of the Chair of the Overview and Scrutiny Committee has been obtained that the decision cannot be reasonably deferred.
- If the decision needs to be taken in the private part of a meeting (Part II) and Notice of this has not been published, the Head of Democratic Services will seek permission from the Chair of Overview & Scrutiny, and publish a Notice setting out how representations can be made in relation to the intention to consider the matter in Part II of the agenda. Urgent Notices are published on the Council's [website](#).

For further information, contact Democratic Services on 01753 875120.

Cabinet - 5th February 2018

Item	Portfolio	Ward	Priority	Contact Officer	Other Committee	Background Documents	New Item	Likely to be Part II
<p><u>Financial Report - 2017-18 (Quarter 3)</u></p> <p>To receive an update on the latest revenue and capital position; and to consider any write off requests, virements and any other financial decisions requiring Cabinet approval.</p>	F&H	All	All	Neil Wilcox, Director of Finance and Resources (Section 151 Officer) Tel: 01753 875358	O&S	None		
<p><u>Performance & Projects Report: Q3 2017-18</u></p> <p>To receive the latest performance information for the period between October to December 2017 including the Council's Balanced Scorecard and Gold Project updates.</p>	T&P	All	All	Neil Wilcox, Director of Finance and Resources (Section 151 Officer) Tel: 01753 875358	O&S	None		
<p><u>Five Year Plan 2018-2023</u></p> <p>To consider, and if agreed, to recommend the refreshed Five Year Plan to full Council.</p>	T&P, R&S	All	All	Dean Tyler, Service Lead Strategy & Performance Tel: (01753) 875847	-	None		
<p><u>Capital Strategy 2018-2023</u></p> <p>To consider, and if agreed, to recommend to Council the Capital Strategy for the period between 2018-2023.</p>	R&S	All	All	Neil Wilcox, Director of Finance and Resources (Section 151 Officer) Tel: 01753 875358	O&S	None		

Portfolio Key – R&S = Regeneration and Strategy, T&P = Transformation & Performance, E & L = Environment and Leisure, C&E = Children & Education, P & T = Planning & Transport, R & C = Regulation and Consumer Protection, H & S = Health and Social Care, F&H = Corporate Finance & Housing

Bold – Key Decision

Non-Bold – Non-Key Decision

Italics – Performance/Monitoring Report

Treasury Management Strategy 2018/19 To consider, and if agreed, to recommend to Council the Treasury Management Strategy for 2018/19.	R&S	All	All	Neil Wilcox, Director of Finance and Resources (Section 151 Officer) Tel: 01753 875358	O&S	None		
Revenue Budget 2018-19 To agree the recommendations to be made to Council on the 2018/19 Medium Term Financial Strategy and the Revenue Budget, including setting the Council Tax.	R&S	All	All	Neil Wilcox, Director of Finance and Resources (Section 151 Officer) Tel: 01753 875358	O&S	None		
Council Tax and Business Rates Discretionary Relief To consider a report seeking approval for the policies for Council Tax and Business Rates Discretionary Reliefs.	F&H	All	All	Neil Wilcox, Director of Finance and Resources (Section 151 Officer) Tel: 01753 875358	-	None	√	
Childcare Sufficiency To consider a report on the supply and demand of childcare services and the extent to which parent's needs are currently being met across Slough.	C&E	All	All	Michael Jarrett, Service Lead Early Years Tel: 01753 476556	-	None	√	
Trading Partnership with OPSL Ltd Further to the Cabinet decision taken on 18 th September 2017, to consider an update and take further decisions on the establishment, business case and indicative programme of a trading partnership with Osborne Property Services Ltd.	F&H	All	Housing	Rebecca Brown, Project Manager Tel: (01753) 875651	-	None		Yes, p3 LGA

Portfolio Key – R&S = Regeneration and Strategy, T&P = Transformation & Performance, E & L = Environment and Leisure, C&E = Children & Education, P & T = Planning & Transport, R & C = Regulation and Consumer Protection, H & S = Health and Social Care, F&H = Corporate Finance & Housing

Bold – Key Decision

Non-Bold – Non-Key Decision

Italics – Performance/Monitoring Report

<u>References from Overview & Scrutiny</u> <i>To consider any recommendations from the Overview & Scrutiny Committee and Scrutiny Panels.</i>	T&P	All	All	Shabana Kauser, Senior Democratic Services Officer Tel: 01753 787503	-	None		
<u>Notification of Forthcoming Decisions</u> <i>To endorse the published Notification of Decisions.</i>	R&S	All	All	Catherine Meek, Head of Democratic Services Tel: 01753 875011	-	None		

Cabinet - 19th March 2018

Item	Portfolio	Ward	Priority	Contact Officer	Other Committee	Background Documents	New Item	Likely to be Part II
Discretionary Housing Payments Policy To consider the Council's Discretionary Housing Payment Policy for the forthcoming year.	F&H	All	All	Neil Wilcox, Director of Finance and Resources (Section 151 Officer) Tel: 01753 875358	-	None		
Gender Pay Gap Reporting and Equalities To consider a report updating the Cabinet on the position regarding the gender pay gap and equalities issues.	H&S	All	All	Christine Ford, Equality and Diversity Manager Tel: 01753 875069	-	None		
<u>References from Overview & Scrutiny</u> <i>To consider any recommendations from the Overview & Scrutiny Committee and Scrutiny Panels.</i>	T&P	All	All	Shabana Kauser, Senior Democratic Services Officer Tel: 01753 787503	-	None		

Portfolio Key – R&S = Regeneration and Strategy, T&P = Transformation & Performance, E & L = Environment and Leisure, C&E = Children & Education, P & T = Planning & Transport, R & C = Regulation and Consumer Protection, H & S = Health and Social Care, F&H = Corporate Finance & Housing

Bold – Key Decision

Non-Bold – Non-Key Decision

Italics – Performance/Monitoring Report

<u>Notification of Forthcoming Decisions</u> <i>To endorse the published Notification of Decisions.</i>	R&S	All	All	Catherine Meek, Head of Democratic Services Tel: 01753 875011	-	None		
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Cabinet - 16th April 2018

Item	Portfolio	Ward	Priority	Contact Officer	Other Committee	Background Documents	New Item	Likely to be Part II
<u>Contracts in Excess of £250,000 in 2018-19</u> To report those contracts in excess of £250k likely to be awarded in 2018-19.	F&H, T&P	All	All	Catherine Meek, Head of Democratic Services Tel: 01753 875011	-	None	√	
<u>References from Overview & Scrutiny</u> <i>To consider any recommendations from the Overview & Scrutiny Committee and Scrutiny Panels.</i>	T&P	All	All	Shabana Kauser, Senior Democratic Services Officer Tel: 01753 787503	-	None	√	
<u>Notification of Forthcoming Decisions</u> <i>To endorse the published Notification of Decisions.</i>	R&S	All	All	Catherine Meek, Head of Democratic Services Tel: 01753 875011	-	None	√	

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Italics – Performance/Monitoring Report

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