

# **DARLINGTON BOROUGH COUNCIL**

## **BUDGET BOOK 2020-21**

### **INTRODUCTION**

The purpose of this book is to provide a single reference document containing key information relating to the Council's budgets for 2020-21 and medium term financial plans for 2020-21 to 2023-24.

There are three sections in the book:-

- 1. General Fund Revenue and Capital Budget**
- 2. Setting the Council Tax**
- 3. Housing Revenue Account**

The book contains the following documents:-

#### **Section 1**

Medium Term Financial Plan 2020-21 to 2023-24 – report of Chief Officers Executive to Council 20 February 2020.

Capital Strategy 20-21 (including Capital Programme) - report to Council 20 February 2020.

#### **Section 2**

Setting the Council Tax for 2020-21 – report to Council 20 February 2020.

#### **Section 3**

Housing Revenue Account - Revenue Budget 2020-21 – report to Council 20 February 2020.

## **General Fund Revenue Budget**

The Council has a long established process of operating a medium term approach to its financial planning and in line with this it reviews the plan at least on an annual basis when it firms up the forthcoming year, by approving a detailed budget and Council Tax level for that year. In doing this, the Council also takes due consideration of future year demands on its resources and establishes its firm proposals for the coming year with due regard to prudent financial management in the medium term. The Council has a successful track record of managing its resources in this way.

The Council has faced significant challenges over the last decade following the economic downturn and reduction in public sector spending. To date, the Council has been successful in responding to these challenges but there are still financial pressures to be faced, particularly in respect of a growing elderly population and pressure in the children's social care sector. We therefore must continue to be creative and innovative in ways of working and press ahead with every effort in our priority of growing the economy.

Given the reduction in Revenue support Grant over the years the Council's main sources of income are Council Tax and Business Rates. The ability to increase these sources of income to protect services and offset the loss of government grant is limited by the Government. Unless a referendum is held the Council cannot raise Council Tax by more than 2% each year and the rateable value of properties is set centrally by the Government. Therefore the only way the Council can collect more revenue from these sources is to increase the numbers of properties built and attract more businesses to the Borough.

The Council undertook a significant consultation exercise in 2016 following an in-depth and detailed review of all services which resulted in the agreement of a Core offer budget by Council on 29 June 2016. The Council acknowledged that spending would need to be further reduced by £12m per annum by 2019/20, reducing expenditure and services to a statutory level with a small investment fund (the Futures Fund) of £2.5m for services which the Council does not have to provide but which add great value to Darlington and its residents.

Subsequently following good progress made on achieving savings, strong cost management and innovative treasury initiatives the council was in a position to add to the futures fund and Members after listening to feedback agreed to use unallocated balances of £4.7m to invest in five areas which hold great value to our community.

The Council's Corporate Plan priorities and long-term goals, were used in setting the criteria for the Futures Fund investments with emphasis on maximising growth in the Darlington economy and ensuring everyone is able to share in the subsequent wealth creation within community.

The core offer budget plus the futures fund as noted above is the starting position for this year's MTFP. In setting the criteria for the futures fund investments Cabinet first and foremost took the two key priorities held in the Community Strategy; One Darlington Perfectly Placed, which was developed in partnership with public services, business and the voluntary and community sector.

One Darlington aims to make sure that all residents have opportunities for a good quality of life; that inequalities are tackled, the most vulnerable supported and the potential of every resident realised.

Perfectly Placed aims to make sure that Darlington's natural advantages, its transport links, good housing and attractive environment, are maximised to create wealth within the economy and to ensure that everyone is able to share in that wealth.

As a consequence of looking to these long term goals the following five themes which are wholly consistent with the Council's corporate plan priorities were agreed:-

- a) Community Safety
- b) Maintaining an attractive street scene environment
- c) Maintaining a vibrant town centre
- d) Developing an attractive visitor economy
- e) Neighbourhood renewal

As part of the MTFP, an annual council tax increase of 3.99% (including the Adult Social Care Precept) has been included in 20/21 being the limit by which council tax can be increased without a referendum, with 1.99% in subsequent years.

Taking account of the above the Council's General Fund balance at 1<sup>st</sup> April 2020 is projected to be £16.166m.

The Council has set a revenue budget of £90.584m for 2020-21 which is summarised at group level below:-

	£M
Children and Adults Services	58.423
Economic Growth & Neighbourhood Services	20.867
Resources	10.229
Financing Costs	0.895
Joint Venture – Investment Return	(1.028)
Council Wide Pressures	0.405
Contingencies	0.522
Contribution to revenue balances	0.271
<b>Total net revenue budget</b>	<b>90.584</b>

	£M
The budget is funded by:-	
Council Tax	52.179
Business Rates Retained Locally	18.901
Top Up Grant	7.297
Revenue Support Grant	3.614
New Homes Bonus	1.285
Improved Better Care Fund	4.356
Social Care Grant	2.952

**Total** **90.584**

A detailed report prepared by the Chief Officers Executive (COE) was presented to Cabinet on 7 January 2020 for consultation. The views of Economy & Resources Scrutiny

Committee which encompassed feedback from all the Council's Scrutiny Committees were fed back to Cabinet on 11 February 2020. The results of the consultation and other updates were considered at the meeting and amendments were made to the budget that was subsequently approved by Council on 20 February 2020.

## **Capital Programme**

As with the revenue budget the Council has a medium term financial plan for Capital and it is included in the Council's Capital Strategy. Local authorities' freedoms in capital investment and borrowing came into force on 1st April 2004 and under this system councils are able to borrow subject to affordable and prudent limits. This has ensured that there is even closer linkage between capital and revenue financial planning and enhances the Council's ability to invest to save.

The Council has an extensive capital programme with significant resources invested to purchase, improve, protect and maintain our assets, to enable the council to deliver its priorities for example purchasing land to enable road improvements or investing in modernising school buildings and housing. The Council continues to deliver a significant capital investment programme in the main funded from the Housing Revenue Account (HRA) and grant or other external funding which is targeted at specific schemes and programmes such as Transport and Schools. Furthermore investment from the Tees Valley Combined Authority (TVCA) along with European and other external funding sources are being used for economic growth initiatives.

The MTFP includes planned capital investment of £129.637m between 2020-21 and 2023-24.

A new Local Transport Plan for the Tees Valley has been consulted upon and it is the intention that this will be endorsed by the Tees Valley Cabinet early in 2020. This will help set the spending plans for the funding allocations from the Department for Transport and from the Devolution deal. The Integrated Transport Programme (ITP) of TVCAs Investment plan identifies £256.7m of investment over the next 10 years. There will be projects and initiatives delivered in Darlington from this fund. However, these will be subject to separate business cases and approval processes as they are developed.

The Local Authority now only receives school condition funding for Community Maintained Schools. Maintenance funding for Academies is available through other routes. This funding received by the Local Authority will be spent in line with key priorities identified with each maintained school through the locally agreed asset management planning (LAMP) process, carried out each January. There are no strict spend deadlines for these small scale condition related projects which are prioritised and completed as funding becomes available.

The Housing Programme is funded from the Housing Revenue Account. The plans of this service is reviewed and updated on an annual basis and it contributes to the longer term view on financial planning for capital investment. The capital report also includes indicative allocations of future funding for the main areas of the capital programme, the majority of these being funded by capital grants and contributions from the Housing Revenue Account.

As a result of the implementation of the government's self-financing initiative introduced from April 2012 and savings delivered in the Capital Works fund it has been possible to create an HRA Investment Fund. It is proposed that this will be primarily used to deliver a

new build programme. A total of £65.785m is available for the development of new council houses.

The Council can and has supplemented Government Capital Funding from its own resources such as capital receipts and prudential borrowing, although, in such challenging financial times the ability to fund from the Council's resources is severely limited. There is a need, however, to maintain the buildings and assets which the Council owns and provision for this needs to be made within the Council's overall financial strategy.

In order to enable investment required to deliver Darlington's ambitions for sustainable economic growth there has been created an Economic Growth Investment Fund (EGIF). The majority of the Plan will be completed in conjunction with the Tees Valley Combined Authority, although the Council we be required to pump prime and match fund some of the schemes.

Borrowing to fund capital expenditure and the investment of money that the Council holds to meet future costs is managed in accordance with a Treasury Management Strategy, which is approved annually by the Council. The Strategy for 2020-21 was approved at the Council meeting on 20 February 2020 after being considered at a special Audit Committee on 29 January 2020. The management of the Council's borrowing and investments is an integral part of the MTFP for both revenue and capital.

## Council Tax

In setting the budget the Council has regard to public expectations and demands for services and the impact on Council Tax. Government support in the form of Formula Grant is determined by national formulae and does not vary with local spending decisions. In this way, nearly half of the Councils non-schools net budget funding is fixed which means that the Council's expenditure decisions impact very significantly on Council Tax.

Council Tax is calculated by dividing the part of the council tax requirement to be met from Council Tax by the tax base (the number of Band D equivalent dwellings):-

$$\frac{\pounds 52,179,000}{33,329.3} = \pounds 1,565.56$$

This is the amount paid to the Borough Council for band D properties excluding the average Parish Precept. This represents an increase of 3.99% in Council Tax levels from 2019/20.

Properties are categorized in eight valuation bands (based on estimated market values as at 1<sup>st</sup> April 1991). The Council Tax for each band is calculated as a proportion of Band D.

Band	Valuation range £	Proportion of Band D	D B C Council Tax 2020-21 £
A	Up to 40,000	6/9	1,043.71
B	40,001 to 52,000	7/9	1,217.66
C	52,001 to 68,000	8/9	1,391.61
<b>D</b>	<b>68,001 to 88,000</b>	<b>9/9</b>	<b>1,565.56</b>
E	88,001 to 120,000	11/9	1,913.46

F	120,001 to 160,000	13/9	2,261.36
G	160,001 to 320,000	15/9	2,609.27
H	More than 320,000	18/9	3,131.12

In addition to the Council's own requirements, Council Tax bills include the Office of the Durham Police Crime and Victims' Commissioner (£215.24 for Band D), County Durham and Darlington Fire and Rescue Authority precept (£105.48 for Band D) and in parish areas the Parish Council's precept (ranging from £10.25 to £49.58 for Band D).

### **Housing Revenue Account**

Local authorities are required to maintain a Housing Revenue Account (HRA) which records revenue expenditure and income relating to an authority's own council housing stock. The main items of expenditure in the HRA are loan charges and management & maintenance costs and the main items of income are from tenants in the form of rents and service charges.

From April 2012, the HRA subsidy system was abolished and replaced with "self-financing." For a one-off payment of £33m, the Council bought itself out of the old subsidy system and from then on was able to retain all rental income to use locally. This brings greater certainty and stability to the HRA so that future plans can be made with more confidence.

The HRA is ring-fenced to ensure that rents paid by local authority tenants accurately and realistically reflect the cost of providing the housing service and thus is required to carry its own working balance. The balance at 31<sup>st</sup> March 2021 is projected to be £11.907m.

Forward planning for Housing in service and financial terms is important and is carried out via the Housing Business Plan process which projects demands and resources up to 30 years ahead. Quite obviously, there is greater uncertainty as projections reach further into the future but the abolition of the HRA subsidy system has removed some of this uncertainty. The process of keeping a business plan is valuable to anticipate and plan future needs and ensure the sustainability of the service.

The main objective of the Government's policy on rent restructuring is that rents should be fair and affordable for tenants in the social rented sector. The policy sets out a common basis on which all rents in the social sector should be set. This means that the rent for a house or flat is linked to its capital value, size, location, condition and local earnings so that tenants can make a proper choice between how much they pay and the size and quality of the property they live in.

The Council has determined rents for 2020-21 in accordance with this system.

**Elizabeth Davison**  
**Assistant Director Resources (S.151, CFO)**  
**April 2020**

# Section 1

## **General Fund Revenue and Capital Budget**

- 1.1 Medium Term Financial Plan 2020-21 to 2023-24
  - report of Chief Officers Executive to Council 20 February 2020
- 1.2 Capital Strategy 2020-21 (including Capital Medium Term Financial Plan 2020-21 to 2023-24)
  - report of Chief Officers Executive to Council 20 February 2020

**SPECIAL COUNCIL  
20 FEBRUARY 2020**

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**MEDIUM TERM FINANCIAL PLAN**

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**Responsible Cabinet Member - Councillor Heather Scott  
Leader and all Cabinet Members**

**Responsible Director – Chief Officers Executive**

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**SUMMARY REPORT**

**Purpose of the Report**

1. To approve a Medium Term Financial Plan (MTFP) for 2020/21 to 2023/24 including setting a budget and council tax increase for 2020/21.

**Summary**

2. The Council has faced significant challenges over the last decade following the economic downturn and reduction in public sector spending. To date, the Council has been successful in responding to these challenges but there are still financial pressures to be faced, particularly in respect of a growing elderly population and pressure in the children's social care sector. We therefore must continue to be creative and innovative in ways of working and press ahead with every effort in our priority of growing the economy.
3. The Council received its definitive financial settlement on 6 February 2020 with no change from the draft released in December. The settlement was in line with the Chancellors spending review announcement with the continuation of Revenue Support Grant (RSG), New Homes Bonus (NHB); additional social care monies of £2m and the ability to raise income for Adult Social Care through the precept. The settlement was for one year only so assumptions in regard to future years funding have been made.
4. There have been a limited number of amendments to the draft MTFP proposed for consultation and all are noted in the table in paragraph 16. The main changes are in regard to the National Living Wage increases, impact of Quarter 3 budget management and the receipt of the settlement figures.
5. The Council undertook a significant consultation exercise in 2016 following an in-depth and detailed review of all services which resulted in the agreement of a Core Offer budget which allowed for a small futures fund allocated to discretionary services. Furthermore, in subsequent MTFP's Members following consultation agreed to use unallocated balances of £4.7m to invest in five areas which hold great value to our community, they were;
  - (a) Community Safety
  - (b) Maintain an attractive street scene environment



- (c) Maintaining a vibrant town centre
  - (d) Developing an attractive visitor economy
  - (e) Neighbourhood renewal
6. The Core offer remains challenging with some significant pressures arising in Children's social care. Nevertheless, through innovative financial investments, increased income from economic growth successes and a positive pension triennial review, the Council can still deliver the agreed balanced plan, finance the MTFP a further year to 2023/24, and allocate an additional £1.8m to bolster the Futures Fund themes whilst retaining usable balances of £3.683m.
7. In summary, the Council's financial position is robust with a four-year balanced MTFP and funds available for investment which will be delegated to Cabinet.

### **Recommendation**

8. Council are requested to:
- (a) Approve the Revenue MTFP as set out in **Appendix 7** including the following;
    - (i) Council tax increase of 1.99% plus the 2% adult social care precept to fund social care for 2020/21 totalling 3.99%.
    - (ii) Schedule of charges as set out in **Appendix 3**.
    - (iii) The Futures Fund investment of £1.8m as set out in paragraph 62.
  - (b) Approve a delegation for Cabinet to vary the Revenue Budget for 2020/21 by up to £0.5m without further Council approval.

### **Reasons**

9. The recommendations are supported by the following reasons :-
- (a) The Council must set a budget for the next financial year.
  - (b) To enable the Council to continue to plan services and finances over the medium term.
  - (c) To ensure decisions can be made in a timely manner.

### **Chief Officers Executive**

### **Background Papers**

No background papers were used in the preparation of this report.

Elizabeth Davison: Extension 5830

S17 Crime and Disorder	The report contains proposals to continue to allocate resources in support of the Council's Crime and Disorder responsibilities
Health and Well Being	The report contains proposals to continue to allocate resources in support of the Council's Health and Well Being responsibilities
Carbon Impact and Climate Change	The proposals in the report seek to continue to support the Council's responsibilities and ambitions to reduce carbon impact in the Council and the Borough.
Diversity	There are no specific proposals that impact on diversity issues.
Wards Affected	All wards are affected
Groups Affected	All groups are affected by the Council Tax increase.
Budget and Policy Framework	The MTFP, Budget and Council Tax must all be decided by full Council
Key Decision	The MTFP, Budget and Council Tax must all be decided by full Council
Urgent Decision	The MTFP, Budget and Council Tax must all be decided by full Council
One Darlington: Perfectly Placed	Within the constraints of available resources it is necessary for the Council to make decisions involving prioritisation. The proposals contained in this report are designed to support delivery of the Sustainable Community Strategy, and the Council Plan within those constraints.
Efficiency	Efficiency savings which do not affect service levels have been included in the MTFP.
Impact on Looked After Children and Care Leavers	Children's social care continues to be resourced to provide good outcomes for Looked after Children or Care Leavers.

## **MAIN REPORT**

### **Background and context**

10. The Council has faced significant financial challenges as the Government responded to the worldwide economic downturn by introducing public sector spending reductions. This was exacerbated by a growing demand for services, particularly in relation to social care, both Adults and Children's services. In the case of Darlington Borough Council, a fundamental review of service provision was required and in 2016 following a need to reduce the budget by a further £12m the Council, following an in-depth and detailed review of all services, undertook a significant consultation exercise with the public during 2016. This resulted in the agreement of a Core Offer budget which reduced expenditure and services to a risk based minimum level with a small investment fund (The Futures Fund) of £2.5m per annum for services which the Council does not have to provide but which add great value to Darlington and its residents.
11. Subsequently following good progress made on achieving savings, strong cost management and innovative treasury initiatives the council was in a position to add to the futures fund and Members after listening to feedback agreed to use unallocated balances of £4.7m to invest in five areas which hold great value to our community.
12. The Council's Corporate Plan priorities and long-term goals, were used in setting the criteria for the Futures Fund investments with emphasis on maximising growth in the Darlington economy and ensuring everyone is able to share in the subsequent wealth creation within community.
13. As a consequence of looking to these long term goals the following five themes which are wholly consistent with the Council's corporate plan priorities were agreed:-
  - (a) Community Safety
  - (b) Maintain an attractive street scene environment
  - (c) Maintaining a vibrant town centre
  - (d) Developing an attractive visitor economy
  - (e) Neighbourhood renewal
14. The funds are being utilised as expected to make positive change, the progress of which is detailed later in the report.
15. The core offer budget plus the futures fund as noted above is the starting position for this year's MTFP.

### **Updated Information and changes to the draft MTFP**

16. As a result of updated information since the draft MTFP was approved for consultation, mainly due to the receipt of the provisional local government settlement, a number of changes have been made to this proposed MTFP. These changes along with the references to where they appear in the report are shown below:

No.	Change	Effect	Para	App
1	Settlement – New Homes Bonus	Improves reserves by £0.004m	47, 48, 60	7
2	Settlement – Top up Grant	Reduces reserves by £0.131m over the life of the MTFP	47, 48, 60	7
3	Settlement – RSG	Reduces reserves by £0.024m over the life of the MTFP	47, 48, 60	7
4	Settlement – Winter Pressures	Increases resources by £2.004 over the life of the MTFP as it is no longer ring-fenced. It has been passported to Adults to compensate for loss of grant income.	28, 47, 48, 60	1,7
5	Quarter 3 Revenue Budget Management	Improved position at Quarter 3 budget management increases reserves by £0.670m.	60	5,7
6	Council Tax 3.99%	Guidance states Council Tax should not be increased by 4% or more (including adult social care precept). Reduces reserves by £0.053m over the life of the MTFP.	6a, 38, 40, 47, 48, 57, 60	4, 7
7	Living Wage pressure	Reduces reserves by £1.061m over the life of the MTFP and increases Adults spend by equivalent amount.	15, 28, 48, 60	1,7

## Financial Analysis

### Projected Expenditure

17. Estimates attached at **Appendix 1** have been prepared based on current service levels and include known pressures and efficiencies which are summarised below and detailed in **Appendix 2** along with the assumption that additional Futures Funding is agreed and allocated as noted in Paragraph 61. The most significant pressures and efficiencies are however discussed in the following paragraphs. Assumptions used when preparing the estimates are set out at **Appendix 4**.

<u>Summary of Pressures</u>	Estimate 20/21 £m	Estimate 21/22 £m	Estimate 22/23 £m	Estimate 23/24 £m
Efficiencies/Savings offsetting pressures	(4.098)	(4.117)	(4.167)	(4.199)
Service Demand	4.003	4.014	4.043	3.984
Price Inflation	0.497	0.669	0.810	1.154
Reduced Income	0.147	0.130	0.130	0.130
Other	0.978	0.683	0.780	2.588
Current Savings Shortfalls	0.417	0.595	0.589	0.585
	1.944	1.974	2.185	4.242

18. **Efficiencies/Savings** – the largest saving comes from the reduction in anticipated pension scheme contributions. A triennial review of the Durham Pension Fund has concluded the Darlington scheme is 98.9% funded which subsequently means

there is less past service deficit repayments to be made in the next three years than anticipated. Furthermore, the future contribution rate will remain static and won't rise as anticipated over the next three years. The reasons given are better fund returns, a reduction in the life expectancy age and also an increase in employees joining the pension scheme following auto enrolment.

19. The transformation work in adult services to ensure people receive the right level of care and are able to stay in their own homes, has both improved the quality of people's lives as well as reducing the cost of provision with subsequent savings made in this area.
20. **Service demand** – the most significant pressure in this category is the increase in children coming into the local authorities care and the subsequent pressure on both Residential placement and Independent Fostering placement budgets. This pressure is being felt across the country with most Councils' reporting overspends. The Council has been awarded a £1.2m grant from the DfE to assist in transforming social care practice within Darlington and the team is working in partnership with Leeds City Council who have already been through this process. The ultimate aim is to improve outcomes for children, focus on prevention and reducing the number of children who need to come into care and ultimately reduce the budget pressure.
21. The increase in children services costs noted above also has an impact on staffing levels required in that area along with legal fees, both of which are presenting pressures over the MTFP.
22. Concessionary fares are likely to increase following a review and subsequent redistribution of cost between the Tees Valley Authorities.
23. **Inflation** – due to increases in the living wage and general inflation, above the 1.5% provided for in the expenditure budgets, additional funding is required for our social care providers and direct payment clients.
24. **Reduced Income** – Income received from parking fines has reduced over the last couple of years as enforcement officers tackle other pressing needs of the services but also due to different parking offers, e.g. the multi-storey car park which is pay on exit. The Parking offer is currently under review.
25. **Other** – the Council is required to auto enrol staff members into the Local Government Pension Scheme (LGPS) and every three years the Council must carry out re-enrolment of any staff who have left the scheme. Following this year's enrolment over 70 employees have decided to remain in the scheme. Whilst this is good for the employee it costs the Council 18.4% of the basic wage hence the pressure. There is however a tentative link to the reduction in overall pension rates and back funding deficit as the more employees paying future contributions helps fund the scheme.
26. There is also a one-year pressure against the council tax collection fund of £0.400m due to less properties being built than anticipated and higher exemptions and discounts being awarded for instance single person discount.
27. **Current Savings Shortfalls** – Members will recall the Council allowed for a risk contingency in the 2019/20 budget, this was to cover 60% of five specific pressures

which we were not certain if, or when, they would come to fruition. As reported in revenue budget monitoring the Children's services and Schools transport pressures have presented fully and therefore the contingency has been fully utilised and the 40% not provided for is now showing as a pressure in future years.

28. There is also a pressure of £0.180m for the library service where the full amount of planned savings has not been achieved following extended consultation on the library provision.
29. Income at Eastbourne Complex has increased however the service have been unable to generate enough to fully cover the cost of provision.

### **Total Expenditure**

30. Taking all the above savings and pressures into account the projected expenditure is shown in the table below:-

	<b>2020/21 £m</b>	<b>2021/22 £m</b>	<b>2022/23 £m</b>	<b>2023/24 £m</b>
Children and Adult Services	58.423	60.839	62.815	64.048
Economic Growth & Neighbourhood Services	20.867	22.173	22.969	23.671
Resources	10.229	10.412	10.707	10.882
Financing costs	0.895	1.096	1.419	3.196
Investment Returns	(1.028)	(0.812)	(0.517)	(0.494)
Council Wide Pressures/(savings)	0.405	0.004	0.008	0.004
Council Wide Contingencies *	0.522	0.525	0.525	1.512
<b>Total Expenditure</b>	<b>90.313</b>	<b>94.237</b>	<b>97.926</b>	<b>102.819</b>

\* Includes apprentice levy and previously agreed risk contingency for provision ordinary residency costs in Adult services.

### **Projected Income**

#### **Finance Settlement – December 2019.**

31. On the 20 December 2019 the draft Local Government Finance Settlement was announced and at the time of writing a consultation has taken place and we are awaiting the results. It is not thought however there will be significant changes to the estimates in the report.
32. As the settlement only covered the year 2020/21 the following three years are estimates based on the most up to date information available. All assumptions are summarised in Appendix 4 and detailed in the relevant sections below.

## Core Grant funding to Local Government

33. **Revenue Support Grant (RSG)** has become a reducing element of the Council core funding over recent years and we were anticipating a further reduction in 2020/21. However as announced in the spending round we have confirmation RSG will remain for 2020/21 and has received an inflationary increase. It is anticipated this funding will continue over the further three years of the MTFP and this has been built into the estimates.
34. **New Homes Bonus (NHB)** is included in core Government funding as it is top sliced from RSG. However, in the 2017/18 Local Government Finance Settlement, changes to the formula were announced and there was a national baseline of 0.4% with no NHB paid until the increase in numbers is above this limit, which for Darlington is 164. In 2018/19 the NHB payment for each property of 6 years was reduced to 4 years and in this settlement it has been proposed there will be no new payments going forward but legacy payments for NHB will be paid.
35. As part of the Economic Growth Strategy, the Council is working towards increasing housing numbers to meet the needs of our population particularly as the economy is growing well and new jobs being created with a subsequent inward migration and increased demand for housing. The current financial incentives in terms of NHB are £1,671 per band D equivalent property with an additional £350 for affordable housing. Whilst it is disappointing NHB is unlikely to be received in the future the Council also receives additional Council Tax for each property so clearly housing growth is key to sustaining the Councils MTFP.
36. Members will recall that previous year changes to the NHB scheme along with the reduction in RSG funded the Improved Better Care Fund (iBCF) which was separate to the funding stream allocated direct to the NHS. This was in recognition that Councils were under significant pressure in regard to social care funding, confirmation has been received that this will continue in 2020/21 with inflation. For estimate purposes it has been assumed this funding will continue given it is part of the core funding settlement.

## Additional Funding announced in the Spending Review

37. **Social Care funding** - In recognition of the significant pressures being faced by Council in social care due to the growing elderly population and increases in children looked after, the Chancellor announced an extra £1.5 billion for social care. £1 billion through grant and £500 million through the adult social care precept. Darlington's proportion is confirmed at £2m with an additional £1m from the Adult Social Care precept. Furthermore, it has been indicated the grant funding (not the precept) will continue into future years.
38. **Social Care Grant and Winter Pressures funding** – Both of these grants have been continued into 2020/21. With regard to the winter pressures money, this has now been mainstreamed into the core baseline funding.

## Council Tax Income

39. Due to reduction and reliance on Government funding over the last ten years, Council Tax is now by far the largest single funding stream and will increase further as a percentage over the coming years as it represents 60% of all income

anticipated. The on-going increases reflect the Cabinet's view that income from Council Tax must increase to protect key services. Members will recall that a 1% increase in Council Tax equates to an annual revenue of £0.502m.

40. In 2018/19 and 2019/20 Local Authorities were given more flexibility by increasing the Council Tax referendum limit to no more than 3%, in the spending review this year it was announced that council tax should be lower than 2%. The figure is lower than council tax revenue previously estimated. The estimates have assumed an ongoing 1.99% increase in Council Tax.
41. However, as previously noted the Chancellor announced extra social care funding of which £500 million was through the adult social care precept at 2%. Adult social care has the largest overall budget and the precept is required to help in funding the on-going sustainability of the services. The precept is on top of the 1.99% council tax increase noted in the preceding paragraph. The assumption is the precept is for one year only so going forward has not been included in the estimates.
42. Planning estimates anticipate growth levels to be an average of 433 band D equivalent properties over the period of this plan which is a growth on the tax base of 1.38% and lower than anticipated in the current MTFP. This is a consequence of the slowdown in the market. These figures have been used to prepare the estimates; clearly should this be any different income levels will differ. The collection rate is anticipated to remain at 99% in 2020/21.
43. Taking the above into account Council Tax income over the period of this plan is estimated as follows:-

	<b>2020/21 £m</b>	<b>2021/22 £m</b>	<b>2022/23 £m</b>	<b>2023/24 £m</b>
Total Council Tax anticipated	52.179	53.951	55.697	57.450

### **National Non-Domestic Rates (NNDR)**

44. The Council retains 49% of NNDR collected and can gain or lose depending on whether the net tax collected increases or decreases. The Government via the valuation office sets rateable values and the rate paid in the pound is increased each year in line with the CPI. The business tax-base is far more volatile than the council tax base and requires very close monitoring. In addition to the potential to "lose" income due to business closures the Council also carries the risk of losing appeals by businesses against valuations.
45. Members will recall one of the three conditions identified to help the Council tackle the reduction of government grant and increasing service demand was to grow the economy. The Council's Economic Strategy gives priority to increasing business within the borough and significant effort has been put into achieving growth. This has been rewarded with a positive net increase in current and projected NNDR collected over the MTFP. Sites such as Symmetry Park, Feethams House and the Horizon centre are all contributing to the growth. Notwithstanding these major developments, attracting businesses into the Town by their very nature takes time



and upfront investment so this is an area which needs continued prioritisation and pump prime funding so growth can continue. It needs to be remembered that net growth in NNDR collected relies on growth outstripping revaluations and reductions which can be challenging in the current economy.

46. The in-year collection rate target for NNDR is 98.0% and as at the end of December 2019 the actual collection figure is 80.8% with three months to go and so is on track to achieve the target.
47. Taking the above into account the projections of NNDR are shown below

	<b>2020/21 £m</b>	<b>2021/22 £m</b>	<b>2022/23 £m</b>	<b>2023/24 £m</b>
Business Rates retained locally	18.901	19.256	19.620	19.991

### Collection fund

48. The Collection Fund account reflects the statutory requirements for the Council to maintain a separate Fund in relation to the operation of Council Tax and Business Rates Retention Scheme (BRRS). The Fund records all of the transactions for billing in respect of Non-Domestic Rates (NNDR) and Council Tax, exemptions and discounts granted, provision for bad debts and appeals and payments made to the Council's General Fund, the Police and Fire and Rescue precept authorities and Central Government. There is a £0.400m pressure in 2019/20 relating to the Council Tax fund which has been taken into account in revenue budget management. The NNDR fund is balanced.

### Other Grants

49. Set out below are the estimated specific grants which as the title suggests are for specific areas of expenditure as dictated by the government and cannot be used for other areas. These grants are included in service estimates at Appendix 1.

	<b>2020/21 £m</b>
Public Health Grant	8.236
PFI Grant	3.200
Troubled Families Grant	0.326
Discretionary Housing Payments	0.200
Youth Justice Board	0.223
Local Reform & Community Voices	0.057
Adult & Community Learning	1.300
Staying Put	0.050
Bikeability	0.029
Heritage Access Zone	0.045
Heritage Lottery Fund	0.047
Skerningham & Burtree Garden Village	0.150
	<b>13.863</b>

## Total Income

50. The table below summaries the Council's estimated income for the period of this plan which thanks to the increase in social care funding, continued economic growth and house building activity and the subsequent increases in council tax and NNDR, confirms a much-needed increase in income given our expenditure pressures.

<b>Resources - Projected and assumed</b>	<b>2020/21 £m</b>	<b>2021/22 £m</b>	<b>2022/23 £m</b>	<b>2023/24 £m</b>
Council Tax	52.179	53.951	55.697	57.450
Business rates retained locally	18.901	19.256	19.620	19.991
Top Up Grant	7.297	7.443	7.592	7.744
RSG	3.614	3.614	3.614	3.614
New Homes Bonus	1.285	0.717	0.425	(0.000)
Better Care Fund	4.356	4.356	4.356	4.356
Adult Social Care Support Grant	0.952	0.952	0.952	0.952
Additional Social Care Grant	2.000	2.000	2.000	2.000
<b>Total Resources</b>	<b>90.584</b>	<b>92.289</b>	<b>94.256</b>	<b>96.107</b>

## Projected MTFP

51. Set out in the table below are the projections based on the income and expenditure analysis discussed in the previous sections of this report along with the required use of balances over the period. The projections assume additional futures funding is agreed and allocated as described in paragraph 61.

	<b>2020/21 £m</b>	<b>2021/22 £m</b>	<b>2022/23 £m</b>	<b>2023/24 £m</b>
Estimated Expenditure	88.369	92.263	95.741	98.577
Add Pressures / Additional savings	1.944	1.974	2.185	4.242
	90.313	94.237	97.926	102.819
Projected Total Resources	(90.584)	(92.289)	(94.256)	(96.107)
Projected budget (surplus)/deficit	(0.271)	1.948	3.670	6.712
Utilisation of balances	0.271	(1.948)	(3.670)	(6.712)
<b>Total</b>	<b>0.000</b>	<b>0.000</b>	<b>0.000</b>	<b>0.000</b>

## **Futures Fund**

52. As noted earlier in 2018/19 the Council allocated £4.7m over the life of the MTFP (2018/19 to 2021/22) to the futures fund. £1.6m for the four-year ongoing funding for Community Safety and Maintaining an Attractive Street Scene Environment. The remaining £3.1m was allocated between five themes.
53. To date £2.081m has been committed to the themes with a balance of £1.019m remaining. A summary of commitments is noted below.

### **Futures Fund - Theme 1 - Community Safety (£0.600m)**

54. £0.552m of the fund has been committed, £0.517m on staffing across the four years. This is to improve resilience and robustness in the team particularly as community safety is a key priority for the Council. £0.035m was for the purchase of a mobile CCTV camera.

### **Futures Fund - Theme 2 – Maintaining an Attractive Street Environment (£0.500m)**

55. £0.108m has been allocated to employ an Arboricultural team leader to help address the increasing workload in regard to trees. The remaining funding has not been committed yet. The core funding allocation of £0.300m per annum has made a significant impact on the street environment. Grass cutting returned to a 12-15 day cycle which improved the look of the borough over the summer period and more frequent cleanses and litter picks have made a noticeable difference. Floral displays helped in achieving the Northumbria in bloom awards accolades.

### **Futures Fund - Theme 3 – Maintaining a Vibrant Town Centre (£1m)**

56. The Town Centre faces a number of challenges as do many towns across the country due to the increase in on-line shopping and out of town retailing. £0.921m of the funding has been committed across a number of areas including a one of grant to the House of Fraser to facilitate the store remaining open following the financial difficulties they face and the announcement of store closures across the country. The fund is also supporting the extension to the two-hour free car parking initiative along with the free on Sunday trial until May 2020. We have also invested in a Town Centre partnership officer position and also committed to a full events programme to target more footfall.

### **Futures Fund - Theme 4 – Developing an Attractive Visitor Economy (0.500m)**

57. Only a small amount of funds £0.080m has been committed against this theme for Heritage Action zone funding at present as it was to be mainly focused on the Experience Darlington Strategy or the 2025 200th Anniversary of the opening of the Stockton and Darlington Railway to pump prime investment and match fund initiatives on these and other culture opportunities.

### **Futures Fund - Theme 5 – Neighbourhood Renewal (0.500m)**

58. One of the Council priorities is to work with communities to maximise their potential and enjoy a good quality of life. The funding in this theme is aimed at assisting with this priority and £0.420m has been allocated to various initiatives including £0.050m to the Darlington Credit Union to enable them to continue work in

addressing financial hardship and across households in Darlington; £0.090m for a skills and employability officer to understand what skills are required in the borough and take action to promote employment; £0.150m to run initiatives and part fund a programme officer for the Northgate project which is a multi-agency programme providing a range of interventions from support and advice to enforcement activities where required in order to improve outcomes for local residents; and £0.020m for the pilot In2 Programme which introduces children who wouldn't usually have access to arts and cultural experiences. There has also been an allocation of £0.016m for a holiday hunger scheme through the school holidays and £0.035m to support work to embed community wealth building across the Council and partners.

## Revenue Balances

59. Taking into account the projected revenue out turn for 2019/20 detailed at **Appendix 5**, along with the assessment of required risk balances as set out in **Appendix 6** and the utilisation of balances to fund the projected budget deficit over the four year period, leaves a projected general fund balance of £5.483m by 2023/24 which is a significant improvement on the current MTFP.
60. However, the unallocated balances rely on building around 433 houses per year, no significant overspending, assumptions of additional income in the spending review for future years materialising, a Council Tax increase of 1.99% and an adult social care precept of 2.00% giving an overall increased to Council tax of 3.99%. We therefore need to be cautious particularly in light of future years estimated income, but we understand the need to invest into our services as much as possible to stimulate growth and tackle inequality.
61. As balancing the MTFP requires the use of reserves it is sensible that any unallocated balances should be used to:-
- (a) To minimise on-going committed annual spending to assist and work towards eradicating future years funding gaps.
  - (b) Invest into the Futures Fund to stimulate growth and invest in our communities over the four years of the MTFP.

## Use of Revenue Balances

62. Given the pressure on budgets and the limited funds for discretionary services it is recommended that £1.800m of the unallocated balances is utilised for the Futures Fund to replenish priority funding and support the Councils ongoing priorities for a further two years to 2023/24. £0.800m for the ongoing commitments in Street Scene and Community Safety at £0.600m and £0.200m respectively. £0.350m to bolster the one-off Community Safety theme to allow the continuation of the additional staffing; £0.500m to maintaining a vibrant Town Centre given the significant pressures all town centres are facing and the great work the current futures fund has enabled. And finally, £0.150m for neighbourhood renewal to replenish the fund which is being utilised on a key priority as noted above.
63. If the additional £1.8m for the Futures Fund is agreed the revised revenue reserve closing balance position at the end of 2023/24 would be £3.683m as shown below which it is a welcomed position. However, given the uncertainties in regard to

future funding and expenditure pressures it is recommended the balance remains unallocated to assist in future pressures or mitigation of the year 5 gap.

Revenue Balances	2020/21 £m	2021/22 £m	2022/23 £m	2023/24 £m
Opening balance	19.235	15.013	14.065	10.395
Risk Reserve	(4.350)			
Futures Fund Reserve balance	(1.143)			
Contribution to/(from) balances	0.271	(1.948)	(3.670)	(6.712)
Contribution from Collection Fund	1.000	1.000	0.000	0.000
Closing balance	<b>15.013</b>	<b>14.065</b>	<b>10.395</b>	<b>3.683</b>

## Consultation

64. Consultation on the draft plan ran from the 19 December 2019 to the 30 January 2020 and was discussed at Cabinet on the 7 January and promoted on the Council's Website as well as social media.
65. The Economy and Resources Committee met on 23 January 2020 to consider the draft MTFP and the responses from all the Council's Scrutiny Committees. The minutes are shown in **Appendix 8**, in summary there was a majority support for the Council Tax increase of 1.99%, the Adult Social Care Precept of 2% and the fees and charges levels.
66. No further feedback has been received.

## Conclusion

67. The MTFP as agreed by Council remains deliverable but as previously acknowledged it is not without risk and challenges. Some risks previously identified have occurred and the recommendations within this report address the associated financial implications. The proposed MTFP includes the retention of the Risk Reserve to offset further unforeseen risks and the provision of a risk contingency in adult social care to cover a specific significant value risk which is already known.
68. The Council still has the financial capacity to deliver a four-year balanced MTFP which puts it in a much stronger position than many Councils, however this is based on a core offer service level with limited discretionary services. To add to this offer, available revenue balances have been utilised to create five Future Fund Investments themes which are helping to stimulate growth and assist with a key priority of growing the economy. As balances have improved it is proposed a further £1.8m is used to supplement the futures fund themes. Despite significant pressures faced in Children's Services, the proactive stance taken in growing the economy is working and assisting in minimising on-going committed annual spending to assist and work towards eradicating the unfunded budget gap in 2024/25.
69. Planning beyond the current MTFP is extremely difficult given the uncertainty around the new Local Government financial system now planned for 2021 and issues such as the impact of Brexit on the country's finances. Given the four-year

balanced position the proposed plan will allow Members time, post the fair funding review to assess the impacts of the changing landscape and make its decision on how it will address the future financial position it faces. Current planning suggests there will be a budget deficit of approximately £6.7m for the Council to address (assuming ongoing Futures Fund commitments are continued) however for the reason above, this will almost certainly change but at this stage it is not possible to know whether this will be a positive or negative position.

70. In summary, the Council continues to face significant financial challenges, however, the MTFP remains deliverable on the basis of what we know now and the following conditions – economic growth, house building, no further pressures, fair funding review and a fair settlement, if this changes plans will need to be adjusted.
71. As the Council's Statutory Chief Financial Officer, the Assistant Director Resources, must advise the Council on the robustness of the budget and adequacy of reserves. The budget presented to Members in this report has been based on the most accurate information available known at this point in time, therefore the Assistant Director is confident that they are an accurate reflection of the Council's financial position. General Fund Reserves are adequate however the Council is carrying a financial risk over the lifetime of the plan which is difficult to forecast at present, in particular the implications and impacts of Brexit and the uncertainty around the fair funding review. It is essential that growing pressures in children's services are addressed through transformation and implemented as the Council will be operating with minimum levels of balances to fund any future cost pressures.

## APPENDICES

Appendix 1	Detailed Estimates
Appendix 2	Budget Pressures / Savings
Appendix 3	Fees and Income Proposals
Appendix 4	Assumptions used to prepare estimates
Appendix 5	Projected Revenue Outturn 2019/20
Appendix 6	Assessment of Risk Balances
Appendix 7	Proposed MTFP 2020 to 2024
Appendix 8	Consultation – Economy and Resources Committee Minutes.

**REVENUE ESTIMATES 2020/21 - Summary****Appendix 1**

	2019/20 Net Budget £000	2020/21			
		Gross Budget	Income	Grants	Net Budget
		£000	£000	£000	£000
Children and Adults	57,152	111,751	(14,981)	(38,347)	58,423
Economic Growth & Neighbourhood Services	21,193	91,281	(44,704)	(25,710)	20,867
Resources	10,240	12,497	(2,268)	0	10,229
<b>Group Totals</b>	<b>88,585</b>	<b>215,529</b>	<b>(61,953)</b>	<b>(64,057)</b>	<b>89,519</b>
Financing Costs	510	895	0	0	895
Investment Returns - Joint Ventures	(1,212)	(1,028)	0	0	(1,028)
Council Wide Pressures / Savings	382	405	0	0	405
Contingencies	(2,093)	522	0	0	522
<b>Grand Total</b>	<b>86,172</b>	<b>216,323</b>	<b>(61,953)</b>	<b>(64,057)</b>	<b>90,313</b>

**Revenue Estimates 2020/21****CHILDREN & ADULT SERVICES**

	2019/20 Net Budget £000	2020/21			
		Gross Budget	Income	Grants	Net Budget
		£000	£000	£000	£000
<b><u>Director of Adults &amp; Children's Services</u></b>	186	160	0	0	160
<b><u>Children &amp; Adult Services</u></b>					
Transformation & Performance	568	663	(68)	(37)	558
Business Support	1,277	1,327	0	0	1,327
<b><u>Children's Services</u></b>					
Children's Services Management & Other Services	523	537	0	0	537
Assessment Care Planning & LAC	2,938	3,487	0	0	3,487
First Response & Early Help	2,264	2,765	0	(289)	2,476
Adoption & Placements	12,394	13,883	(93)	(50)	13,740
Youth Offending / ASB	268	598	(127)	(223)	248
Quality Assurance & Practice Improvement	442	546	(127)	0	419
<b><u>Development &amp; Commissioning</u></b>					
Commissioning	2,252	2,256	(96)	0	2,160
Workforce Development	260	205	0	0	205
Voluntary Sector	417	339	0	(57)	282
<b><u>Education</u></b>					
Education	954	21,673	(1,142)	(19,475)	1,056
Schools	0	9,432	0	(9,432)	0
Transport Unit	1,438	2,231	0	(548)	1,683
<b><u>Public Health &amp; Community Safety</u></b>					
Public Health	100	8,246	0	(8,236)	10
Healthy New Towns	59	0	0	0	0
<b><u>Adult Social Care &amp; Health</u></b>					
External Purchase of Care	24,764	35,112	(11,265)	0	23,847
Intake & Enablement	636	2,034	(1,444)	0	590
On-going Long Term Care - Older People	1,387	1,514	(129)	0	1,385
On-going Long Term Care - Physical Disability	4	57	(52)	0	5
On-going Long Term Care - Learning Disability	1,648	1,723	(36)	0	1,687
On-going Long Term Care - Mental Health	998	1,525	(402)	0	1,123
On-going Long Term Care - Disabled Children's	460	473	0	0	473
Service Development & Integration	915	965	0	0	965
<b>Total Adults &amp; Children's Services</b>	<b>57,152</b>	<b>111,751</b>	<b>(14,981)</b>	<b>(38,347)</b>	<b>58,423</b>

## Revenue Estimates 2020/21

## Economic Growth &amp; Neighbourhood Services

	2019/20	2020/21			
	Net Budget	Gross Budget	Income	Grants	Net Budget
	£000	£000	£000	£000	£000
<b>Director of Economic Growth &amp; Neighbourhood Services</b>	170	167	0	0	167
<b>Planning, Economic Initiatives &amp; Asset Management</b>					
AD - Economic Growth	133	127	0	0	127
Bidra	0	0	0	0	0
Building Control	145	296	(158)	0	138
Development Management	(68)	576	(648)	0	(73)
Economy	247	196	0	0	196
Environmental Health	295	309	(17)	0	292
Place Strategy	562	807	(30)	(195)	582
Property Management and Estates	(580)	532	(1,135)	0	(603)
<b>Capital Projects, Transport &amp; Highways Planning</b>					
AD - Transport & Capital Projects	127	124	0	0	124
Building Design Services	41	512	(493)	0	19
Capital Projects	349	550	(248)	0	302
Car Parking R&M	554	566	0	0	566
Concessionary Fares	3,292	3,793	0	0	3,793
Flood and Water Act	84	86	0	0	86
Highways	2,578	3,048	(606)	(29)	2,413
Highways - DLO	(450)	8,114	(8,612)	0	(498)
Investment and Funding	421	175	(184)	0	(9)
Sustainable Transport	195	318	(55)	0	263
<b>Community Services</b>					
AD - Community Services	127	124	0	0	124
Allotments	11	21	(11)	0	11
Building Cleaning - DLO	146	717	(591)	0	125
Cemeteries and Crematorium	(830)	648	(1,518)	0	(870)
Community Services - Other DLO	0	0	0	0	0
Dolphin Centre	590	3,333	(2,785)	0	548
Eastbourne Complex	(52)	112	(128)	0	(16)
Emergency Planning	95	97	0	0	97
Head of Steam	252	310	(61)	0	249
Hippodrome	95	4,801	(4,765)	(33)	2
Indoor Bowling Centre	11	20	(6)	0	14
Libraries	681	833	(42)	0	790
Move More	2	163	(134)	0	29
Outdoor Events	374	414	(22)	0	392
School Meals - DLO	38	677	(618)	0	59
Strategic Arts	125	110	0	0	110
Street Scene	5,022	7,044	(2,046)	(14)	4,984
Transport Unit - Fleet Management	(16)	54	(70)	0	(16)
Waste Management	2,827	2,936	0	0	2,936
Winter Maintenance	421	430	(2)	0	428
<b>Community Safety</b>					
CCTV	218	573	(385)	0	188
Community Safety	524	590	(17)	0	573
General Licensing	0	151	(151)	0	0
Parking	(2,055)	196	(2,276)	0	(2,081)
Parking Enforcement	57	247	(177)	0	69
Private Sector Housing	77	82	(10)	0	72
Stray Dogs	44	44	(1)	0	43
Taxi Licensing	0	198	(198)	0	0
Trading Standards	226	230	(6)	0	224



**Economic Growth & Neighbourhood Services (continued)**

	2019/20 Net Budget £000	2020/21			
		Gross Budget £000	Income £000	Grants £000	Net Budget £000
<b>Building Services</b>					
Construction - DLO	(397)	11,160	(11,627)	0	(467)
Maintenance - DLO	(409)	3,360	(3,818)	0	(458)
Other - DLO	49	0	0	0	0
Corporate Landlord	3,069	3,366	(207)	0	3,159
<b>General Support Services</b>					
Works Property & Other	107	109	0	0	109
<b>Joint Levies &amp; Boards</b>					
Environment Agency Levy	109	112	0	0	112
Outside Contributions	53	(0)	0	0	(0)
<b>Housing</b>					
Local Taxation	468	888	(284)	(144)	460
Rent Rebates / Rent Allowances / Council Tax	(132)	24,614	(132)	(24,614)	(132)
Housing Benefits Administration	203	902	0	(681)	221
Customer Call Centre	279	449	(178)	0	271
Homelessness	313	394	(97)	0	297
Service, Strategy & Regulation and General Services	189	332	(154)	0	178
<b>Total Economic Growth &amp; Neighbourhood Services</b>	<b>21,193</b>	<b>91,281</b>	<b>(44,704)</b>	<b>(25,710)</b>	<b>20,867</b>

**Revenue Estimates 2020/21****Resources**

	2019/20 Net Budget £000	2020/21			
		Gross Budget £000	Income £000	Grants £000	Net Budget £000
<b>Managing Director</b>	196	257	(94)	0	163
<b>Darlington Partnership</b>	18	121	(84)	0	37
<b>AD Resources</b>					
Financial Services & Governance	1,409	1,704	(297)	0	1,407
Financial Assessments & Protection	233	301	(40)	0	261
Communications & Engagement	921	917	(123)	0	794
Systems	741	760	(7)	0	753
Xentrall Services (D&S Partnership)	1,621	2,341	(648)	0	1,693
Human Resources	586	824	(242)	0	582
Health & Safety	134	188	(52)	0	136
<b>AD Law &amp; Governance</b>					
Complaints & Freedom of Information	191	190	(4)	0	186
Democratic Support	1,345	1,224	(24)	0	1,200
Registrars of births, deaths and marriages	(11)	225	(254)	0	(29)
Administration	706	787	(90)	0	697
Legal & Procurement	1,177	1,694	(297)	0	1,397
Coroners	200	215	0	0	215
<b>AD ICT</b>	773	749	(12)	0	737
<b>Total Resources</b>	<b>10,240</b>	<b>12,497</b>	<b>(2,268)</b>	<b>0</b>	<b>10,229</b>

<b>Pressures / Savings</b>	Estimate 20/21 £m	Estimate 21/22 £m	Estimate 22/23 £m	Estimate 23/24 £m
<b>Savings</b>				
Morton Park car parking	(0.050)	(0.050)	(0.050)	(0.050)
Childrens Safeguarding Board reduction	(0.042)	(0.068)	(0.073)	(0.075)
Adults Packages	(0.749)	(0.745)	(0.741)	(0.682)
Adults other supplies and services and ICT	(0.367)	(0.365)	(0.364)	(0.333)
Pension savings following triennial review	(1.874)	(1.905)	(1.984)	(2.110)
TVCA - contribution saving	(0.050)	(0.050)	(0.050)	(0.050)
	(3.132)	(3.183)	(3.262)	(3.300)
<b>Increased Demand</b>				
Concessionary Fares - potential change to apportionments	0.406	0.412	0.419	0.425
Sustainable Transport - previous years Government funding available, awaiting clarity on possibility of future bids	0.073	0.000	0.000	0.000
Street Scene - Additional refuse round anticipated as new houses are built	0.000	0.182	0.235	0.287
Waste Disposal - Increase based on new homes	0.024	0.048	0.072	0.096
Climate change officer - to sustain Green agenda	0.050	0.052	0.055	0.056
Childrens complaints	0.030	0.030	0.030	0.030
Childrens Placements	1.373	1.610	1.622	1.610
Childrens - additional staffing	0.591	0.637	0.535	0.405
Childrens - increase in legal fees	0.150	0.150	0.150	0.150
Additional cost of Improvement Grants	0.015	0.015	0.015	0.015
Homeless Trailblazer contract extended to March 21	0.064	0.000	0.000	0.000
Transport - additional costs for new routes	0.120	0.123	0.126	0.129
Resources additional staffing	0.019	(0.014)	0.034	0.033
Legal new software requirements	0.030	0.020	0.020	0.020
Coroners increase in service	0.011	0.012	0.013	0.014
Adults MCA assessors	0.122	0.000	0.000	0.000
	3.078	3.277	3.326	3.270
<b>Current Savings shortfall</b>				
Library service	0.180	0.180	0.180	0.180
Eastbourne complex	0.100	0.100	0.100	0.100
Transport - Home to school	0.105	0.126	0.126	0.126
Childrens & Adults Business Support	0.032	0.035	0.035	0.035
	0.417	0.441	0.441	0.441
<b>Price Inflation</b>				
Utilities/Waste Disposal etc	0.000	0.000	0.000	0.141
Adults Domiciliary / Direct Payments	0.293	0.404	0.516	0.715
National Living Wage	0.204	0.265	0.294	0.298
	0.497	0.669	0.810	1.154
<b>Reduced Income</b>				
St Teresa's RC School Meals - service to be reviewed post 20/21	0.017	0.000	0.000	0.000
Parking enforcement	0.130	0.130	0.130	0.130
	0.147	0.130	0.130	0.130
<b>Other</b>				
Childrens staffing and expenses	0.053	0.054	0.060	0.062
Adults Staffing - Social Worker career grades and retention	0.158	0.233	0.311	0.311
CT collection Fund deficit	0.400	0.000	0.000	0.000
Financing Costs MRP	0.000	0.000	0.000	1.800
Resources supplies and services	0.005	0.027	0.042	0.041
Council wide auto-enrolment into pension scheme	0.321	0.326	0.327	0.333
	0.937	0.640	0.740	2.547
<b>Total net pressures / (Savings)</b>	1.944	1.974	2.185	4.243

**SCHEDULE OF CHARGES 2020/21**

Description	Type**	Existing Charge £	New Charge £	Financial Effect £
<b>**KEY for basis of fee and charges setting, L - Locally Agreed, N - Nationally Agreed</b>				
<b>LEARNING SKILLS - LEARNING FOR LIFE</b>				
Fees Policy: August 2019 to July 2020 (Next Review July 2020)				
Full Fees (including enrolment and tuition fees) per hour	L	3.00	3.00	NIL
<p><b>Accredited Learning</b>  <b>Full accreditation fee (if applicable) - if the course has a qualification there will be additional fees to pay for registration and certification.</b></p> <p><b>No fees will be charged for publicly subsidised courses where:</b></p> <ol style="list-style-type: none"> <li>Learners are aged 16-18 (on 31 August 2019)</li> <li>Learners are aged 19-24 (on 31 August 2019) with a learning difficulty and/or disability as evidenced through an Education, Health and Care (EHC) Plan</li> <li>Learners are aged 19 or older where the learning aim is up to and including level 2, and the learner is studying English or Maths</li> <li>Learners are aged 19-23 (on their first day of study) and are studying their first 'full' level 2 or first 'full' level 3, excludes English for speakers of Other Languages (ESOL)</li> <li>Learners are aged 19 or older where the learning aim is up to and including level 2 (including ESOL), the skills training will help them into work, and the learner is classed as unemployed and one or more of the following apply: <ol style="list-style-type: none"> <li>They receive Job Seeker's Allowance (JSA) - this includes those receiving National Insurance credits only, or</li> <li>They receive Employment and Support Allowance (ESA), or</li> <li>They receive Universal Credit and their earned income from employment (disregarding benefits) is less than £338 a month (learner is sole adult in their benefit claim) or £541 a month (learner has a joint benefit claim with their partner)</li> <li>They are released on temporary licence, studying outside a prison environment, and not funded by the Ministry of Justice</li> </ol> </li> <li>Learners are aged 19 or older where the learning aim is up to and including level 2 (including ESOL), they are employed and eligible for co-funding but earn less than £16,009.50 gross salary, based on the assumption of a 37.5 hour contract with paid statutory holiday entitlement.</li> </ol> <p><i>Evidence required: A wage slip within 3 months of the learning start date, or a current employment contract which states gross monthly / annual wages</i></p> <ol style="list-style-type: none"> <li>Learners aged 19-24 who are unemployed and on a Traineeship</li> </ol> <p><b>Courses with no public subsidy</b>  For learners aged 19 or above and where the learning aim is level 3 or above (except for exclusion above), learners will need to take out an Advanced Learning Loan, subject to funding availability. Further details can be found at: <a href="http://www.gov.uk/advanced-learning-loans">www.gov.uk/advanced-learning-loans</a></p> <p>Asylum Seekers – individuals will be assessed for eligibility in conjunction with SFA  Special Fees – some courses have special fees, cost on application  FE course – NVQ etc price on application</p> <p><b>The following courses are free:</b>  Family Learning, Functional Skills, Study Programmes and courses which are funded through external projects</p> <p><b>Additional Learning Support (ALS)</b> is intended to enable disadvantaged learners to achieve their learning goal by providing funding, on top of programme funds, to help them overcome their barriers to learning. The funding is intended to be flexible and to help support learners who have a range of learning difficulties and/or disabilities</p>				

Description	Type**	Existing Charge £	New Charge £	Financial Effect £
<b>**KEY for basis of fee and charges setting, L - Locally Agreed, N - Nationally Agreed</b>				
<b>REGISTRATION OF BIRTHS, DEATHS, MARRIAGES AND CIVIL PARTNERSHIPS</b>				
The following fees do not incur VAT				
<b>Marriages</b>				
Entering a Notice of Marriage or Civil Partnership	N			
For a Registrar to attend a Marriage at the Register Office	N			
Civil Partnership Registration	N			
Incumbents for every Entry Contained in Quarterly Certified	N			
Copies of Entries of Marriage	N			
Registrars fee for attending a marriage at a registered building or for the housebound or detained	N			
Superintendents Registrar fee for attesting a notice of marriage away from his office for housebound or detained	N			
Superintendents Registrar fee for attending the marriage of the housebound or detained	N	These charges set nationally by Statute and will be charged at the advised rate for 2019/20	These charges set nationally by Statute and will be charged at the advised rate for 2020/21	
<b>Certification for Worship and Registration for Marriages</b>				
Place of Meeting for Religious Worship	N			
Registration of Building for Solemnisation of Marriage	N			
<b>Certificates issued from Local Offices</b>				
Standard Certificate (SR)	N			
Standard Certificate (RBD) (at time of Registration)	N			
Standard Certificate (RBD) (after Registration)	N			
Short Certificate of Birth (SR)	N			
Short Certificate of Birth (RBD)	N			
Certificates of Civil Partnership (at time of Ceremony)	N			
Certificates of Civil Partnership (at later date)	N			
General Search fee	N			
Each Verification	N			
<b>Civil Partnership Ceremony</b>	N			
<b>All Ceremonies – Approved Premises</b>				
Application Fee (3 years)	N	1,700.00	1,700.00	
Fee for Attendance Monday to Saturday	L	525.00	525.00	
Fee for Attendance Sunday	L	525.00	525.00	
Fee for Attendance Bank Holidays	L	525.00	525.00	
<b>All Ceremonies – Town Hall</b>				
Monday to Saturday	L	275.00	275.00	
<b>REGISTER OF ELECTORS, OPEN REGISTER AND MONTHLY UPDATES - SALE</b>				
The following fees do not incur VAT.				
Register – Printed Form	N	10.00	10.00	
Per 1,000 Names – Printed	N	5.00	5.00	
Register – Data Form	N	20.00	20.00	
Per 1,000 Names – Data	N	1.50	1.50	
<b>LIST OF OVERSEAS ELECTORS – SALE</b>				
The following fees do not incur VAT.				
List – Printed Form	N	10.00	10.00	
Per 1,000 Names – Printed	N	5.00	5.00	
List – Data Form	N	20.00	20.00	
Per 1,000 Names – Data	N	1.50	1.50	
<b>MARKED COPY OF THE REGISTER OF ELECTORS AND MARKED ABSENT VOTERS LIST - SALE</b>				
The following fees do not incur VAT				
Register – Printed Form	N	10.00	10.00	
Per 1,000 Names – Printed	N	2.00	2.00	
Register – Data Form	N	10.00	10.00	
Per 1,000 Names – Data	N	1.00	1.00	

Description	Type**	Existing Charge £	New Charge £	Financial Effect £
<b>**KEY for basis of fee and charges setting, L - Locally Agreed, N - Nationally Agreed</b>				
<b>TOWN HALL</b>				
Hire of Committee Rooms – all charges shown exclusive of VAT. Charges will be made plus the appropriate VAT rate.				
All rooms are to be charged by the hour, rather than by session				
Committee Rooms per hour	L	32.00	33.00	
				Minimal
<b>LAND CHARGES</b>				
<b>The following fees are inclusive of VAT</b>				
<b>Search Fees</b>				
Standard Search - Residential Property (post or DX)	L	91.80	91.80	
Standard Search – Residential Property (electronic)	L	89.80	89.80	
Standard Search – Commercial Property (post or DX)	L	139.80	139.80	
Standard Search – Commercial Property (electronic)	L	137.80	137.80	
<b>Con 29 Required</b>				
<b>Residential Property</b>				
One Parcel of Land	L	76.80	76.80	
Several Parcels of Land – Each Additional Parcel	L	24.00	24.00	
<b>Commercial Property</b>				
One Parcel of Land	L	124.80	124.80	
Several Parcels of Land – Each Additional Parcel	L	24.00	24.00	
<b>Con 29 Optional</b>				
Each Printed Enquiry	L	6.00	6.00	
Own Questions	L	6.00	6.00	
Official Search – LLCI	L	15.00	15.00	
Official Search – NLIS (National Land Information Service) or email	L	13.00	13.00	
Expedited Search (Residential)	L	165.00	165.00	
Expedited search (Commercial)	L	225.00	225.00	
Personal Search	L	No charge	No charge	
				NIL

Description	Type**	Existing Charge £	New Charge £	Financial Effect £
<b>**KEY for basis of fee and charges setting, L - Locally Agreed, N - Nationally Agreed</b>				
<b>FINANCIAL PROTECTION SERVICES</b>				
<b>Category</b>				
I. Work up to and including the date upon which the court makes an order appointing a deputy for property and affairs	N	745.00	745.00	
II. Annual management fee where the court appoints a local authority deputy for property and affairs, payable on the anniversary of the court order:				
- for the first year	N	775.00	775.00	
- for the second and subsequent years	N	650.00	650.00	
where the net assets are below £16,000, the local authority deputy for property and affairs will take an annual management fee not exceeding 3% of the net assets on the anniversary of the court order appointing the local authority as deputy				
Where the court appoints a local authority deputy for health and welfare, the local authority will take an annual management fee not exceeding 2.5% of the net assets on the anniversary of the court order appointing the local authority as deputy for health and welfare up to a maximum of £500.				
III. Annual property management fee to include work involved in preparing property for sale, instructing agents, conveyancers, etc or the ongoing maintenance of property including management and letting of a rental property	N	300.00	300.00	
IV. Preparation and lodgement of an annual report or account to the Public Guardian	N	216.00	216.00	
V. Conveyancing Costs				
Where a deputy or other person authorised by the court is selling or purchasing a property on behalf of P, the following fixed rates will apply except where the sale or purchase is by trustees in which case, the costs should be agreed with the trustees:	N	See Description	See Description	
A value element of 0.15% of the consideration with a minimum sum of £350 and a maximum sum of £1,500, plus disbursements				
Travel Rates are allowed at a fixed rate per hour for travel costs	N	40.00	40.00	
Please note that these rates are set by The Office of Public Guardian and are the rates as of 1st April 2017, these may be amended during 2020/21				
Administration fee for arranging the care and support needs for those with capital in excess of the upper capital limit or those who have chosen not to disclose their financial information.	L	100.00	105.00	
				<b>Minimal</b>
<b>DEFERRED PAYMENT FEES</b>				
Administration cost for setting up a Deferred Payment Agreement	L	300.00	315.00	
plus cost of valuation (this will be dependant on property type)	L	Actual cost of valuation	Actual cost of valuation	
				<b>Minimal</b>

Description	Type**	Existing Charge £	New Charge £	Financial Effect £
<b>**KEY for basis of fee and charges setting, L - Locally Agreed, N - Nationally Agreed</b>				
<b>LIBRARIES</b>				
<b>Fines On Overdue Items</b>				
Adults – per day	L	0.15	0.15	
Maximum charge per book	L	5.10	5.10	
Senior Citizens – per day	L	0.10	0.10	
Maximum charge per book	L	3.10	3.10	
Children – per day	L	No charge	No charge	
<b>Loan Charges for Audio Materials (1 week)</b>				
CD's	L	1.00	1.00	
DVD's	L	1.50	1.50	
<b>Reservation Fees for books and Audio Materials</b>				
Adults	L	0.50	0.50	
Senior Citizens	L	0.25	0.25	
Children/Unemployed	L	0.25	0.25	
<b>Reservation Fees for Books Obtained from Outside the Authority</b>				
Single charge for all books obtained from other libraries	L	6.00	6.00	
<b>Repeat Fee for Renewal of Books from Outside the Authority</b>				
Single Charge for all books obtained from other local authorities	L	6.00	6.00	
<b>Replacement Tickets</b>				
Adults	L	1.20	1.20	
Senior Citizens	L	1.20	1.20	
Children/Unemployed	L	0.60	0.60	
<b>Spoken Word</b>				
Cassettes & CDs (3 Week Loan)	L			
Adults (who are not exempt) each	L	1.50	1.50	
Children each	L	No charge	No charge	
<b>Language Courses (per element)</b>				
Subscription for whole course to be paid in advance	L	1.35	1.35	
<b>Local History Research</b>				
Standard charge	L	5.00	5.00	
Specialist Research – per hour	L	30.00	30.00	
<b>Photocopies</b>				
A4 B&W	L	0.15	0.15	
A3 B&W	L	0.30	0.30	
<b>Printing</b>				
Text Printouts				
A4 B&W	L	0.15	0.15	
A3 B&W	L	0.30	0.30	
Image Printouts				
A4 B&W	L	0.80	0.80	
A4 colour	L	1.60	1.60	
<b>Reproduction of Images from Stock</b>				
Digital copies for Private/Study purposes – per photo	L	5.50	5.50	
Digital copies for small local commercial use – per photo	L	5.50 + 2 copies of publications	5.50 + 2 copies of publications	
Digital copies for local commercial use - per photo	L	10.50 + 2 copies of book	10.50 + 2 copies of book	
Digital copies for national/international commercial	L	110.00	110.00	

Description	Type**	Existing Charge £	New Charge £	Financial Effect £
<b>**KEY for basis of fee and charges setting, L - Locally Agreed, N - Nationally Agreed</b>				
<b>Scan and e-mail Service</b>				
First sheet	L	1.00	1.00	
Each subsequent sheet	L	0.50	0.50	
<b>Hire of Locker</b>	L	0.50	0.50	
<b>Internet Use</b>				
Library members First 30 minutes FREE , Members & Non Members £1.00 per 30 minutes hereafter	L	1.00	1.00	
<b>Lost &amp; Damaged Items</b>	L	Full current Replacement Cost (non-refundable)	Full current Replacement Cost (non-refundable)	
<b>Fax</b>				
Outgoing Transmission				
United Kingdom – per sheet	L	1.45	1.45	
Europe – per sheet	L	2.30	2.30	
USA/Canada – per sheet	L	2.80	2.80	
Rest of the World – per sheet	L	3.80	3.80	
Incoming Transmission – per sheet	L	0.45	0.45	
<b>Fax by Satellite</b>				
Atlantic Ocean/Indian Ocean/Pacific Ocean – per sheet	L	12.50	12.50	
<b>Room Hire</b>				
Not for profit organisations per hour	L	10.00	10.00	
Commercial organisations per hour	L	15.00	15.00	
				<b>NIL</b>
<b>PLANNING FEES</b>				
Planning fees are set nationally				
<b>PLANNING – PRE APPLICATION ADVICE</b>				
All charges include VAT at 20%				
Large Major Development (200+) for a written response, including up to 2 meetings	L	1,200.00	1,200.00	
Small Major Development (10-199) for a written response, including up to 2 meetings	L	600.00	600.00	
Minor Development for a written response to include a meeting if necessary	L	400.00	400.00	
<b>Other Developments</b>				
Minerals Processing	L	Based on areas above	Based on areas above	
Change of use for a written response to include a meeting if necessary	L	50.00	50.00	
Householder developments	L	36.00	36.00	
Advertisements	L	25.00	25.00	
Listed Building consents (to alter/extend/demolish)	L	Free	Free	
Conservation area consents	L	Free	Free	
Certificates of lawful development	L	Application advice not appropriate	Application advice not appropriate	
Telecommunications Notifications	L	126.00	126.00	
<b>Other Charges</b>				
Pre-Application meeting involving Planning Committee Members	L	1,000.00	1,000.00	



Description	Type**	Existing Charge £	New Charge £	Financial Effect £
<b>**KEY for basis of fee and charges setting, L - Locally Agreed, N - Nationally Agreed</b>				
<b>PLANNING – SUPPLEMENTARY ITEMS</b>				
<b>Items inclusive of VAT at 20%</b>				
A4 Photocopy (ex plans) – first page	L	1.10	1.10	
Subsequent pages	L	0.10	0.10	
A3 Photocopy (ex plans) – first page	L	1.20	1.20	
Subsequent pages	L	0.20	0.20	
A2 Photocopy (ex plans) – first page	L	1.50	1.50	
A1 Photocopy (ex plans)	L	2.00	2.00	
A0 Photocopy (ex plans)	L	3.00	3.00	
<b>Items outside the scope of VAT</b>				
Local plan	L	18.00	18.00	
Local plan – postage	L	4.00	4.00	
Local plan – alterations	L	2.00	2.00	
Invoicing	L	9.00	9.00	
				<b>NIL</b>
<b>LICENSING The following fees do not incur VAT</b>				
<b>Prosecution Costs</b>				
Hourly rate for Preparation of Case Reports	L	46.00	47.00	
<b>General Licensing</b>				
Pavement Café Licence, per person				
1-10	L	200.00	200.00	
11-25	L	240.00	240.00	
26-40	L	280.00	280.00	
41-60	L	320.00	320.00	
61-80	L	360.00	360.00	
81-99	L	400.00	400.00	
100 or over	L	450.00	450.00	
Duplicate licence fee	L	50.00	50.00	
Transfer of licence	L	50.00	50.00	
Change of detail	L	30.00	30.00	
Variation of Covers	L	100.00	100.00	
Pavement Display Licence	L	155.00	155.00	
Sex Shop Grant of application	L	1,200.00	1,200.00	
Sex Shop Renewal	L	1,200.00	1,200.00	
Sex Shop transfer	L	1,200.00	1,200.00	
Sexual Entertainment Venue (SEV) Grant	L	1,200.00	1,200.00	
SEV Variation	L	1,200.00	1,200.00	
SEV Renewal	L	1,200.00	1,200.00	
SEV Grant / Variation / Renewal – Club Premises Certificates	L	750.00	750.00	
Skin Piercing (Premises) Grant	L	280.00	280.00	
Skin Piercing (Personal) Grant/Variation	L	65.00	65.00	
<b>Scrap Metal Dealers</b>				
Collectors Licence (3 years) - application	L	150.00	150.00	
Collectors Licence (3 years) – renewal	L	150.00	150.00	
Major Variation	L	50.00	50.00	
Minor Variation	L	15.00	15.00	
Site Licence (3 years) Grant	L	350.00	350.00	
Additional Sites (per site per year of licence)	L	195.00	195.00	
Site licence (3 years) – renewal	L	270.00	270.00	
Additional sites (per site per year of licence)	L	195.00	195.00	
Minor Variation Site	L	15.00	15.00	
Major Variation Site	L	50.00 + 65.00 per additional site per year	50.00 + 65.00 per additional site per year	

Description	Type**	Existing Charge £	New Charge £	Financial Effect £
<b>**KEY for basis of fee and charges setting, L - Locally Agreed, N - Nationally Agreed</b>				
<b>Caravan Sites</b>				
New Application for a permanent residential site licence;	L			
1-5 pitches	L	200.00	200.00	
6-20 pitches	L	225.00	225.00	
21-50 pitches	L	240.00	240.00	
Greater than 50 pitches	L	260.00	260.00	
Annual Fees associated with administration and monitoring of site licences;				
1-5 pitches	L	No charge	No charge	
6-50 pitches	L	220.00	220.00	
Greater than 50 pitches	L	260.00	260.00	
Cost of Laying Site Rules	L	25.00	25.00	
Cost of Variation/Transfer	L	100.00	100.00	
<b>Zoo Licensing Act</b>				
New Application (4 years) or renewal (6 years) for a Zoo Licence (excluding the inspection costs of appointed inspector)	L	450.00	450.00	
<b>Animal Welfare</b>				
Breeding of Dogs - Grant of Licence				
1 Year Licence	L	245.00	245.00	
2 Year Licence	L	290.00	290.00	
3 Year Licence	L	335.00	335.00	
Breeding of Dogs - Renewal of Licence				
1 Year Licence	L	215.00	215.00	
2 Year Licence	L	260.00	260.00	
3 Year Licence	L	305.00	305.00	
Pet Vending Commercial - Grant of Licence				
1 Year Licence	L	252.00	252.00	
2 Year Licence	L	297.00	297.00	
3 Year Licence	L	342.00	342.00	
Pet Vending Commercial - Renewal of Licence				
1 Year Licence	L	222.00	222.00	
2 Year Licence	L	267.00	267.00	
3 Year Licence	L	312.00	312.00	
Pet Vending Home - Grant of Licence				
1 Year Licence	L	245.00	245.00	
2 Year Licence	L	290.00	290.00	
3 Year Licence	L	335.00	335.00	
Pet Vending Home - Renewal of Licence				
1 Year Licence	L	215.00	215.00	
2 Year Licence	L	260.00	260.00	
3 Year Licence	L	305.00	305.00	
Keeping or Training Animals for Exhibition - Grant of Licence				
3 Year Licence	L	235.00	235.00	
Keeping or Training Animals for Exhibition - Renewal of Licence				
3 Year Licence	L	215.00	215.00	
Hiring Out of Horses - Grant of Licence				
1 Year Licence	L	265.00	265.00	
2 Year Licence	L	310.00	310.00	
3 Year Licence	L	355.00	355.00	
Hiring Out of Horses - Renewal of Licence				
1 Year Licence	L	235.00	235.00	
2 Year Licence	L	280.00	280.00	
3 Year Licence	L	325.00	325.00	
Boarding of Dogs and Cats Commercial - Grant of Licence				
1 Year Licence	L	305.00	305.00	
2 Year Licence	L	350.00	350.00	
3 Year Licence	L	395.00	395.00	
Boarding of Dogs and Cats Commercial - Renewal of Licence				
1 Year Licence	L	275.00	275.00	
2 Year Licence	L	320.00	320.00	
3 Year Licence	L	365.00	365.00	
Boarding of Dogs and Cats Home - Grant of Licence				
1 Year Licence	L	245.00	245.00	
2 Year Licence	L	290.00	290.00	
3 Year Licence	L	335.00	335.00	

Description	Type**	Existing Charge £	New Charge £	Financial Effect £
<b>**KEY for basis of fee and charges setting, L - Locally Agreed, N - Nationally Agreed</b>				
Boarding of Dogs and Cats Home - Renewal of Licence				
1 Year Licence	L	215.00	215.00	
2 Year Licence	L	260.00	260.00	
3 Year Licence	L	305.00	305.00	
Boarding of Dogs Day Care Up to 7 Dogs - Grant of Licence				
1 Year Licence	L	245.00	245.00	
2 Year Licence	L	290.00	290.00	
3 Year Licence	L	335.00	335.00	
Boarding of Dogs Day Care Up to 7 Dogs - Renewal of Licence				
1 Year Licence	L	215.00	215.00	
2 Year Licence	L	260.00	260.00	
3 Year Licence	L	305.00	305.00	
Boarding of Dogs Day Care 8+ Dogs - Grant of Licence				
1 Year Licence	L	305.00	305.00	
2 Year Licence	L	350.00	350.00	
3 Year Licence	L	395.00	395.00	
Boarding of Dogs Day Care 8+ Dogs - Renewal of Licence				
1 Year Licence	L	275.00	275.00	
2 Year Licence	L	320.00	320.00	
3 Year Licence	L	365.00	365.00	
		130.00 + 10.00 per host + 65.00 per host	130.00 + 10.00 per host + 65.00 per host	
Dog Boarding Franchise in Darlington - Grant of Licence	L	inspection fee + 45.00 annual enforcement fee per year	inspection fee + 45.00 annual enforcement fee per year	
		100.00 + 10.00 per host + 60.00 per host	100.00 + 10.00 per host + 60.00 per host	
Dog Boarding Franchise in Darlington - Renewal of Licence	L	inspection fee + 45.00 annual enforcement fee per year	inspection fee + 45.00 annual enforcement fee per year	
Dog Boarding Franchise out of Darlington - Grant of Licence	L	60.00 + 65.00 per host	60.00 + 65.00 per host	
Dog Boarding Franchise out of Darlington - Renewal of Licence	L	55.00 + 60.00 per host	55.00 + 60.00 per host	
Additional Fees				
Cost per additional licensable activity - Grant and Renewal (each)	L	65.00	65.00	
Mandatory mid licence inspection fee - Grant and Renewal (each)	L	30.00	30.00	
Variation of licence where no inspection is required (each)	L	35.00	35.00	
Variation of licence where inspection is required (each)	L	90.00	90.00	
Application for Re-Rating (each)	L	70.00	70.00	
Copy Licence	L	15.00	15.00	
Administration Fee	L	35.00	35.00	

Description	Type**	Existing Charge £	New Charge £	Financial Effect £
<b>**KEY for basis of fee and charges setting, L - Locally Agreed, N - Nationally Agreed</b>				
<b>Street Trading</b>				
November / December - Full Calendar Month	L	975.00	975.00	
- Week	L	385.00	385.00	
- Day	L	85.00	85.00	
January / October - Full Calendar Month	L	660.00	660.00	
- Week	L	270.00	270.00	
- Day	L	60.00	60.00	
Note- The above to apply to Itinerant traders. For regular all year round traders - fees as follows				
Annual Consent	L	7,000.00	7,000.00	
If Paying Monthly	L	620.00	620.00	
If Paying Weekly	L	170.00	170.00	
Buskers selling CD's – Half Day	L	25.00	25.00	
Full Day	L	45.00	45.00	
Mobile vehicles (moving or lay-by)	L	260.00	260.00	
New Vendor Permits	L	35.00	35.00	
Duplicate licenses	L	15.00	15.00	
<b>Skip Hire Licence</b>				
More than 3 days' notice	L	15.00	15.00	
Less than 3 days' notice	L	30.00	30.00	
Hoarding/Scaffold Licence	L	50.00	50.00	
Administration Charge (per hour or part thereof)	L	35.00	35.00	
<b>Statutory Fees</b>				
<b>Petroleum Licences</b>				
Less than 2,500 litres	L	41.00	41.00	
2,500 – 50,000 litres	L	57.00	57.00	
More than 50,000 litres	L	118.00	118.00	
Transfer/variation	L	8.00	8.00	
<b>Gambling Act</b>				
<b>Statutory Fees- The following gambling fees are set within statutory bands and will be revised as changed nationally.</b>				
Adult Gaming Centres – Annual Fee	N	600.00	600.00	
New Application	N	1,300.00	1,300.00	
Variation	N	1,300.00	1,300.00	
Transfer	N	1,200.00	1,200.00	
Provisional Statement	N	1,300.00	1,300.00	
Licence Reinstatement	N	1,200.00	1,200.00	
Betting Shops - Annual Fee	N	550.00	550.00	
New Application	N	1,300.00	1,300.00	
Variation	N	1,300.00	1,300.00	
Transfer	N	1,200.00	1,200.00	
Provisional Statement	N	1,300.00	1,300.00	
Licence Reinstatement	N	1,300.00	1,300.00	
Bingo Halls - Annual Fee	N	600.00	600.00	
New Application	N	1,300.00	1,300.00	
Variation	N	1,300.00	1,300.00	
Transfer	N	1,200.00	1,200.00	
Provisional Statement	N	1,300.00	1,300.00	
Licence Reinstatement	N	1,200.00	1,200.00	
Family Entertainment Centres – Annual Fee	N	550.00	550.00	
New Application	N	1,300.00	1,300.00	
Variation	N	1,300.00	1,300.00	
Transfer	N	950.00	950.00	
Provisional Statement	N	1,300.00	1,300.00	
Licence Reinstatement	N	950.00	950.00	
Betting (tracks) – Annual Fee	N	550.00	550.00	
New Application	N	1,300.00	1,300.00	
Variation	N	1,300.00	1,300.00	
Transfer	N	950.00	950.00	
Provisional Statement	N	1,300.00	1,300.00	
Licence Reinstatement	N	950.00	950.00	

Description	Type**	Existing Charge £	New Charge £	Financial Effect £
<b>**KEY for basis of fee and charges setting, L - Locally Agreed, N - Nationally Agreed</b>				
<b><u>Permit Type – The following fees are set by statute and will be revised as changed nationally</u></b>				
Small Society Lottery Registration	N	40.00	40.00	
Small Society Annual Fee	N	20.00	20.00	
FEC gaming machine – Renewal fee	N	300.00	300.00	
FEC gaming machine – Change of name	N	25.00	25.00	
Prize gaming – Application fee	N	300.00	300.00	
Prize gaming – Renewal fee	N	300.00	300.00	
Prize gaming – Change of name	N	25.00	25.00	
Prize gaming – Copy permit	N	15.00	15.00	
Gaming machines (3 or more) - application Fee	N	100.00	100.00	
Gaming machines (3 or more) - variation Fee	N	100.00	100.00	
Gaming machines (3 or more) - transfer Fee	N	25.00	25.00	
Gaming machines (3 or more) - annual Fee	N	50.00	50.00	
Change of name	N	25.00	25.00	
Copy Permit	N	15.00	15.00	
Notice of intent 2 or less gaming machines available	N	50.00	50.00	
Club Premises cert (S 72f Licencing Act 2003) application fee	N	100.00	100.00	
Club Premises cert (S 72f Licencing Act 2003) renewal fee	N	100.00	100.00	
Other applicants - application fee	N	200.00	200.00	
Other applicants - renewal fee	N	200.00	200.00	
Variation fee	N	100.00	100.00	
Annual fee	N	50.00	50.00	
Copy permit	N	15.00	15.00	
Initial fee	N	40.00	40.00	
Annual fee	N	20.00	20.00	
Temporary use notice	N	500.00	500.00	
Copy/replacement/endorsed copy of notice	N	25.00	25.00	
<b>Licensing Act Fees</b>				
<b>Statutory Fees- The following gambling fees are set within statutory bands and will be revised as changed nationally.</b>				
<b>Premises Licences</b>				
Band A (RV £0 - £4,300) - Initial fee	N	100.00	100.00	
- Annual fee	N	70.00	70.00	
Band B (RV £4,301 - £33,000) - Initial fee	N	190.00	190.00	
- Annual fee	N	180.00	180.00	
Band C (RV £33,001 - £87,000) - Initial fee	N	315.00	315.00	
- Annual fee	N	295.00	295.00	
Band D (RV £87,001 - £125,000) - Initial fee	N	450.00	450.00	
- Annual fee	N	320.00	320.00	
Band E (RV > £125,001) - Initial fee	N	635.00	635.00	
- Annual fee	N	350.00	350.00	
Band D with Multiplier - Initial fee	N	900.00	900.00	
- Annual fee	N	640.00	640.00	
Band E with Multiplier - Initial fee	N	1,905.00	1,905.00	
- Annual fee	N	1,050.00	1,050.00	
<b>Club Premises Certificates</b>				
Band A (RV £0 - £4,300) - Initial fee	N	100.00	100.00	
- Annual fee	N	70.00	70.00	
Band B (RV £4,301 - £33,000) - Initial fee	N	190.00	190.00	
- Annual fee	N	180.00	180.00	
Band C (RV £33,001 - £87,000) - Initial fee	N	315.00	315.00	
- Annual fee	N	295.00	295.00	
Band D (RV £87,001 - £125,000) - Initial fee	N	450.00	450.00	
- Annual fee	N	320.00	320.00	
Band E (RV > £125,001) - Initial fee	N	635.00	635.00	
- Annual fee	N	350.00	350.00	

Description	Type**	Existing Charge £	New Charge £	Financial Effect £
<b>**KEY for basis of fee and charges setting, L - Locally Agreed, N - Nationally Agreed</b>				
<b>Large Scale Events</b>				
5,000 to 9,999 - Initial fee	N	1,000.00	1,000.00	
- Annual fee	N	500.00	500.00	
10,000 to 14,999 - Initial fee	N	2,000.00	2,000.00	
- Annual fee	N	1,000.00	1,000.00	
15,000 to 19,999 - Initial fee	N	4,000.00	4,000.00	
- Annual fee	N	2,000.00	2,000.00	
20,000 to 29,999 - Initial fee	N	8,000.00	8,000.00	
- Annual fee	N	4,000.00	4,000.00	
30,000 to 39,999 - Initial fee	N	16,000.00	16,000.00	
- Annual fee	N	8,000.00	8,000.00	
40,000 to 49,999 - Initial fee	N	24,000.00	24,000.00	
- Annual fee	N	12,000.00	12,000.00	
50,000 to 59,999 - Initial fee	N	32,000.00	32,000.00	
- Annual fee	N	16,000.00	16,000.00	
60,000 to 69,999 - Initial fee	N	40,000.00	40,000.00	
- Annual fee	N	20,000.00	20,000.00	
70,000 to 79,999 - Initial fee	N	48,000.00	48,000.00	
- Annual fee	N	24,000.00	24,000.00	
80,000 to 89,999 - Initial fee	N	56,000.00	56,000.00	
- Annual fee	N	28,000.00	28,000.00	
> 90,000 - Initial fee	N	64,000.00	64,000.00	
- Annual fee	N	32,000.00	32,000.00	
<b>Other Licensing Act 2003 Fees &amp; Charges</b>				
Minor Variations	N	89.00	89.00	
Personal Licence	N	37.00	37.00	
Provisional Statement	N	315.00	315.00	
Temporary Event Notice (TEN)	N	21.00	21.00	
Theft / Loss of Licence / Notice	N	10.50	10.50	
Variation of DPS	N	23.00	23.00	
Transfer of Premises Licence	N	23.00	23.00	
Change of Name / Address	N	10.50	10.50	
Notification of Interest	N	21.00	21.00	
Notification of Alteration of Club Rules	N	10.50	10.50	
Interim Authority Notice	N	23.00	23.00	
Explosives Act/Fireworks Annual Registration	N	52.00	52.00	
				<b>NIL</b>

Description	Type**	Existing Charge £	New Charge £	Financial Effect £
<b>**KEY for basis of fee and charges setting, L - Locally Agreed, N - Nationally Agreed</b>				
<b>HACKNEY CARRIAGES</b>				
<b>Taxi Licencing</b>				
Taxi licensing fees are agreed annually by licensing committee normally in March and will be published separately as part of this process. Existing licence holders will be notified accordingly.				
<b>ENVIRONMENTAL HEALTH</b>				
Pest Treatment Charges – All charges shown exclusive of VAT. Charges will be made plus the appropriate VAT rate				
Insects – per Treatment	L	58.50	58.50	
Rodents in Private Premises	L	8.33	8.33	
Re-rating Food Hygiene Inspections	L	150.00	150.00	
<b>Prosecution Costs</b>				
Hourly Rate for preparation of case reports and carrying out works in default of legal notices	L	46.00	47.00	
<b>Environmental Searches</b>				
Environmental search 1 or 2 report includes environmental information held by the Council on a site (additional charges apply for sites larger than 10,000m2 and distance buffer greater than 250m radius)	L	65.00	65.00	
Additional photocopying for example copies of site investigation reports;				
A4 B&W	L	0.10	0.10	
A3 B&W	L	0.20	0.20	
A4 Colour	L	1.00	1.00	
A3 Colour	L	2.00	2.00	
Scanned Copy	L	Free	Free	
<b>LAPPC and LAIPPC Permits</b>				
Charges are annually set by Defra in March and are subject to change. Current charges as known are;				
<b>LAPPC Charges</b>				
Application Fee;				
Standard process (includes solvent emission activities)	N	1,650.00	1,650.00	
Additional fee for operating without a permit	N	1,188.00	1,188.00	
PVRI, SWOBs and Dry Cleaners	N	155.00	155.00	
PVR I & II combined	N	257.00	257.00	
VRs and other Reduced Fee Activities	N	362.00	362.00	
Reduced fee activities: additional fee for operating without a permit	N	71.00	71.00	
Mobile plant**	N	1,650.00	1,650.00	
for the third to seventh applications	N	985.00	985.00	
for the eighth and subsequent applications	N	498.00	498.00	
Where an application for any of the above is for a combined Part B and waste application add an extra to the above amounts	N	310.00	310.00	
Annual Subsistence Charge;				
Standard process Low*	N	772.00	772.00	
		(+104.00)	(+104.00)	

Description	Type**	Existing Charge £	New Charge £	Financial Effect £
<b>**KEY for basis of fee and charges setting, L - Locally Agreed, N - Nationally Agreed</b>				
Standard process Medium*	N	1,161.00 (+156.00)	1,161.00 (+156.00)	
Standard process High*	N	1,747.00 (+207.00)	1,747.00 (+207.00)	
*the additional amounts must be charged where a permit is for a combined Part B and waste installation				
PVRI, SWOBs and Dry Cleaners Low	N	79.00	79.00	
PVRI, SWOBs and Dry Cleaners Medium	N	158.00	158.00	
PVRI, SWOBs and Dry Cleaners High	N	237.00	237.00	
PVR I & II combined Low	N	113.00	113.00	
PVR I & II combined Medium	N	226.00	226.00	
PVR I & II combined High	N	341.00	341.00	
VRs and other Reduced Fees Low	N	228.00	228.00	
VRs and other Reduced Fees Medium	N	365.00	365.00	
VRs and other Reduced Fees High	N	548.00	548.00	
Mobile plant, for the first and second permits Low**	N	626.00	626.00	
for the third to seventh permits Low	N	385.00	385.00	
eightth and subsequent permits Low	N	198.00	198.00	
Mobile plant, for the first and second permits Medium**	N	1,034.00	1,034.00	
for the third to seventh permits Medium	N	617.00	617.00	
eightth and subsequent permits Medium	N	316.00	316.00	
Mobile plant, for the first and second permits High**	N	1,551.00	1,551.00	
for the third to seventh permits High	N	924.00	924.00	
eightth and subsequent permits High	N	473.00	473.00	
Late payment fee	N	52.00	52.00	
Where a Part B installation is subject to reporting under the E-PRTR Regulation add an extra to the above amounts	N	104.00	104.00	
Transfer and Surrender;				
Standard process transfer	N	169.00	169.00	
Standard process partial transfer	N	497.00	497.00	
New operator at low risk reduced fee activity	N	78.00	78.00	
Surrender: all Part b activities	N	0.00	0.00	
Reduced fee activities: transfer	N	0.00	0.00	
Reduced fee activities: partial transfer	N	47.00	47.00	
Temporary transfer for mobiles;				
First transfer	N	53.00	53.00	
Repeat following enforcement or warning	N	53.00	53.00	
Substantial change;				
Standard process	N	1,050.00	1,050.00	
Standard process where the substantial change results in a new PPC activity	N	1,650.00	1,650.00	
Reduced fee activities	N	102.00	102.00	
<b>**Not using simplified permits</b>				
<b>LAPPC mobile plant charges (not using simplified permits)</b>				
Number of permits 1 to 2;				
Application fee	N	1,650.00	1,650.00	
Subsistence fee Low	N	646.00	646.00	
Subsistence fee Medium	N	1,034.00	1,034.00	
Subsistence fee High	N	1,506.00	1,506.00	
Number of permits 3 to 7;				
Application fee	N	985.00	985.00	
Subsistence fee Low	N	385.00	385.00	
Subsistence fee Medium	N	617.00	617.00	
Subsistence fee High	N	924.00	924.00	
Number of permits 8 and over;				
Application fee	N	498.00	498.00	
Subsistence fee Low	N	198.00	198.00	
Subsistence fee Medium	N	316.00	316.00	
Subsistence fee High	N	473.00	473.00	



Description	Type**	Existing Charge £	New Charge £	Financial Effect £
<b>**KEY for basis of fee and charges setting, L - Locally Agreed, N - Nationally Agreed</b>				
<b>LA-IPPC charges</b>				
Every subsistence charge below includes the additional £104 charge to cover LA extra costs in dealing with reporting under the E-PRTR Regulation				
Application	N	3,363.00	3,363.00	
Additional fee for operating without a permit	N	1,188.00	1,188.00	
Annual Subsistence Low	N	1,447.00	1,447.00	
Annual Subsistence Medium	N	1,611.00	1,611.00	
Annual Subsistence High	N	2,334.00	2,334.00	
Late Payment Fee	N	52.00	52.00	
Variation	N	1,368.00	1,368.00	
Transfer	N	235.00	235.00	
Partial Transfer	N	698.00	698.00	
Surrender	N	698.00	698.00	
Subsistence charges can be paid in four equal quarterly instalments paid on 1st April, 1st July, 1st October and 1st January. Where paid quarterly the total amount payable to the local authority will be increased by £38.00				
Newspaper adverts may be required under EPR at the discretion of the LA as part of the consultation process when considering an application. This will be undertaken and paid for by the LA and the charging scheme contains a provision for the LA to recoup its costs				
				<b>Minimal</b>
<b>TRADING STANDARDS</b>				
Please note that VAT may be added to some charges. Check with the service before the work is agreed.				
<b>Prosecution Costs</b>				
Hourly rate for Preparation of Case Reports	L	46.00	47.00	
<b>Measures</b>				
Linear measures not exceeding 3m each scale	L	14.00	14.50	
Not exceeding 15kg	L	39.00	40.00	
Exceeding 15kg but not exceeding 100kg	L	59.50	60.50	
Exceeding 100kg but not exceeding 250kg	L	82.00	83.50	
Exceeding 250kg but not exceeding 1 tonne	L	142.50	145.50	
Exceeding 1 tonne but not exceeding 10 tonnes	L	228.50	233.00	
Exceeding 10 tonnes but not exceeding 30 tonnes	L	479.00	488.50	
Exceeding 30 tonnes but not exceeding 60 tonnes	L	712.00	726.00	
Charge to cover any additional costs involved in testing incorporating remote display or printing facilities based on the above fee plus a charge per hour (minimum charge of 2 hours)	L	62.52 per hour	63.77 per hour	
<b>Measuring Instruments for Intoxicating Liquor</b>				
Not exceeding 150ml	L	22.50	23.00	
Other	L	26.00	26.50	

Description	Type**	Existing Charge £	New Charge £	Financial Effect £
<b>**KEY for basis of fee and charges setting, L - Locally Agreed, N - Nationally Agreed</b>				
<b>Measuring Instruments for Liquid Fuels and Lubricants</b>				
Container Type (un-subdivided)				
Multi-grade (with price computing device):	L	98.50	100.50	
Single Outlets	L	135.50	138.00	
Solely Price Adjustment	L	247.50	252.50	
Otherwise				
Other Types – Single Outlets				
Solely Price Adjustment	L	108.50	110.50	
Otherwise	L	147.50	150.50	
Other Types – Multi Outlets:				
1 Meter Tested	L	158.00	161.00	
2 Meters Tested	L	259.00	264.00	
3 Meters Tested	L	353.50	360.50	
4 Meters Tested	L	450.50	459.50	
5 Meters Tested	L	545.00	556.00	
6 Meters Tested	L	639.50	652.50	
7 Meters Tested	L	722.50	737.00	
8 Meters Tested	L	835.50	852.00	
Charge to cover any additional costs involved in testing ancillary equipment such as payment acceptors based on the above fee plus a charge per hour (minimum of 2 hours)	L	62.52 per hour	63.77 per hour	
<b>Special Weighing and Measuring Equipment</b>				
For all specialist work undertaken by the service which is not included above a charge per hour on site (minimum charge of 2 hours) plus cost of provision of testing equipment applies	L	62.52 per hour	63.77 per hour	
Discounts				
Fees from Measures to Certification Calibration will be discounted as follows :-				
a) Where more than a single item is submitted on one occasion the second and subsequent fees will be reduced by 20%				
b) Where tests are undertaken using appropriately certified weights and equipment not supplied by the Borough Council the fees will be reduced by 20%				
c) Special rates can be negotiated for multiple submissions or where assistance with equipment or labour is provided				
NB – Where different fees are involved the highest fee will be charged in full and any discounts calculated from the remaining lesser fees				
<b>Licensing – VAT not applicable</b>				
<b>Explosives and Fireworks Licences (Statutory Fee)</b>				
Licence for the storage of explosives	N	**See Note	**See Note	
Licence for the sale of fireworks all year round	N	**See Note	**See Note	
<b>**These are statutory rates that are set centrally in April</b>				
				<b>Minimal</b>

Description	Type**	Existing Charge £	New Charge £	Financial Effect £
<b>**KEY for basis of fee and charges setting, L - Locally Agreed, N - Nationally Agreed</b>				
<b>PARKING – all off-street charges are inclusive of VAT at 20%</b> The below pricing reflects the parking offers approved by Cabinet in October 2019 and apply until 1 May 2020 when they will be reviewed and as such charges may be subject to change				
<b>Car Parks (Short Stay) – per hour</b>				
Abbotts Yard	L	1.00	1.00	
Commercial Street East & West	L	1.00	1.00	
Feethams Multi Storey Car Park	L	1.00	1.00	
Winston Street North & South	L	1.00	1.00	
<b>Car Parks – Mixed Charges</b>				
Archer Street, Garden Street, Kendrew Street East & West, Hird Street, St Hilda's & Park Place East & West				
First 2 hours	L	Free	Free	
3 hours	L	1.00	1.00	
Per day	L	4.00	4.00	
Per week	L	16.00	16.00	
East Street				
Per hour	L	1.00	1.00	
Per day	L	2.00	2.00	
<b>Car Parks – Long Stay</b>				
Chestnut Street				
Cars first 2 hours	L	Free	Free	
Cars 3 hours	L	1.00	1.00	
Cars per day	L	2.00	2.00	
Cars per week	L	8.00	8.00	
HGV/coach per day	L	Free	Free	
HGV/coach per night (6pm-8am)	L	4.00	4.00	
Park Lane				
Per day	L	5.00	5.00	
Central House				
Saturday all day	L	4.00	4.00	
Bank Holiday all day	L	4.00	4.00	
<b>All Car Parks</b>				
Sunday all day	L	Free	Free	
<b>On Street Parking (up to 2 hours no return within 1 hour EXCEPT for Grange Road &amp; Northumberland Street up to 3 hours no return within 1 hour and East Row 30 minutes maximum no return within 1 hour)</b>				
Per 30 mins	L	0.50	0.50	
Sunday all day	L	Free	Free	

Description	Type**	Existing Charge £	New Charge £	Financial Effect £
<b>**KEY for basis of fee and charges setting, L - Locally Agreed, N - Nationally Agreed</b>				
<b>Car Parks – Contract Parking – all charges are inclusive of VAT at 20%</b>				
Parking locations as determined by the Director of Economic Growth and Neighbourhood Services.				
Per year one space	L	950.00	950.00	
Per year two spaces	L	900.00	900.00	
Per year three spaces	L	860.00	860.00	
Per year four spaces	L	830.00	830.00	
Per year five to nine spaces	L	800.00	800.00	
Per year ten or more spaces	L	700.00	700.00	
Four Riggs				
Per calendar month	L	64.00	64.00	
Winston Street West				
Per space per year	L	1,100.00	1,100.00	
<b>Car Parks – Staff &amp; Members per year</b>	L	173.04	173.04	
<b>Residents Parking Permits</b>				
3 month temporary permit	L	12.00	12.00	
6 month permit	L	24.00	24.00	
12 month permit	L	40.00	40.00	
<b>Tradesmen Parking Permits</b>				
Daily Waiver	L	5.00	5.00	
3 month permit	L	50.00	50.00	
6 month permit	L	90.00	90.00	
12 month permit	L	150.00	150.00	
				<b>NIL</b>
<b>BUILDING CONTROL</b>				
Items inclusive of VAT at 20%				
Letter confirming exemption	L	Free	Free	
Letter confirming enforcement action will not be taken	L	Free	Free	
<b>Decision/Approval Notice (Building Control)</b>				
Responding to request for historical information from electronic databases (email response)	L	Free	Free	
Responding to request for historical information from electronic databases (letter response)	L	1.00	1.00	
Responding to request for historical information from manually recorded data (email response)	L	Free	Free	
Personal searches (email response)	L	Free	Free	
<b>The Building (Local Authority Charges) Regulations 2010 Plus VAT at 20%</b>				
Work charged on individual job basis	L	As agreed with client	As agreed with client	
				<b>NIL</b>

Description	Type**	Existing Charge £	New Charge £	Financial Effect £
<b>**KEY for basis of fee and charges setting, L - Locally Agreed, N - Nationally Agreed</b>				
<b>DOLPHIN CENTRE</b>				
Pricing based on the introduction of a leisure card.				
<b>Swimming</b>				
Adult swim				
Card holder	L	3.75	3.85	
Non card holder	L	4.30	4.45	
Concession	L	2.85	2.95	
Junior Swim	L	2.55	2.65	
Concession	L	1.90	2.00	
Family swim junior rate discount (up to 4 children accompanying 1 adult)				
Per card holder	L	1.90	2.00	
Per non card holder	L	2.20	2.30	
Under 5 years	L	1.10	1.20	
Under 12 months	L	Free	Free	
Lessons	L	46.50	47.50	
<b>Fitness Areas</b>				
The Gym				
Card holder	L	4.55	4.65	
Non card holder	L	5.25	5.35	
Concession	L	3.40	3.50	
Junior Gym	L	3.70	3.80	
Concession	L	2.80	2.90	
<b>Health &amp; Fitness Classes</b>				
Health & Fitness Classes				
Card holder	L	3.95	4.05	
Non card holder	L	4.55	4.65	
Concession	L	2.95	3.05	
<b>Multi Activity Sessions</b>				
Badminton Daytime Session				
Card holder	L	2.60	2.80	
Non card holder	L	3.00	3.20	
<b>Half Main Hall</b>				
Adult				
Card holder	L	43.50	43.50	
Non card holder	L	50.00	50.00	
Junior (1 hour courts only)	L	30.00	30.00	
Weekday lunchtime				
Card holder	L	38.00	38.00	
Non card holder	L	42.00	42.00	
<b>Badminton</b>				
Adult				
Card holder	L	7.90	8.10	
Non card holder	L	9.10	9.30	
Concession	L	5.95	6.10	
Junior (1 hour courts only)	L	4.25	4.45	
Concession (1 hour courts only)	L	3.20	3.35	
<b>Squash Courts</b>				
Adult				
Card holder	L	6.90	6.90	
Non card holder	L	7.95	7.95	
Concession	L	5.20	5.20	
Junior (up to 5pm on weekdays only)	L	3.55	3.55	
Concession (up to 5pm on weekdays only)	L	2.65	2.65	

Description	Type**	Existing Charge £	New Charge £	Financial Effect £
<b>**KEY for basis of fee and charges setting, L - Locally Agreed, N - Nationally Agreed</b>				
<b>Equipment Hire</b>				
Footballs	L	Free	Free	
Footballs – Deposit (FOC for card holders)	L	5.00	5.00	
Badminton	L	2.00	2.00	
Badminton – Deposit (FOC for card holders)	L	5.00	5.00	
Squash Racquets	L	2.00	2.00	
Squash Racquets – Deposit (FOC for card holders)	L	5.00	5.00	
Table Tennis Bats	L	1.40	1.40	
Table Tennis Bats – Deposit (FOC for card holders)	L	5.00	5.00	
Pram Lock	L	Free	Free	
Pram Lock – Deposit (FOC for card holders)	L	5.00	5.00	
<b>Children's Activities</b>				
Crèche	L	3.40	3.55	
Soft play admissions	L	3.70	3.85	
Sensory Room	L	3.70	3.85	
Parent/toddler (Soft play)	L	3.70	3.85	
<b>Other Activities</b>				
Showers				
Card holders	L	1.85	1.95	
Non card holders	L	2.10	2.25	
<b>Fit 4 Life Packages</b>				
12 month Full Membership	L	299.40	299.40	
12 month Seniors	L	228.00	228.00	
12 month Student	L	180.00	180.00	
6 Month Full	L	195.00	195.00	
12 Month Upfront	L	275.00	275.00	
<b>Swimming Pools</b>				
Main Pool - per hour	L	89.00	92.00	
Diving Pool - per hour	L	50.00	52.00	
Teaching Pool - per hour	L	50.00	52.00	
<b>Gala - per hour</b>				
Swimming Galas - whole complex				
Normal opening hours - per hour	L	284.00	293.00	
Outside normal opening hours - per hour	L	150.00	155.00	
<b>Swimming Galas - Schools, Junior Clubs and Organisations</b>				
Main Pool - Peak	L	200.00	206.00	
Main Pool - Off Peak	L	139.00	145.00	
Main Pool and Teaching Pool - Peak	L	167.00	172.00	
Main Pool and Teaching Pool - Off Peak	L	172.00	177.00	
Electronic Timing	L	83.00	86.00	
<b>Dry Sports Hall</b>				
Main Sports Hall - per hour	L	94.00	97.00	
Special Events - per hour Weekends	L	309.00	318.00	
Preparation - per hour Weekends	L	161.00	166.00	
Special Events - Schools - per hour off peak	L	44.00	44.50	
Meeting Room	L	32.00	33.00	
Seminar Room/Stephenson Suite	L	32.00	33.00	
<b>Central Hall</b>				
All Events (except commercial, exhibitions and local societies)	L	98.00	101.00	
Exhibitions - commercial - per hour	L	128.00	132.00	
Local Societies event - per hour	L	67.00	69.00	
				<b>20,000</b>
<b>PARKS</b>				
Bowls Season Ticket	L	37.00	38.00	
Concession	L	28.00	29.00	
Football - Hire of Hundens Park Pitch Seniors' Match	L	36.00	37.00	
Juniors Match	L	20.00	21.00	
				<b>Minimal</b>

Description	Type**	Existing Charge £	New Charge £	Financial Effect £
<b>**KEY for basis of fee and charges setting, L - Locally Agreed, N - Nationally Agreed</b>				
<b>EASTBOURNE SPORTS COMPLEX</b>				
<b>3G Pitch</b>				
Non Charter Standard Pay and Play (No VAT)				
3G 1/3 per hour – Adult	L	46.00	46.00	
3G 1/3 per hour – Junior	L	29.00	29.00	
3G Full pitch per hour – Adult	L	77.00	77.00	
3G Full pitch per hour – Junior	L	50.00	50.00	
Charter Standard and Partner Clubs (No VAT)				
3G 1/3 hour	L	36.00	36.00	
3G Full pitch hour	L	52.00	52.00	
Partner Club Rate Fridays 3G Full pitch hour	L	31.00	31.00	
Off Peak Summer Prices (May to August) Charter Standard and Partner Clubs Only				
3G 1/3 hour	L	15.50	15.50	
3G Full pitch hour	L	26.00	26.00	
<b>Grass Pitch</b>				
Adult per match	L	37.00	37.00	
Junior per match	L	19.00	19.00	
<b>Athletics Track</b>				
Non club rate				
Adult	L	3.60	3.70	
Junior	L	3.20	3.30	
Full track per hour	L	32.00	33.00	
Club rate				
Adult	L	3.00	3.10	
Junior	L	3.00	3.10	
<b>Gym</b>				
Adult	L	4.20	4.30	
Cardiac Concession	L	2.20	2.30	
Junior	L	2.00	2.10	
Adult induction	L	10.50	10.80	
Junior Induction	L	8.00	8.20	
Personal training per hour	L	20.00	20.60	
3 months membership	L	60.00	60.00	
12 month full upfront membership	L	150.00	150.00	
12 month direct debit membership per month	L	15.00	15.00	
<b>Other</b>				
Shower	L	1.80	1.90	
Function room and pavilion hire per hour	L	20.00	20.60	
				<b>Minimal</b>

Description	Type**	Existing Charge £	New Charge £	Financial Effect £
<b>**KEY for basis of fee and charges setting, L - Locally Agreed, N - Nationally Agreed</b>				
<b>HIPPODROME &amp; HULLABALOO</b>				
Hire & Conferencing (all pricing exclusive of VAT)				
John Wade Group Lounge - max capacity 40 (theatre style) - per hour	L	40.00	44.00	
John Wade Group Lounge - max capacity 40 (theatre style) - day hire**	L	240.00	265.00	
Living Water Tower Room - max capacity 18 - per hour	L	30.00	33.00	
Living Water Tower Room - max capacity 18 - day hire**	L	200.00	220.50	
Hippo Lounge - max capacity 70 - per hour	L	40.00	44.00	
Hippo Lounge - max capacity 70 - day hire**	L	240.00	265.00	
Hippo Education Space - max capacity 40 (workshop of approx. 25) - per hour	L	40.00	44.00	
Hippo Education Space - max capacity 40 (workshop of approx. 25) - day hire**	L	240.00	265.00	
Hullabaloo Rehearsal Space - max capacity 35 - per hour	L	40.00	44.00	
Hullabaloo Rehearsal Space - max capacity 35 - day hire**	L	240.00	265.00	
Hullabaloo Café - max capacity 70 - per hour	L	40.00	44.00	
Hullabaloo Café - max capacity 70 - day hire**	L	240.00	265.00	
Hippodrome Theatre Hire - max capacity 1,000 - w/end full day	L	1,500.00	1,654.00	
Hippodrome Theatre Hire - max capacity 1,000 - w/end half day	L	750.00	827.00	
Hippodrome Theatre Hire - max capacity 1,000 - w/day full day	L	1,250.00	1,378.00	
Hippodrome Theatre Hire - max capacity 1,000 - w/day half day	L	650.00	717.00	
Hullabaloo Theatre Hire - max capacity 150 - per hour	L	60.00	66.00	
Hullabaloo Theatre Hire - max capacity 150 - day hire**	L	360.00	397.00	
**day hire - 9am to 6pm				
				<b>4,000</b>
<b>CATTLE MARKET</b>				
Tolls				
Cattle	L	13.30	13.30	
Sheep, pigs, calves	L	4.35	4.35	
Levies				
Cattle	L	10.64	10.64	
Sheep, pigs, calves	L	3.48	3.48	
Rent	L	4,000.00	4,000.00	
				<b>NIL</b>



Description	Type**	Existing Charge £	New Charge £	Financial Effect £
<b>**KEY for basis of fee and charges setting, L - Locally Agreed, N - Nationally Agreed</b>				
<b>HEAD OF STEAM</b>				
<b>Admission</b>				
Adult	L	4.95	4.95	
Concession	L	3.75	3.75	
Children (6-16 years old)	L	3.00	3.00	
Children (under 6)	L	No charge	No charge	
Single annual pass	L	10.00	10.00	
Family day pass (2 adults & 4 children)	L	10.00	10.00	
Family annual pass (2 adults & 4 children)	L	15.00	15.00	
School Visit	L	No charge	No charge	
<b>Research</b>				
Research	L	£30.00 (min 1 hour & max 3 hours)	£30.00 (min 1 hour & max 3 hours)	
Research by Curator	L	£30.00 (min 1 hour & max 3 hours)	£30.00 (min 1 hour & max 3 hours)	
Short research (up to 10 mins)	L	Free except for £5.00 minimum handling fee for scans, photocopies and postage	Free except for £5.00 minimum handling fee for scans, photocopies and postage	
<b>Photocopying</b>				
A4 (B&W)	L	0.20	0.20	
A3 (B&W)	L	0.40	0.40	
A4 (B&W)	L	0.50	0.50	
A3 (Colour)	L	1.00	1.00	
A0 plan copies (B&W)	L	6.50	6.50	
<b>Digital Copies (personal) per image</b>				
Scan of document (max A3)	L	Free except for £5.00 minimum handling fee for scans	Free except for £5.00 minimum handling fee for scans	
Scan of photograph (max A3)	L	6.50	6.50	
Day photo pass	L	10.00	10.00	

Description	Type**	Existing Charge £	New Charge £	Financial Effect £
<b>**KEY for basis of fee and charges setting, L - Locally Agreed, N - Nationally Agreed</b>				
<b>Digital Copies (commercial) per image</b>				
Small local charitable, educational including websites	L	6.50	6.50	
Local commercial including websites	L	15.00	15.00	
Books, specialist magazines, journals & newspapers including websites	L	30.00	30.00	
Regional TV/Video/Film/DVD	L	50.00	50.00	
National/international TV/Video/Film/DVD	L	100.00	100.00	
Discount for 10 images or more	L	0.10	0.10	
<b>Postage and Packing</b>				
Up to A4 (in UK only)	L	Free except for 5.00 minimum handling fee	Free except for 5.00 minimum handling fee	
'Package' size and/or outside UK delivery	L	Dependant on size and weight	Dependant on size and weight	
<b>Filming Fees</b>				
Student Production (during opening hours)	L	Free but donation welcome	Free but donation welcome	
Small Productions (per day)	L	350.00	350.00	
Large Productions (per day)	L	700.00	700.00	
<b>Conference Facilities</b>				
During opening hours (per hour)	L	25.00	25.00	
Outside opening hours (per hour)	L	32.50	32.50	
Use by Museum partners (during opening hours)	L	Free	Free	
<b>Hire of Museum Field</b>				
Educational Use	L	No charge	No charge	
Corporate Events	L	Negotiated on an individual basis	Negotiated on an individual basis	
				<b>NIL</b>
<b>REFUSE COLLECTION AND DISPOSAL</b>				
Refuse sacks (per 25) (Exclusive of VAT)	L	99.35	102.35	
Bulky Household Collection up to 6 items	L	17.70	18.25	
Garden waste sacks (Non-Vatable)	L	10.60	10.90	
Cost of replacement (inclusive of 20% VAT)				
360L Wheeled Bin	L	50.30	51.80	
240L Wheeled Bin	L	19.80	20.40	
Caddie	L	5.10	5.25	
Glass Box	L	3.25	3.35	
55L Box	L	1.60	1.65	
Lid for recycling box	L	1.35	1.40	
Lid for 240 bin	L	4.95	5.10	
				<b>2,500</b>

Description	Type**	Existing Charge £	New Charge £	Financial Effect £
<b>**KEY for basis of fee and charges setting, L - Locally Agreed, N - Nationally Agreed</b>				
<b>CEMETERIES</b>				
Burial fees without exclusive right of burial (these fees will be tripled where the deceased is a non-resident of Darlington at time of death)				
Individual foetal remains	N	No Charge	No Charge	
Stillborn or child not exceeding 12 months	N	No Charge	No Charge	
Person over 12 months up to 18 years	N	No Charge	No Charge	
Person over 18 years	L	825.00	900.00	
Burial fees with exclusive right of burial (these fees will be doubled where the deceased is a non-resident of Darlington at time of death)				
Individual foetal remains	N	No Charge	No Charge	
Child not exceeding 12 months	N	No Charge	No Charge	
Person over 12 months up to 18 years	N	No Charge	No Charge	
Person over 18 years	L	825.00	900.00	
Cremated remains	L	200.00	200.00	
Exclusive rights of burial (these fees will be doubled if the purchaser is a non-resident of Darlington if not purchased at time of first interment).				
Exclusive burial rights (50 years)	L	900.00	900.00	
Exclusive burial rights for a bricked grave	L	1,800.00	1,800.00	
<b>Other charges</b>				
Scattering of cremated remains	L	45.00	45.00	
Indemnity form (to produce duplicate grant)	L	45.00	45.00	
Use of Cemetery Chapel	L	100.00	100.00	
After post mortem remains	L	200.00	200.00	
Evergreens (including grass mats)	L	65.00	65.00	
Exhumation of a body (excl. re-interment)	L	2,000.00	2,000.00	
Exhumation of cremated remains (excl. re-interment)	L	500.00	500.00	
<b>Grave Maintenance (inclusive of 20% VAT)</b>				
Initial payment	L	50.00	50.00	
Annual Maintenance	L	36.00	36.00	
<b>Memorials (fees will be doubled where the deceased to whom the memorial/inscription refers was non-resident of Darlington at time of death)</b>				
Memorial rights including first inscription (30 years)	L	220.00	220.00	
Provision of kerbs – traditional sites only)	L	100.00	100.00	
Vases not exceeding 300mm	L	80.00	80.00	
Additional inscription	L	80.00	80.00	
<b>Total financial effect for Cemeteries</b>				<b>9,000</b>

Description	Type**	Existing Charge £	New Charge £	Financial Effect £
<b>**KEY for basis of fee and charges setting, L - Locally Agreed, N - Nationally Agreed</b>				
<b>CREMATORIUM</b>				
Crematorium fees (inclusive of certificate of cremation, use of organ and scattering of remains in Gardens of Remembrance at an unreserved time)				
Individual foetal remains	N	No charge	No charge	
Hospital arrangement – foetal remains	L	200.00	200.00	
Stillborn or child not exceeding 12 months	N	No charge	No charge	
Person over 12 months up to 18 years	N	No charge	No charge	
Person over 18 years	L	800.00	825.00	
After post mortem remains	L	200.00	200.00	
<b>Other charges</b>				
Medical Referee Fee	N	20.00	20.00	
Environmental Surcharge (set by CAMEO)	N	55.00	56.00	
Postal Carton	L	20.00	20.00	
Metal Urn	L	40.00	40.00	
Wooden Casket	L	50.00	50.00	
Baby Urn	L	10.00	10.00	
Crematorium Chapel	L	100.00	100.00	
Scattering of remains at reserved time	L	45.00	45.00	
<b>Book of Remembrance (inclusive of 20% VAT)</b>				
Single Entry (2 lines)	L	70.00	70.00	
Double Entry (3 or 4 lines)	L	110.00	110.00	
Additional lines	L	25.00	25.00	
Crest or floral emblem	L	115.00	115.00	
<b>Memorial Cards (inclusive of 20% VAT)</b>				
Single entry card (2 lines)	L	25.00	25.00	
Double entry card (3 or 4 lines)	L	30.00	30.00	
Additional lines	L	5.00	5.00	
Crest of floral emblem	L	70.00	70.00	
Personal photographs – set up	L	50.00	50.00	
Additional photographs – after set up	L	10.00	10.00	
<b>Memorial Books (inclusive of 20% VAT)</b>				
Single entry book (2 lines)	L	80.00	80.00	
Double entry card (3 or 4 lines)	L	85.00	85.00	
Additional lines	L	5.00	5.00	
Crest of floral emblem	L	70.00	70.00	
Personal photographs – set up	L	50.00	50.00	
Additional photographs – after set up	L	10.00	10.00	
<b>Triptych (inclusive of 20% VAT)</b>				
Single entry card (2 lines)	L	67.00	67.00	
Double entry (3 or 4 lines)	L	72.00	72.00	
Additional lines	L	5.00	5.00	
Crest or floral emblem	L	70.00	70.00	
Personal Photographs – set up	L	50.00	50.00	
Additional Photographs – after set up	L	10.00	10.00	
<b>Other Memorial Schemes</b>				
Replacement kerb vase plaque	L	300.00	300.00	
Replacement flower holder	L	5.00	5.00	
Wall plaques	L	245.00	245.00	
Planter plaques	L	365.00	365.00	
Lease of space for memorial plaques (per annum)	L	25.00	25.00	
<b>Total financial effect for Crematorium</b>				<b>40,000</b>

Description	Type**	Existing Charge £	New Charge £	Financial Effect £
<b>**KEY for basis of fee and charges setting, L - Locally Agreed, N - Nationally Agreed</b>				
<b>ALLOTMENTS</b>				
Rent per year	L	170.00	175.00	
				<b>Minimal</b>
<b>SOUTH PARK RESOURCE CENTRE</b>				
Educational Events (£/child for a full day)	L	4.10	4.20	
Educational Events (£/child for half day)	L	2.60	2.70	
				<b>Minimal</b>
<b>HIGHWAYS</b>				
Private apparatus in the Highway (Section 50 Licence, new installations)	L	350.00	550.00	
Private Road Openings (repair existing)	L	125.00	225.00	
Vehicle Crossings – estimate fee (taken as part of payment if go ahead with the works)	L	25.00	25.00	
Vehicle Crossings (plus actual construction costs)	L	100.00	100.00	
Vehicle Crossings if planning permission required on a classified road (plus actual construction costs)	L	150.00	150.00	
Temporary Road Closure Notices	L	130.00	130.00	
Temporary Road Closure Orders (plus advertising)	L	275.00	275.00	
Emergency Road Closures	L	125.00	130.00	
Street Naming Royal Mail Income (per address, Nationally agreed price LGIH)	L	1.00	1.00	
Street Naming & Numbering of Properties:				
- Per road name (developer suggests)	L	165.00	165.00	
- Per road name (council names)	L	200.00	200.00	
- Per plot	L	15.00	15.00	
Street Naming & Numbering of Properties:				
- Per plot or renaming of a property	L	35.00	35.00	
Rechargeable Works	L	Actual cost + 10%	Actual cost + 10%	
Temporary Traffic Light Applications	L	No Charge Individually priced based on requirements	No Charge Individually priced based on requirements	
Section 50 Licence associated bond costs	L			
Access protection markings	L	No charge	No charge	
Tourist Sign (plus actual cost of sign)	L	£75.00 + VAT	£75.00 + VAT	
Accident Data Requests	L	£75.00 + VAT	£75.00 + VAT	
Traffic Count Data	L	75.00 Individually priced based on charge out rate	75.00 Individually priced based on charge out rate	
Street Lighting Design Service	L			
Oversailing Licence	L	No charge	No charge	
Banner Licence	L	No charge	No charge	
Placing Goods on the Highway	L	155.00	155.00	
Deposits upon the Highway	L	No charge	No charge	
Temporary Development Signs – Admin Fee	L	200.00	200.00	
Temporary Development Signs – DBC undertake work on behalf of developer	L	Actual costs	Actual costs	
Switch off / on traffic signal / pelican crossings – per visit	L	150.00	150.00	
Unauthorised marks or affixing of signs to street furniture	L	No charge	No charge	

Description	Type**	Existing Charge £	New Charge £	Financial Effect £
<b>**KEY for basis of fee and charges setting, L - Locally Agreed, N - Nationally Agreed</b>				
Section 278 Highway works agreement	N	6% of works + legal if delivered by developer	6% of works + legal if delivered by developer	
Section 116 Stopping Up of the Highway	N	Actual Costs	Actual Costs	
Section 38 Road Adoption agreement	N	6% of works + legal if delivered by developer	6% of works + legal if delivered by developer	
NRSA Defect Charges	N	Nationally set scale of charges	Nationally set scale of charges	
NRSA Road Opening Inspection Charges (sample)	N	Nationally set scale of charges	Nationally set scale of charges	
Section 74 – charges for overstay	N	Nationally set scale of charges	Nationally set scale of charges	
				<b>Minimal</b>
<b>PUBLIC RIGHTS OF WAY</b>				
Public Path Orders (HA 80 S 118 and 119, TCPA 90 s247, 257)				
Actual cost based on charge out rate plus advertising and legal costs				
PROW Temporary Closures – as Highways fees and charges				
Landowner Rights of Way Statement and Declaration s31.6				
One parcel of land, includes 2 notices	L	250.00	250.00	
Additional parcel	L	50.00	50.00	
Additional notice	L	50.00	50.00	
Authorisation for installing a new gate or stile (HA 80 s147)	L	100.00	100.00	
Path Orders under Deregulation Act				
Actual cost based on charge out rate plus advertising and legal costs, to include but not restricted to pre-application advice, processing the application, resolving objections, making the order, confirmation of the order, and any subsequent Public Inquiry or Hearing				
				<b>NIL</b>
<b>SUSTAINABLE TRANSPORT</b>				
Charges for Concessionary Travel (ENCTS);				
Replacement pass for lost/stolen without a CRN	L	10.00	10.00	
Learn to Ride per session (child)	L	3.00	3.00	
Production, placement and retrieval of notices when bus stops are temporarily per bus stop	L	60.00	60.00	
Production and placement of bus timetable information when bus services have to be re-registered due to road closures – up to 6 timetables	L	84.00	84.00	
				<b>NIL</b>
<b>TRANSPORT SERVICES</b>				
Charges for Taxi Licensing;				
Taxi Vehicle Test	L	50.00	50.00	
Taxi Vehicle Test and MOT	L	60.00	60.00	
Failure to attend (less than 48 hours' notice)	L	50.00	50.00	
Re-test	L	25.00	25.00	
Re-test including emissions	L	35.00	35.00	
Re-test emissions only	L	10.00	10.00	
Charges for General Public;				
MOT for Motorbike Class I & II	L	25.00	25.00	
MOT for Standard Car Class IV	L	35.00	35.00	
MOT for Class V Vehicles	L	40.00	40.00	
MOT for Class VII Vehicles	L	40.00	40.00	
				<b>NIL</b>

Description	Type**	Existing Charge £	New Charge £	Financial Effect £
<b>**KEY for basis of fee and charges setting, L - Locally Agreed, N - Nationally Agreed</b>				
<b>PRIVATE SECTOR HOUSING</b>				
Works in default & statutory activities per hour	L	46.00	47.00	
Housing inspections & consultancy per hour (inclusive of VAT)	L	55.00	56.00	
Charge for the service relevant Housing Act 2004 legal notice	L	413.00	421.00	
Securing empty homes (addition of VAT by agreement)	L	275.00	280.00	
Houses in Multiple Occupation Activities;				
HMO licence fee per letting/let/tenancy	L	183.00	187.00	
Other relevant HMO activities per hour	L	46.00	47.00	
Housing Immigration Inspections;				
Within 10 working days (including VAT)	L	138.00	141.00	
Fast Track within 5 working days (including VAT)	L	184.00	188.00	
General Enforcement Activities:				
Hourly rate for preparation of case reports/prosecutions	L	46.00	47.00	
Additional copies of legal notices via post	L	10.00	10.00	
Smoke and Carbon Monoxide Alarms (England) Regulation 2015;				
Fines for failing to provide a working smoke or carbon monoxide alarm. Offence by the same individual or organisation;				
First	N	500.00	500.00	
Second	N	1,000.00	1,000.00	
Third	N	2,000.00	2,000.00	
Fourth	N	3,000.00	3,000.00	
Fifth or more	N	5,000.00	5,000.00	
The Redress Schemes for Letting Agency Work and Property Management Work (England) Order 2014;				
Fines for failing to join an approved letting and management redress scheme;				
Businesses that have been served with a notice of intent and failed to join an approved scheme	N	5,000.00	5,000.00	
Businesses that have joined an approved scheme following the service of the notice of intent	N	4,000.00	4,000.00	
Businesses that have joined an approved scheme prior to enforcement action being taken, after the 1st October 2014	N	3,000.00	3,000.00	

Description	Type**	Existing Charge £	New Charge £	Financial Effect £
<b>**KEY for basis of fee and charges setting, L - Locally Agreed, N - Nationally Agreed</b>				
<b>Energy Efficiency (Private Rented Property) (England and Wales) Regulations</b>				
Penalty (less than 3 months in breach) renting a non-compliant property	N	Up to 2,000.00 and/or publication penalty	Up to 2,000.00 and/or publication penalty	
Penalty (3 months or more in breach) renting out a non-compliant property	N	Up to 4,000.00 and/or publication penalty	Up to 4,000.00 and/or publication penalty	
Providing false or misleading information on the PRS Exemptions Register	N	Up to 1,000.00 and/or publication penalty	Up to 1,000.00 and/or publication penalty	
Failing to comply with a compliance notice	N	Up to 2,000.00 and/or publication penalty	Up to 2,000.00 and/or publication penalty	
<b>Housing and Planning Act 2016</b>				
Failure to comply with an Improvement Notice (under section 30 of the Housing Act 2004)	N	Civil penalties of up to 30,000 per offence as an alternative to prosecution	Civil penalties of up to 30,000 per offence as an alternative to prosecution	
Failure to comply with a Prohibition Order (under section 32 of the Housing Act 2004)				
Breach of a banning order made under section 21 of the Housing and Planning Act 2016 (due to be enacted in November 2017);				
Using violence to secure entry to a property (under section 6 of the Criminal Law Act 1977)				
Illegal eviction or harassment of the occupiers of a property (under section 1 of the Protection from Eviction Act 1977)				
				<b>Minimal</b>
<b>COST OF REVENUE COLLECTION</b>				
<b>Council Tax – All Charges do not incur VAT</b>				
Issue of Summons for Liability Order	L	36.00	33.50	
Issue of Liability Order	L	44.00	44.00	
Issue of Summons for Committal Hearing	L	90.00	90.00	
Issue of Statutory Demand	L	157.50	157.50	
				<b>Minimal</b>
<b>Business Rates (NNDR) – All Charges do not incur VAT</b>				
Issue of Summons for Liability Order	L	36.00	33.50	
Issue of Liability Order	L	44.00	44.00	
Issue of Summons for Committal Hearing	L	90.00	90.00	
Issue of Statutory Demand	L	157.50	157.50	
				<b>Minimal</b>



**APPENDIX 4****KEY ASSUMPTIONS USED IN PROJECTED  
RESOURCES, EXPENDITURE AND INCOME 2020-24**

<b>Factor</b>	<b>Assumption</b>
<b>Resources</b>	
Council Tax base	Variable depending on projected additional properties.
Council Tax	3.99% increase in 2020/21 year (including a 2% precept for Adult Social Care) and then a 1.99% increase in 2021/22, 2022/23 & 2023/24.
Council Tax collection	99% collected
Government Grants	Government grants for 2020/21 as indicated in 2019 spending review and indicative figures for 2021/22 – 2023/24.
	Increase in Business Rates Scheme Top Up Grant of 2% in 2020/21 to 2023/24 (projected CPI).
	Revenue Support Grant 2020/21 increased by CPI and then flat lined to 2023/24.
	Continuation of Improved Better Care Fund (iBCF) at 2019/20 rates.
	Continuation of 2019/20 Social Care Support Grant + a new Social Care Support Grant = £2.952m in total and assumed to continue to 2023/24.
	New Homes Bonus (NHB) legacy payments will continue but no new ones assumed after 2020/21, any funding beyond this subject to 2020 Spending Review so assumed to discontinue in 2023/24.
<b>Expenditure</b>	
Pay inflation	2020-21 2% and thereafter 2% in line with national scheme.
Price inflation	Only contractual inflation on running costs
Local Government Pension Scheme	Contribution rate of 18.4% for 2020/21 – 2023/24 plus past service deficit contributions of £0.263m in 2020/21, £0.271m in 2021/22, £0.280m in 2022/23 & £0.288m in 2023/24
<b>Financing Costs</b>	
Interest rates payable	Average rate on existing debt 2020/21 of 2.95%; 2021/22 of 2.94%; 2022/23 of 3.02% & 2023/24 of 3.09%.
Interest rates payable on new debt – 10 year rate	2020/21 of 2.00%; 2021/22 of 2.33%; 2022/23 of 2.50% & 2023/24 of 2.65%.
Interest rates receivable	1.00% in 2020/21 & 2021/22; 1.50% in 2022/23 & 2023/24.
<b>Income</b>	
Inflationary increases	Various based on individual service considerations

## REVENUE BUDGET MANAGEMENT 2019/20

### Projected General Fund Reserve at 31st March 2020

	2019-23
	MTFP
	(Feb 2019)
<b>Medium Term Financial Plan (MTFP) :-</b>	£000
MTFP Planned Opening Balance 01/04/2019	18,179
Approved net contribution from balances	(1,457)
<b>Planned Closing Balance 31/03/2020</b>	<b>16,722</b>
 Increase in opening balance from 2018-19 results	 168
 Projected corporate underspends / (overspends) :-	
Adult Social Care & Health based savings	511
Council Wide	270
Financing Costs	126
Joint Venture - Investment Return	(68)
Release of Demand and Complexity Risk Contingency	188
 <b>Projected General Fund Reserve (excluding Departmental)</b>	 <b>17,917</b>
<b>at 31st March 2020</b>	
 <b>Planned Balance at 31st March 2020</b>	 <b>16,722</b>
<b>Improvement</b>	<b>1,195</b>

### Departmental projected year-end balances

	Improvement / (decline) compared with 2019-23 MTFP
	£000
Children & Adults Services	(728)
Economic Growth & Neighbourhood Services	(51)
Resources	129
 TOTAL	 <b>(650)</b>

### Summary Comparison with :-

	2019-23
	MTFP
	£000
Corporate Resources - increase in opening balance from 18/19 results	168
Corporate Resources - additional in-year Improvement/(Decline)	516
Quarter 1 budget claw back	511
Departmental - Improvement / (Decline)	(650)
 Improvement / (Decline) compared with MTFP	 <b>545</b>
 <b>Projected General Fund Reserve at 31st March 2020</b>	 <b>17,267</b>

## RISK RESERVE

	Risk	Consequence	Scale	Financial Loss £m	Likelihood %	Annual Risk £m	Period (Years)	Reserve Required £m
ECONOMIC	Economic Downturn	Reduced Revenue Income – Leisure, Parking, Planning, Property	£12m @ £0.120m per 1% - assess risk of further 5%	0.600	25%	0.150	2	0.300
		Failure of significant service provider contractors	£36m pa corporately – assess risk of 10% cost increase	3.600	10%	0.360	2	0.720
	Energy Costs Significant Increases	Higher Annual Revenue Costs		0.200	20%	0.040	2	0.080
	General Price Inflation	Higher Annual Revenue Costs	£40m – assess risk of 3%	1.200	20%	0.240	2	0.480
	Slow down in housing growth	Not achieving house growth as anticipated	100 Band D equivalents @ £0.03m	0.300	20%	0.060	2	0.120
	Adverse Changes in Interest Rates	Higher Financing costs	Net Debt £120m @ 1% = £1.2m	1.200	10%	0.120	1	0.120
	Brexit	Increased demand and reduced income	£80m net revenue budget @1%	0.800	25%	0.200	2	0.400
	Pandemic or Similar Event	Increased employee absence requiring cover at extra cost	£0.5M per 1% of employee costs	0.500	10%	0.050	1	0.050
SERVICES	New Children's Care Packages	Higher Costs	Average £0.200m per Case – 5 cases	1.000	30%	0.300	4	1.200
			Average £0.040m per case – 10 cases	0.400	30%	0.120	4	0.480
	Social Care Increasing Demand	Higher annual Revenue Costs		0.500	20%	0.100	2	0.200
	Capital Overspends	Fund from Revenue (no Capital Resources available)	One-off £5M funded over 10 years	0.500	10%	0.050	2	0.100
GENERAL	Corporate Manslaughter	Unlimited Fine	Assess risk of £10M fine	10.000	1%	0.100	1	0.100
	TOTAL GENERAL FUND RESERVE REQUIREMENT							4.350

**MEDIUM TERM FINANCIAL TERM 2020 TO 2024**

	<b>2020/21</b>	<b>2021/22</b>	<b>2022/23</b>	<b>2023/24</b>
	<b>£m</b>	<b>£m</b>	<b>£m</b>	<b>£m</b>
Children and Adults Services	58.423	60.839	62.815	64.048
Economic Growth & Neighbourhood Services	20.867	22.173	22.969	23.671
Resources	10.229	10.412	10.707	10.882
Financing costs	0.895	1.096	1.419	3.196
Investment Returns - Joint Ventures	(1.028)	(0.812)	(0.517)	(0.494)
Council Wide Pressures	0.405	0.004	0.008	0.004
Council Wide Contingencies	0.522	0.525	0.525	1.512
Contribution to/(from) revenue balances	0.271	(1.948)	(3.670)	(6.712)
<b>Total Net Expenditure</b>	<b>90.584</b>	<b>92.289</b>	<b>94.256</b>	<b>96.107</b>
<b><u>Resources - Projected and assumed</u></b>				
Council Tax	52.179	53.951	55.697	57.450
Business rates retained locally	18.901	19.256	19.620	19.991
Top Up	7.297	7.443	7.592	7.744
Revenue Support Grant (RSG)	3.614	3.614	3.614	3.614
New Homes Bonus (NHB)	1.285	0.717	0.425	(0.000)
Better Care Fund (BCF)	4.356	4.356	4.356	4.356
Adult Social Care Support Grant	2.000	2.000	2.000	2.000
Additional Social Care Funding	0.952	0.952	0.952	0.952
<b>Total Resources</b>	<b>90.584</b>	<b>92.289</b>	<b>94.256</b>	<b>96.107</b>
<b><u>Balances</u></b>				
<b>Opening balance</b>	19.235	15.013	14.065	10.395
<b>Risk Reserve</b>	(4.350)	0.000	0.000	0.000
<b>Futures Fund Reserve</b>	(1.143)			
<b>Contribution from Collection Fund</b>	1.000	1.000	0.000	0.000
<b>Contribution to/(from) balances</b>	0.271	(1.948)	(3.670)	(6.712)
<b>Closing balance</b>	<b>15.013</b>	<b>14.065</b>	<b>10.395</b>	<b>3.683</b>

## **ECONOMY AND RESOURCES SCRUTINY COMMITTEE**

Thursday, 23 January 2020

**PRESENT** – Councillors Durham (Chair), Allen, Bartch, Harker, Mrs D Jones, Keir, McEwan, K Nicholson and Renton

**APOLOGIES** – Councillor Paley

**ABSENT** – Councillor L Hughes

**ALSO IN ATTENDANCE** – Councillors Clarke, Curry and B Jones

**OFFICERS IN ATTENDANCE** – Elizabeth Davison (Assistant Director Resources) and Shirley Wright (Democratic Manager)

### **ER27 DECLARATIONS OF INTEREST**

There were no declarations of interest reported at the meeting.

### **ER28 MEDIUM TERM FINANCIAL PLAN - TO CONSIDER A RESPONSE TO CABINET ON THE PLAN TAKING INTO ACCOUNT THE VIEWS OF ALL THIS COUNCIL'S SCRUTINY COMMITTEES**

Submitted – The Minutes (previously circulated) of meetings of this Council's Scrutiny Committees which had been held to discuss the proposals contained within the draft Medium-Term Financial Plan (MTFP) for 2020/21 to 2023/24, which were within their remits.

It was reported that all of the Scrutiny Committees had supported the proposals in relation to the proposed Council Tax increase of 2.00 per cent, plus the 2.00 per cent adult social care precept to fund Social Care for 2020/21, the investment of £1.8 million in the Futures Fund and the proposed fees and charges. Each of the Scrutiny Chairs/Vice-Chairs presented, at the meeting, the outcomes of their Scrutiny Committees.

In relation to the Minutes of this Scrutiny Committee held on 9 January 2020, clarification was given in relation to the reference in the Minutes to the futures fund funding from the unallocated balances of £4.7 million which had been used to invest in a number of priority areas as part of the 2018/19 and 2019/20 MTFPs; the receipt of the Local Government Finance Settlement; and the need to highlight 'competition' as an additional factor when considering any proposed increase to fees and charges.

In presenting the findings of the Health and Housing Scrutiny Committee Minutes, the Vice-Chair of that Scrutiny Committee referred particularly to the proposals to realign Public Health budgets which could result in a loss of funding to the Tees Valley. Questions were raised in relation to whether there were any significant pressures in that area going forward and it was confirmed that nothing significant had been highlighted in the short to medium term and that it was anticipated that there would be an inflationary increase in funding

The Chair of the Children and Young People Scrutiny Committee reported that that Scrutiny Committee had noted their concerns on the proposed changes to Home to School Transport and the impact that may have on the MTFP and that an update report would be submitted to the next ordinary meeting of the Children and Young People Scrutiny Committee.

In relation to the Minutes of the Adults Scrutiny Committee, the Chair of that Scrutiny Committee reported that it had supported the proposals to increase Council Tax by two per cent, plus the two per cent increase in adult social care precept as it had felt that the increase was necessary in order for the increasing costs of adult social care to be adequately funded. Reference was also made to the significant transformation work which had been undertaken in adult services and the savings which had been achieved to date which it was hoped would continue.

Reference was also made to proposal to increase Council housing rents by 2.7 per cent for 2020/21 and the suggestion that Scrutiny could look further into how the Housing Revenue Account money was being utilised.

**RESOLVED** – That Cabinet be advised that, having considered the proposed Medium-Term Financial Plan 2020/21 to 2023/24 and all of this Council's Scrutiny Committees comments and decisions thereon :-

(a) the majority view of this Scrutiny Committee is to :-

- (i) support the proposed Council Tax increase of two per cent for the next financial year, plus the two per cent adult social care precept to fund social care for 2020/21;
- (ii) support the proposed fees and charges; and
- (iii) support the investment of £1.8 million into the Futures Fund, as set out in paragraph 60 of the submitted report; and

(b) the minority view of this Scrutiny Committee is to :-

- (i) support the proposed Council Tax increase of two per cent for the next financial year, plus the two per cent adult social care precept to fund social care for 2020/21, however, in doing so, requests Cabinet to note that this increase is necessary as Adult Social Care services are not being funded sufficiently by the Government.

**SPECIAL COUNCIL  
20 FEBRUARY 2020**

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**DARLINGTON CAPITAL STRATEGY**

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**Responsible Cabinet Member – Heather Scott,  
Leader of the Council and all Cabinet Members**

**Responsible Director – Chief Officers Executive**

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**SUMMARY REPORT**

**Purpose of the Report**

1. To approve the Councils Capital Strategy for 2020/21 which incorporates the capital programme priorities.

**Summary**

2. The revised Prudential Code for Capital Finance in Local Authorities 2017 requires every Council to publish a Capital Strategy and review on an annual basis. The Council published its first strategy in 2019/20 and attached in **Appendix 1** is the 2020/21 update. The Strategy is an evolving document which will grow over time, this year the Capital Programme at **Appendix 2** has been added for approval.
3. The Strategy provides an overview of how capital expenditure and financing plans are decided upon and provides the framework for the development, management and monitoring of the council capital investment plans. It focuses on core principles that underpin the Council's four-year capital programme and the governance framework which is in place.
4. The Strategy also highlights the resource streams available in terms of funding to the Council and the risk management approach taken.
5. The Strategy maintains a strong and current link to the Council's priorities and to its key strategy documents such as the Treasury Management Strategy, Medium Term Financial Plan and the Corporate Plan.
6. The Capital programme at Appendix 2 sets out the current agreed programme and proposes priorities for investment along with the funding streams which are summarised in Annex A.
7. No feedback has been received during the consultation period.

**Recommendation**

8. Council are requested to approve:-

- (a) The Capital Strategy for 2020/21 – 2023/24 at Appendix 1
- (b) The Capital Programme Appendix 2 with priorities summarised in Annex A.
- (c) A delegation for Cabinet to vary the Capital Budget for 2020/21 by up to £0.5m without further Council approval.

## Reasons

9. The recommendation is supported by the following reasons:-

- (a) To ensure the Council adopts the Prudential Code for Capital Finance 2017.
- (b) To enable the Council to invest in its assets.
- (c) The Strategy is approved by Council.
- (d) To ensure decisions can be made in a timely manner.

**Paul Wildsmith**  
**Managing Director**

## Background Papers

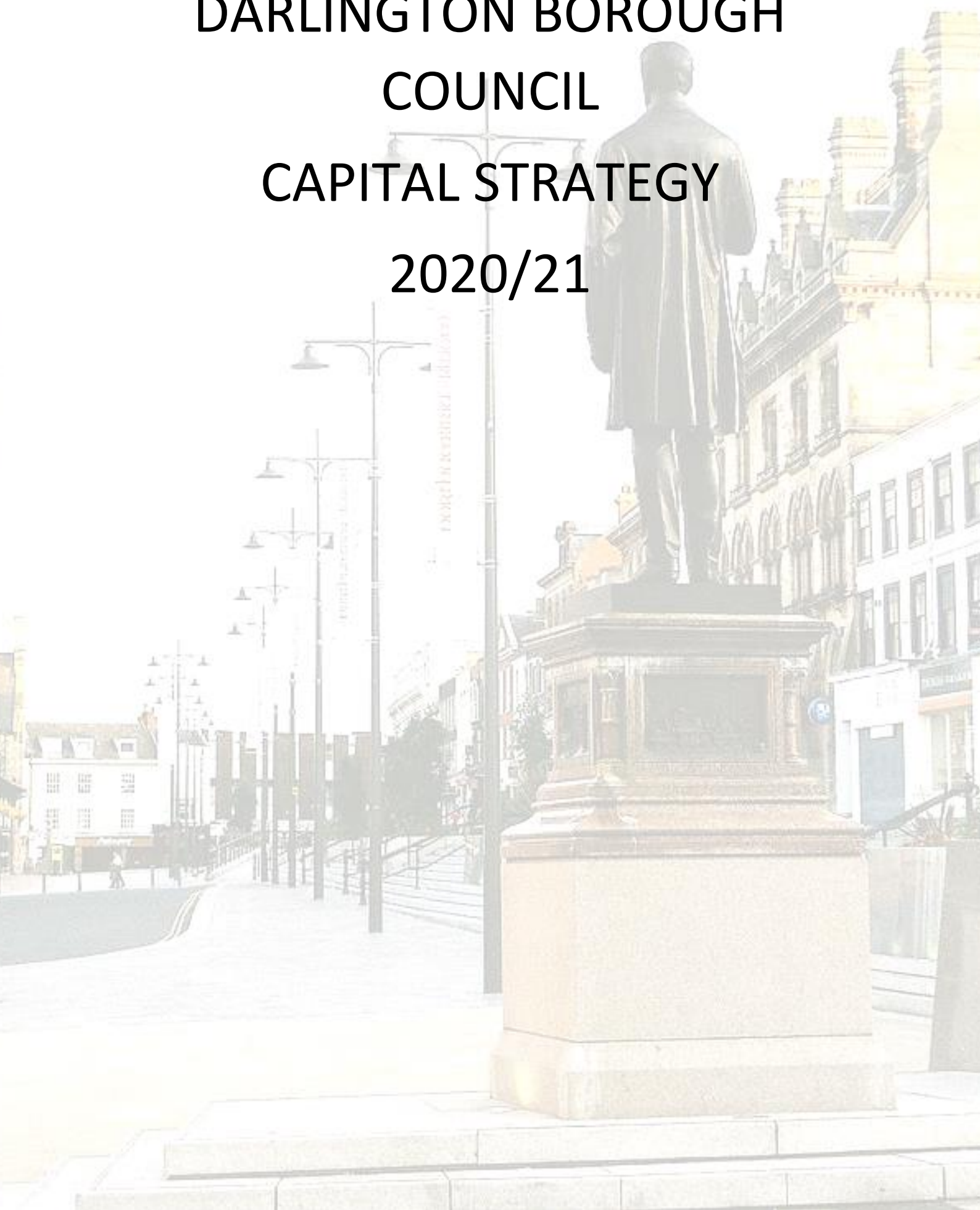
No background papers were used in the preparation of this report.

Elizabeth Davison: extension 5830

S17 Crime and Disorder	This report has no implications for crime and disorder
Health and Well Being	This report has no implications for the Council's Health and wellbeing Programme
Carbon Impact and Climate Change	The proposals in the report seek to continue to support the Council's responsibilities and ambitions to reduce carbon impact in the Council and the Borough.
Diversity	There are no specific implications on the Council's diversity agenda.
Wards Affected	All wards
Groups Affected	All groups
Budget and Policy Framework	The Capital Strategy and capital programme must be approved by full Council
Key Decision	The Capital Strategy and capital programme must be approved by full Council.
Urgent Decision	The Capital Strategy and capital programme must be approved by full Council.
One Darlington: Perfectly Placed	There are no issues adversely affecting the Community Strategy
Efficiency	Having a clear view on Capital investments and financing plans ensures value for money and subsequent efficiencies.
Impact on Looked After Children and Care Leavers	This report has no impact on Looked After Children or Care Leavers



# DARLINGTON BOROUGH COUNCIL CAPITAL STRATEGY 2020/21



# Darlington Borough Council

## Capital Strategy

### Introduction

1. The Capital Strategy has been developed in line with the CIPFA Prudential Code for Capital Finance in Local Authorities 2017. The Capital Strategy is intended to give a high level overview of how capital expenditure and financing plans are decided upon and provides the framework for the development, management and monitoring of the Council's capital investment plans.
2. The Strategy aligns with the priorities in the Corporate Plan and focuses on core principles that underpin the Council's approach to capital investments; the governance framework required to ensure the capital programme is delivered and provides value for money for the residents of Darlington.
3. The Strategy incorporates the Capital Programme **at Appendix 2** and is integrated with the Medium Term Financial Plan (MTFP), Asset Management Plan and Treasury Management Strategy and will be reviewed as such on an annual basis.

### The Key objective of Darlington's Capital Strategy

4. The Capital Programme is the Council's plan of capital works for future years and includes details on the funding of schemes. The programme includes projects such as the purchase of land and buildings, construction of new buildings or roads, and the enhancement of existing assets. The capital strategy defines and outlines the approach to capital investments and is fundamental to the Council's financial planning process. The key objective of the capital strategy is to deliver a capital programme that;
  - (a) Ensures capital expenditure and investment decisions are used to support the delivery of the services according to the priorities within the corporate plan and supporting strategies.
  - (b) Is affordable, financially prudent and sustainable
  - (c) The most cost effective use is made of existing assets and new capital investment.
  - (d) Provides Value for Money
  - (e) Encourages Invest to Save initiatives to make efficiencies within the Council's revenue budget.
  - (f) Ensures the appraisal and prioritisation process for new schemes is robust and captures risks and mitigating factors.

## **The Council's Corporate Objectives and Priorities**

5. Capital expenditure should support the Council's continuing commitment to the goals and ambitions set out within the Corporate Plan, which articulates the Council's determination to work with our partners to capitalise on our assets, to grow and share wealth, which in turn will assist in narrowing the inequalities gap. All capital expenditure proposals should be considered alongside the following three conditions which the council is committed to in order to achieve the vision;
  - (a) Growing the Economy to create conditions for business existing and new to succeed and grow creating more jobs and wealth in the borough and a vibrant economy.
  - (b) Building Strong Communities to help our communities work together and maximise their potential by investing in the social infrastructure of Darlington.
  - (c) Spending Every Pound Wisely, investing in creative and innovative solutions to make sure we provide value for money.
6. Meeting these conditions will allow the Council to achieve the following desired outcomes;
  - (a) More people healthy and independent
  - (b) A safe and caring community
  - (c) More businesses and more jobs
  - (d) Enough support for people when needed
  - (e) Children with the best start in life
  - (f) More people active and involved
  - (g) More people caring for our environment; and
  - (h) A place designed to thrive.

## **Governance Arrangements**

7. The Capital Programme is the Council's plan of capital works for future years, including details on the funding of the schemes.
8. The programme is determined by the need to incur capital expenditure, capital resources available; and the revenue implications flowing from the capital expenditure.
9. The Council's Constitution and financial regulations govern the capital programme process and require Full Council to agree the programme annually. The reports of the Chief Finance Officer will consider the compliance of the proposed schemes in the programme with the medium term financial plan, the capital resources available, the revenue implications of the proposed capital expenditure and any other relevant information.

10. All schemes are formally approved into the capital programme by following a process as set out in the financial regulations and approved by Council. The inclusion of a scheme in the programme does not constitute authority to incur expenditure. Each capital scheme shall be the subject of a written report by the responsible Director to Cabinet and this report shall include the need for the proposed expenditure, its place in the Council's strategic plans, the estimated capital cost analysed as appropriate, the estimated revenue implications (if applicable) and the methods of financing.
11. Reports for all proposed schemes with a value of more than £1 million shall also contain whole-life-cost evaluations, setting out the cost of the proposed scheme over its expected life, including any cost implications at the expiry of the life of the proposed scheme.
12. Cabinet receive regular capital monitoring reports and approve variations to the programme within Cabinets delegated authority limits.
13. Cabinet also considers new bids that fall outside the annual budget process.
14. Schemes with a final outturn level over £1m are reported to Cabinet comparing actual cost, timeliness and quality with the original and amended approvals.
15. Scrutiny Committees can call in Cabinet reports, receive and scrutinise reports.
16. All projects progressing to the capital programme follow the constitution and financial regulations and the capital programme is subject to internal and external audit.

### **Investment evaluation and prioritisation**

17. As part of the budget planning process services are required to submit capital proposals for consideration to the Asset Management Group (AMG) for investment decisions. The capital investment appraisal process focuses on:
  - (a) Policy and strategic fit
  - (b) Affordability and resources
  - (c) VFM, cost/benefit
  - (d) Options appraisal
  - (e) Risk assessment and
  - (f) Capability and capacity within the Council to manage and deliver the project
18. Where capital expenditure requirements exceed external funding availability bids for internal resources are prepared and assessment by the AMG using a scoring model which has regard to the capital strategy, asset management plan, sustainable community strategy and the corporate plan. AMG submit to Chief Officers Executive (COE) a list of assessed bids. COE then develop proposals

for inclusion in the Capital Programme, Cabinet consider these proposals and make recommendations to Council for final approval.

19. The AMG, chaired by the Managing Director and including representation from all departments, maintain a continuous review of capital planning, management and reporting, with regard to best practice, experience and opportunities for improving the Council's capital and asset management.
20. The AMG oversee implementation of standards and procedures and make recommendations by other parties (Chief Officers Executive, Cabinet, Council) as appropriate. In developing their proposals, AMG shall, in addition to departmental capital expenditure plans, have due regard to:
  - (a) the various funding streams available from government and other grants
  - (b) developer contributions towards capital expenditure under section 106 agreements and any other similar arrangements
  - (c) internal resources available from capital receipts, non-supported borrowing and revenue contributions to capital expenditure.

### **Invest to save projects**

21. Departments are encouraged to consider innovation in service provision that can drive efficiency and deliver cashable savings. Invest to save bids will be considered on the same basis as other capital proposals, and need to demonstrate what savings and benefits will be achieved as a result of the proposed initiative. However, as the benefits of these schemes should outweigh the costs it is likely these bids will be prioritised.

### **Approvals outside the normal budget setting process**

22. Any additional capital proposals required within year and outside the annual budget process must be submitted to the AMG for consideration. The group will then appraise the scheme and it will be reported to Cabinet for approval.

### **Capital or Treasury Management Investments**

23. Treasury Management investment activity covers those investments which arise from the Council's cash flows and debt management activity, and ultimately represent balances which need to be invested until the cash is required for use in the course of business.
24. For Treasury Management investments the security and liquidity of funds are placed ahead of the investment return. The management of associated risk is set out in the Treasury Management Strategy and the Annual Investment Strategy.

## **Service and Commercial Investments**

25. These are investments for policy reasons outside of normal treasury management activity. This may include:

### **Service Investments**

26. These are investments held clearly and explicitly in the course of the provision, and for the purposes, of operational services, including economic regeneration. Any potential Service Investment would be presented to Cabinet for approval prior to commencement.

### **Commercial investments**

27. These are investments taken mainly for financial reasons and may include investments taken with the aim of making a financial surplus for the Council.
28. Commercial investments also include fixed assets which are held primarily for financial benefit, such as investment properties. Any commercial Investment would be presented to Cabinet for approval prior to commencement.

## **Due Diligence**

29. For all capital investments, the appropriate level of due diligence will be undertaken with the extent and depth reflecting the level of additional risk being considered.
30. Due diligence process and procedures will include:
- Effective scrutiny of proposed investments;
  - Identification of the risk to both the capital sums invested and the returns;
  - Understanding the extent and nature of any external underwriting of those risks;
  - The potential impact on the financial sustainability of the Council if those risks come to fruition;
  - Identification of the assets being held for security against debt and any prior charges on those assets;
  - Where necessary independent and expert advice will be sought.

## **Loans to External Bodies or Organisations**

31. The Council's capital programme also includes provision to provide loan facilities to external bodies or organisations for activities that are aligned to, and support, Council service objectives and/or corporate priorities. Examples may include,

supporting economic growth such as housebuilding and improving the health and wellbeing of local communities.

32. Under statutory regulations these loans are treated as capital expenditure.
33. In making such loans the Council is exposing itself to the risk of the borrower defaulting on loan repayments. The Council, in making these loans must therefore ensure they are prudent and have fully considered the risk implications. The Loans for these purposes will be subject to a financial appraisal and a series of due diligence checks, and only be provided if the Council is fully satisfied of the borrower's ability to meet their obligations. Wherever possible, the Council will aim to mitigate its risks and exposure to default by seeking appropriate additional security from the borrower. This may often be in the form of a legal charge over the borrower's property or assets.
34. All loans are agreed by Cabinet. All loans will be subject to close, regular monitoring.
35. The rate of interest charged on these facilities will be dependent on the nature and structure of the individual loan and the assessed risks to the Council. However, loans would usually only be provided on the basis that there is no net cost to the Council. In addition all loans will need to be State Aid compliant.

## **Funding Sources**

36. The Council's capital programme is funded from a mix of sources including:
  - (a) Prudential Borrowing – The introduction of the Prudential code in 2004 allowed the Council to undertake unsupported borrowing itself. This borrowing is subject to the requirements of the Prudential Code for Capital Expenditure for Local Authorities. The Council must ensure that unsupported borrowing is affordable, prudent and cost effective. This funding can also be used as an option to front fund development to stimulate growth. This has provided the Council with the flexibility to raise capital funding as demand and business need have dictated. This type of borrowing has revenue implications for the Council in the form of financing costs.
  - (b) External Grants – A proportion of our capital funding comes through as external grant allocations from central government departments such as the Department for Transport and Department of Education. There is also external funding from the European Regional Development Fund which we have been successful in bidding on over the last few years. In addition direct funding is received from the Tees Valley Combined Authority (TVCA) under the new devolved arrangements. The TVCA has an approved investment plan of £588.2m over a ten year period and Darlington has been successful securing funding for a number of growth projects including

£10m for the Town Centre and £25m for Darlington Railway Station which is in development.

- (c) A significant element of the capital investment programme is funded from the Housing Revenue Account. Funding towards the Council's New Build programme is also received from Homes England (HE). All Housing Capital schemes are funded this way and are prioritised through the Housing Business Plan.
- (d) Section 106 and external contributions – elements of the capital programme are funded by contributions from private sector developers and partners.
- (e) Revenue Funding – The Council can use revenue resources to fund capital projects on a direct basis, however, the impact of austerity on the Council's revenue budget has reduced options in this area and the preference is for Invest to Save projects where feasible.
- (f) Capital Receipts – A capital receipt is an amount of money exceeding £10,000, which is generated from the sale of an asset. The Council is able to generate capital receipts through the sale of surplus assets such as land and buildings. The Council seeks to maximise the level of these resources which will be available to support the Council's plans.

### **Capital Investment Fund**

- 37. At its meeting of 24 November 2016 the Council established a Capital Investment Fund of £10m which due to its success has subsequently been increased to £50m
- 38. Council approved the principle and establishment of the Capital Investment Fund to be used for innovative investment opportunities beyond the traditional Treasury Management Strategy in order to achieve greater returns given the low returns on investment due to the current economic climate.
- 39. The Council is utilising the fund to achieve greater returns by exploring more innovative approaches whilst at the same time being willing to take on a greater level of risk. Such approaches include loans to other organisations, joint venture house building, property investment or developing sites for sale.
- 40. The Investment fund also provides for wider benefits which extend further than direct reward and assist with economic regeneration and job opportunities.
- 41. Since the establishment of the fund and at the time of writing Cabinet have agreed to nine uses of the fund for schemes such as housing joint ventures,



office development, and pump priming with a commitment of £41.97m leaving a balance of £8.03m. All projects are detailed and reported to Cabinet for approval.

### **Economic Growth Investment Fund (EGIF)**

42. The EGIF was set up in 2017/18 Growing the Economy is a priority for the Council and the Economic Growth Investment plan sets out what needs to be done in order for the Borough to accelerate sustainable, managed and planned economic growth. It also provides the structured framework required to ensure that a programme of investments is created that can deliver the strategic ambitions and goals of the Council.
43. The majority of the Plan is and will be completed in conjunction with the Tees Valley Combined Authority, however the Council needs to pump prime and match fund some of the schemes. The EGIF of £4.232m was established in 2017/18 and included in the capital programme.
44. Any proceeds from sites which subsequently become operational and sold will be reinvested in the fund for future developments.
45. Specific scheme approvals will be subject to detailed reports to Cabinet to release each scheme as and when they are required.
46. At the time of writing the fund has a balance of 0.904m uncommitted.

### **Risk Management**

47. Risk is the threat that an event or action will adversely affect the Council's ability to achieve its objectives and to execute its strategies successfully.
48. Risk management is the process of identifying risks, evaluating their potential consequences and determining the most effective methods of managing them and responding to them. It is both a means of minimising the costs and disruption to the Council caused by undesired events and of ensuring that staff understand and appreciate the element of risk in all of their activities.
49. The aim is to reduce the frequency of adverse risk events occurring, minimise the severity of their consequences if they do occur, or to consider whether risk can be transferred to other parties.
50. To manage risk effectively, an assessment of risk should be taken on every capital project, mitigated where possible and monitored.
51. It is important to identify the appetite for risk by each scheme and for the capital programme as a whole, especially when investing in capital assets held primarily

for financial returns. Under the CIPFA Prudential Code these are defined as investments and so the key principle of control of risk and optimising returns consistent with the level of risk applies.

### **Knowledge and skills**

52. The Council has professionally qualified staff across a range of disciplines including finance, legal and property that follow continuous professional development (CPD) and attend courses on an ongoing basis to keep abreast of new developments and skills.
53. The Council establishes project teams from all the professional disciplines from across the council as and when required. External professional advice is taken where required and will always be sought in consideration of any major commercial property investment decision.
54. Internal and external training is offered to Members to ensure they have up to date knowledge and expertise to understand and challenge capital and treasury decisions taken by the Assistant Director Resources.

## Darlington Borough Council

### Capital Programme

1. The Council has an extensive capital programme with significant resources invested to purchase, improve, protect and maintain our assets, to enable the council to deliver its priorities for example purchasing land to enable road improvements or investing in modernising school buildings and housing. The Council continues to deliver a significant capital investment programme in the main funded from the Housing Revenue Account (HRA) and grant or other external funding which is targeted at specific schemes and programmes such as Transport and Schools. Furthermore investment from the Tees Valley Combined Authority (TVCA) along with European and other external funding sources are being used for economic growth initiatives.
2. The Council can also supplement these funding sources with its own resources such as capital receipts or prudential borrowing where there is a need, however as capital receipts are limited and prudential borrowing comes with future revenue implications there must be a strong business case for doing so.
3. In recent year there has been significant investment in economic growth either funded or pump primed by the Council, schemes such as Central Park including the National Biologics Centre and Business Central along with the Development of Feethams House which is Grade A Office accommodation, and recent Town Centre purchases are helping to make Darlington a more vibrant place to be. The Council's Investment Fund and Economic Growth Investment Fund are both being utilised to invest in these areas which ultimately increases business rates and the finances of the Council helping vital services to be funded.
4. The current capital programme stands at £226m as summarised in Table 1 below. The programme is monitored on a monthly basis and reported to Cabinet quarterly, the latest available monitoring report for the 2019/20 – 2020/23 was presented to Cabinet on 4 February 2020 and noted the programme was within budget with the majority of schemes on target.

Table 1

	Construction							
	Live Schemes £75k & Over	Annualised Schemes	Completed Schemes awaiting review	Live Schemes under £75k	Non construction	Capital investment fund	Housing New Build - not yet allocated	Total
Area	£m	£m	£m	£m	£m	£m	£m	£m
Housing	32.182	5.575	21.632	0.292	0.670	0.000	0.438	60.789
Economic Growth	34.661	0.000	26.746	0.556	6.178	41.969	0.000	110.110
Highways/Transport	5.466	16.113	3.289	0.898	0.883	0.000	0.000	26.649
Leisure & Culture	17.505	0.000	0.956	0.134	0.360	0.000	0.000	18.955
Education	3.434	0.089	2.299	0.156	0.280	0.000	0.000	6.258
Adult Social Care	0.000	0.000	0.138	0.000	0.993	0.000	0.000	1.131
Other	0.000	0.000	0.000	0.000	1.881	0.000	0.000	1.881
<b>Total</b>	<b>93.248</b>	<b>21.777</b>	<b>55.060</b>	<b>2.036</b>	<b>11.245</b>	<b>41.969</b>	<b>0.438</b>	<b>225.773</b>

5. In addition to the current agreed programme the Council looks ahead to future capital requirements based on the principles of the capital strategy. A four year timeframe has been adopted to fall in line with the revenue Medium Term Financial Plan. Attached at **Annex A** are the priority proposals for addition to the plan along with the funding methods. The majority of schemes are focused on Housing and Transport, funded via the HRA and grants respectively, there are however a number of Council funded corporate schemes to be approved.
6. The following paragraphs describe the major elements of the capital programme priorities for approval. Specific scheme funding release will be subject to detailed reports to Cabinet.

### Corporate schemes – funding required

7. A number of the Council Office buildings in particular the Town Hall and Central house are ageing and are requiring more and more maintenance each year. A full refurbishment is cost prohibitive and would also be extremely disruptive for operations. A phased approach is therefore taken and each year the Corporate Landlord team review the buildings and recommend priority works for consideration. This year, two recommendations have been put forward for approval, The Town Hall alarm system and zoned heating control.
8. £0.200m is required for the Town Hall fire alarm system which is in need of replacement as the existing detectors are obsolete product so replacements are dependent on shelf stock. The original system is supplemented with an additional fire alarm panel ran in series which supports current detectors, this is not ideal as all interactions with the fire alarm system should be accessible from one panel. This is a health and safety priority.
9. £0.200m has been requested for the replacement of the existing redundant heating controls to re-establish the flexibility of local office temperature controls. The existing heating system can no longer regulate the temperatures in different

parts of the building and compensate for the solar gain in throughout the day. Addressing this issue will improve comfort levels experienced by staff and will also help our carbon commitment by reducing energy consumption.

10. Crown Street Library - £2.9m. Funding for the refurbishment and restoration of Crown Street Library following consultation alongside structural works to include roof replacement and mechanical and electrical works. The refurbishment work will be sympathetic to reflect the historic nature of the building and a full report to Cabinet will detail all works before funds are released.
11. Capitalised repairs – £0.250m is required for repairs on the council building stock to ensure it is fit for purpose. This is a rolling programme and details on specific areas of spend will be brought to Cabinet for consideration.
12. Advanced design fees - £0.150m per annum is requested to ensure that resources are available to work up any new schemes brought forward in relation to economic growth including site investigations on development sites, industrial and housing land. This funding has been invaluable in the past in enabling the Council to be site ready.

### **Corporate Schemes – funding secured**

13. Allington Way Office Extension, £0.150m – Due to the growth in construction and project works there is a need to extend the existing accommodation as it is at maximum capacity for office based staff. An extension which would accommodate approximately 20 additional staff will future proof the building and enable the services to expand and respond to future business growth opportunities. The borrowing costs for this scheme will be funding from additional profits following increased turnover.
14. Cattle Market – funding of £0.350m is required to prepare for the Council taking possession of the Cattle Market site. This will include surveys, permissions, demolition and accommodation works to make the site safe for any temporary use and permanent development. This will be funded initially from the Economic Growth Investment Fund to be repaid when the site is developed.
15. Railway Heritage quarter – Funding of £20m has been secured from the Tees Valley Combined Authority for the Head of Steam site. A master plan has been developed for the Site, the vision being a Rail Heritage Quarter, which will turn the site into a world class attraction, working closely with on-site partners and others ahead of the 2025 celebrations. The work will include the refurbishment and restoration of the existing buildings and will also have the potential for new build. The project will be delivered in phases with phase 1 happening before 2025.

### **Government Funding**

16. Set out below are details of the levels of Government funding available for investment by the Council in 2020/21 and an outline of the proposed use of these funds.

	<b>2020/21 £m</b>
<b>Children's Services</b>	
School Condition Allocation	0.142
<b>Transport</b>	
Local Transport Plan	2.575
Pothole Action fund	0.095
<b>Other</b>	
Disabled Facilities Grant	0.947
<b>Total Capital Grant Available</b>	<b>3.757</b>

### **School Condition Allocations**

17. The Local Authority now only receives school condition funding for Community Maintained Schools. Maintenance funding for Academies is available through other routes. This funding received by the Local Authority will be spent in line with key priorities identified with each maintained school through the locally agreed asset management planning (LAMP) process, carried out each January. There are no strict spend deadlines for these small scale condition related projects which are prioritised and completed as funding becomes available.

### **Transport and Highways**

18. A new Local Transport Plan for the Tees Valley has been consulted upon and it is the intention that this will be endorsed by the Tees Valley Cabinet early in 2020. This will help set the spending plans for the funding allocations from the Department for Transport and from the Devolution deal. The Integrated Transport Programme (ITP) of TVCAs Investment plan identifies £256.7m of investment over the next 10 years. There will be projects and initiatives delivered in Darlington from this fund. However, these will be subject to separate business cases and approval processes as they are developed.
19. The new Tees Valley Local Transport Plan has a number of accompanying documents that set the strategy and vision for different modes of transport. Each Local Authority is required to produce a Local Improvement Plan, which will effectively replace the local authority Local Transport Plan. These plans will cover local priorities and maintenance requirements. The Department for Transport (DfT) releases capital funding to the Tees Valley Combined Authority (TVCA) to implement these plans based on a needs formula and this is transferred annually to the Local Authority. In 2020/21 the indicative amounts for Darlington are

£0.886m allocated for the Integrated Block and £1.689m for the Highways Maintenance Block (comprising £1.398m maintenance and £0.291m incentive funding, which is performance related payments, Darlington receive the maximum amount of funding based on assessments of our process and asset management ).

20. The Local Improvement Plan for Darlington is being progressed and a programme of works for 2020/21 based the allocations above is being developed and scheduled for consideration by Cabinet in March 2020.
21. In addition to the above there is opportunistic funding announcements from the Department for Transport. For example in recent years Local Authorities have been allocated additional funding to deal with road repairs from the Pothole Action fund. Whilst, not confirmed it is anticipated a further amount could be received.
22. The Council has also submitted a bid into the Department for Transport's Highway Maintenance Challenge Fund for £2.260m for additional road maintenance on the A68 and an announcement on whether this has been successful is expected by the end of the calendar year. The Council are also developing an expression of interest for a bid in the Department for Transport's Pinch Point Programme that has to be submitted by the end of January 2020.
23. Pothole Action Fund – The Pothole Action Fund was announced in April 2016 by the government and gave local authorities in England £50 million a year, for 5 years, to help them tackle more than 4 million potholes. Funding is calculated according to the size of the local road network in the area. The Council's current allocation is circa £95k per year and this is expected to continue beyond the initial 5 year period.

### **Disabled Facility Grants**

24. These grants are available if you are disabled and need to make changes to your home with examples being:
  - Widen doors and install ramps,
  - Improve access to rooms and facilities – e.g. stair lifts or a downstairs bathroom,
  - Provide a heating system suitable for your needs, and
  - Adapt heating or lighting controls to make them easier to use.

### **Housing**

25. All Housing Capital schemes are funded fully from the Housing Revenue Account. The priorities identified through the Housing Business Plan to be funded from the estimated capital resources for 2020/21 include:-

- (a) Adaptations and lifts – £0.150m budget is to deliver adaptations within the Council's housing stock to enable tenants with a disability to remain in their own home and live independently across the Borough and to complete any unplanned major works to passenger lifts within sheltered and extra care schemes.
- (b) Heating Replacement - £1.335m to fund new condensing boiler and central heating upgrades. This work will predominantly be completed in the Haughton and Bank Top areas. There will also be some miscellaneous properties which will be included in the programme and we will be running a "just in time" programme of replacement for those boilers that fail before their due replacement date within the financial year.
- (c) Structural Repairs - £0.500m has been set aside to address any structural issues that may be identified within the year.
- (d) Lifeline Services - £0.050m is set aside to continue to provide upgrades to Lifeline equipment.
- (e) Repairs before Painting - £0.100m will be invested in joinery repair works in anticipation of the cyclical external painting programme. This will cover around 1,200 properties at various locations within the Borough.
- (f) Roofing – £0.500m for the replacement of roofs, fascia's, soffits and rainwater goods alongside the top-up of loft insulation where appropriate. The programme will primarily be in the Haughton area.
- (g) Garages - £0.050m will be invested in improvements to the Council's garage blocks which will predominantly be in the Lascelles Park area.
- (h) External Works - £0.300m will be used to provide new rear dividing fences and new footpaths to Council properties in various locations based on condition.
- (i) Smoke Detectors - £0.025m is required to replace existing hard wired smoke and heat detectors where systems are now 10 years old and reaching the end of their recommended lifespan.
- (j) Pavement Crossings - £0.032m has been identified to fund pavement crossings across the Borough.
- (k) Replacement Door Programme - £0.350m will be used to replace external doors with energy efficient composite doors in the Lascelles Park area.
- (l) Window Replacement - £0.500m has been identified to replace windows across the Borough with double glazed UPVC. These areas will be determined based on those in the poorest condition, but we will be working predominantly in the Haughton and Springfield areas.
- (m) Internal planned maintenance – £1.595m for the replacement of kitchens and bathrooms, rewiring of electrical systems and heating system upgrades



where required. This work will predominantly be completed in the Lascelles Park area. There will also be some miscellaneous properties which will be included in the programme.

- (n) Communal Works - £0.100m is required to replace communal doors and screens in the North Road area.
- (o) New Build/Property acquisitions - £17.989m will be spent predominantly on the new build programme.

ANNEX A					
Capital Medium Term Financial Plan 2020/21 - 2023/24					
	2020/21 £'000	2021/22 £'000	2022/23 £'000	2023/24 £'000	Total £'000
<b>SPENDING PRIORITIES</b>					
<b><u>Children, Families &amp; Learning</u></b>					
School Condition Allocations	142	142	142	142	568
	<b>142</b>	<b>142</b>	<b>142</b>	<b>142</b>	<b>568</b>
<b><u>Housing</u></b>					
Adaptations / Lifts	150	150	150	150	600
Heating replacement programme	1,335	1,335	1,335	1,335	5,340
Structural works	500	500	500	500	2,000
Lifeline Services	50	50	50	50	200
Repairs before painting	100	100	100	100	400
Roofing	500	500	500	500	2,000
Garages	50	50	50	50	200
External Works (footpaths, fencing, etc.)	300	300	300	300	1,200
Smoke detection	25	25	25	25	100
Pavement Crossing	32	32	32	32	128
Replacement Door Programme	350	350	350	350	1,400
Window Replacement	500	500	500	500	2,000
IPM works	1,595	1,595	1,595	1,595	6,380
Comunal Works	100	100	100	100	400
New build (net of HE grant)/regeneration	17,989	17,632	15,082	15,082	65,785
Fees	267	267	267	267	1,068
	<b>23,843</b>	<b>23,486</b>	<b>20,936</b>	<b>20,936</b>	<b>89,201</b>
<b><u>Transport</u></b>					
Highway Maintenance	1,689	1,689	1,689	1,689	6,756
Integrated Transport	886	886	886	886	3,544
Pothole Action fund	95	95	95	95	380
	<b>2,670</b>	<b>2,670</b>	<b>2,670</b>	<b>2,670</b>	<b>10,680</b>
<b><u>Other Capital Programmes</u></b>					
Disabled Facility Grants	947	947	947	947	3,788
	<b>947</b>	<b>947</b>	<b>947</b>	<b>947</b>	<b>3,788</b>
<b><u>Council Schemes - funding required</u></b>					
Town Hall - Fire Alarm Renewal	200	-	-	-	200
Town Hall - Zoned Heating Control	200	-	-	-	200
Crown Street Library	2,900	-	-	-	2,900
Capitalised Repairs	250	250	250	250	1,000
Advanced Design Fees	150	150	150	150	600
	<b>3,700</b>	<b>400</b>	<b>400</b>	<b>400</b>	<b>4,900</b>
<b><u>Council schemes - funding secured.</u></b>					
Allington Way - Office Extension	150	-	-	-	150
Cattle Market - site works	350	-	-	-	350
Railway Heritage Quarter	-	-	10,000	10,000	20,000
	<b>500</b>	<b>-</b>	<b>10,000</b>	<b>10,000</b>	<b>20,500</b>
<b>TOTAL SPENDING PLANS</b>	<b>31,802</b>	<b>27,645</b>	<b>35,095</b>	<b>35,095</b>	<b>129,637</b>
<b>FUNDED BY;</b>					
Capital Grants	3,759	3,759	3,759	3,759	15,036
HRA Revenue Contributions	5,551	5,551	5,551	5,551	22,204
HRA Investment Fund	8,722	4,982	4,982	4,982	23,668
HRA Capital Receipts	303	303	303	303	1,212
HRA Borrowing	9,267	12,650	10,100	10,100	42,117
Corporate Resources (borrowing or capital receipts)	3,700	400	400	400	4,900
Self Financing	500	-	10,000	10,000	20,500
<b>TOTAL RESOURCES</b>	<b>31,802</b>	<b>27,645</b>	<b>35,095</b>	<b>35,095</b>	<b>129,637</b>
<i>Figures shown in italics are estimates, awaiting confirmation of funding streams.</i>					

## **Section 2**

### **Setting the Council Tax for 2020-21**

#### **2.1 Setting the Council Tax for 2020-21**

- report to Council 20 February 2020

**SPECIAL COUNCIL  
20 FEBRUARY 2020**

**ITEM NO. 9**

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**SETTING THE COUNCIL TAX FOR 2020/21**

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**Responsible Cabinet Member – Councillor Charles Johnson,  
Resources Portfolio**

**Responsible Director – Paul Wildsmith, Managing Director**

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**SUMMARY REPORT**

**Purpose of the Report**

1. The Local Government Finance Act 1992, as amended (referred to as “the Act” in this report) requires the Council to calculate and set its council tax for 2020/21 before 11 March 2020.

**Summary**

2. The Localism Act 2011 made significant changes to the Act and requires the billing authority to calculate a Council Tax requirement for the year.
3. The budget recommended to Council by Cabinet on 11 February 2020 will result in Band D council tax of £1,565.56, if approved by Council. The Office of the Durham Police, Crime and Victims’ Commissioner has set its Band D council tax for 2020/21 at £215.24. County Durham and Darlington Fire and Rescue Service is expected to set its Band D council tax for 2020/21 at £105.48. Therefore the recommended council tax for a Band D property will be £1,886.28 which is an overall increase of 3.96%. There will also be an additional council tax in any parish where a precept has been issued.
4. The Council has calculated that the Council Tax requirement is £52,357,909 which includes Parish Precepts of £178,909. The Council Tax requirement for the Council’s own purposes for 2020/21 (excluding Parish Precepts) is therefore £52,179,000.

**Recommendation**

5. It is recommended that
    - (a) the following amounts be calculated by the Council for 2020/21 in accordance with sections 31 to 36 of the Act and relevant regulations:-
-

(i)	the aggregate of the amount which the Council estimates for the items set out in Section 31A(2) of the Act taking into account all precepts issued to it by Parish Councils, which is its expenditure	£216,772,909
(ii)	the aggregate of the amounts which the Council estimates for the items set out in Section 31A(3) of the Act, which is its income	£164,415,000
(iii)	the amount by which (i) exceeds (ii) calculated by the Council for the year in accordance with Section 31A(4) of the Act as its Council Tax Requirement	£52,357,909
(iv)	The amount at item 5(iii) above, divided by the council tax base in paragraph 13 below, calculated by the Council in accordance with Section 31B of the Act as the basic amount of its Council Tax for the year (including Parish Precepts)	£1,570.93
(v)	the aggregate of all special items (Parish Precepts) referred to in Section 34(1) of the Act as in the attached <b>Appendix 1</b>	£178,909
(vi)	the amount at 5(iv) above less the result given by dividing the amount at 5(v) above by the amount at paragraph 13 below, 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 Parish Precept relates	£1,565.56
(vii)	That the basic council tax for 2020/21 calculated for dwellings in those areas that have parish precepts be as set out in <b>Appendix 1</b> , column 5	
(viii)	That the Council, in accordance with Sections 30 and 36 of the Act, hereby sets the aggregate amounts shown in <b>Appendix 2</b> as the amount of Council Tax for 2020/21 for each part of its area and for each of the categories of dwellings	

- (b) It be noted that for the year 2020/21 The Office of the Durham Police, Crime and Victims' Commissioner has stated the following amounts in the precept issued to the Council, in accordance with Section 40 of the Act, for each of the categories of dwellings shown : -

	A	B	C	D	E	F	G	H
	£ p	£ p	£ p	£ p	£ p	£ p	£ p	£ p
Police Authority	143.49	167.41	191.32	215.24	263.07	310.90	358.73	430.48

- (c) It be noted that for the year 2020/21 County Durham and Darlington Fire and Rescue Service has stated the following amounts in the precept issued to the Council, in accordance with Section 40 of the Act, for each of the categories of dwellings shown: -

	A	B	C	D	E	F	G	H
	£ p	£ p	£ p	£ p	£ p	£ p	£ p	£ p
Fire Authority	70.32	82.04	93.76	105.48	128.92	152.36	175.80	210.96

- (d) The Council, in accordance with Section 30(2) of the Act hereby sets the amounts set out in **Appendix 3** as the amounts of council tax for 2020/21 for each of the categories of dwellings.

## Reasons

6. The recommendations are supported to set the Council Tax for the Council's area in accordance with statutory requirements.

**Paul Wildsmith**  
**Managing Director**

## Background Papers

- (i) Local Government Finance Settlement 2020/21
- (ii) Police Authority Precept notification.
- (iii) Fire Authority Precept notification.
- (iv) Parish Council Precept notifications.

Elizabeth Davison: Extension 5830

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S17 Crime and Disorder	The report does not contain any Crime and Disorder implications
Health and Well Being	The report does not contain any proposals relating to the health and well being of residents
Carbon Impact and Climate Change	There are no carbon impact or climate change implications in this report
Diversity	There are no diversity implications in this report
Wards Affected	All Wards are affected equally
Groups Affected	All Groups are affected equally
Budget and Policy Framework	This report must be considered by Council
Key Decision	This report must be considered by Council
Urgent Decision	The Council's Medium Term Financial Plan, Budget and Council Tax require approval by full Council
One Darlington: Perfectly Placed	This report follows from the Corporate Plan and Financial Plan and budget reports, which specifically addresses key issues involved in the Council's contribution to delivering the Sustainable Community Strategy vision.
Efficiency	There are no efficiency implications in this report
Impact on Looked After Children and Care Leavers	This report does not affect Looked After Children and Care Leavers

## MAIN REPORT

### Information and Analysis

7. The Act, as amended by the Localism Act 2011, requires authorities to calculate their Council Tax requirement for the year. The Council tax requirement is equal to the Council's net budget requirement less Settlement Funding Assessment (Revenue Support Grant, Top Up Grant and General Government Grants) less any contribution to the Collection Fund in respect of any prior year's deficit or plus any contribution from the Collection Fund in respect of any prior year's surplus. The details of these calculations are set out in paragraph 5(i) to (iii) above.
  8. The recommended basic council tax including Fire and Police Precepts for a Band D property is £1,886.28. There will also be an additional council tax in any parish where a precept has been issued.
  9. Cabinet considered the draft Medium Term Financial Plan (MTFP) on 7 January 2020 and approved it for consultation. After public consultation and review by the relevant Scrutiny Committees, Cabinet considered the MTFP again on 11 February 2020.
  10. The Council also has to determine the estimated surplus or deficit on its Collection Fund at 31st March 2020. The estimated surplus/deficit for the council tax is
-

shared between this Council, the Police Authority and the Fire Authority in proportion to the 2019/20 demands/precepts. It is estimated that there will be a deficit on the Collection Fund at 31st March 2020 of £482,000 of which Darlington's share is £400,000.

11. The Council has determined that its basic amount of Council Tax for 2020/21, excluding Parish Precepts, is not excessive in accordance with principles approved under Section 52ZB of the Act.
12. The Council's Council Tax Requirement (including Parish Precepts) for council tax purposes for 2020/21, as calculated in accordance with Section 31A(4) of the Act, is £52,357,909.

## **The Council Tax Calculations**

### **Basic Council Tax**

13. The Council set its tax base at 33,329.3 at the meeting on 30 January 2020 along with the tax bases for various parish councils. These are shown in **Appendix 1** (column 2).
14. The basic council tax must first be calculated by dividing the Council Tax requirement by the approved tax base as follows:-

$$\frac{£52,357,909}{33,329.3} = £1,570.93$$

15. From this figure parish precepts, which the Act refers to as special items, are deducted as follows:-

$$\frac{£178,909}{33,329.3} = £5.37$$

16. The basic council tax for those areas of the Borough Council where there are no special items is, therefore, £1,565.56 (£1,570.93 - £5.37). This also excludes the Police Authority and Fire Service precepts. It represents a 3.99% increase compared with the council tax in 2019/20. It was announced in the 2020/21 provisional local government finance settlement on 20 December, 2019 and it was confirmed in the final Local Government Finance Report 2020/21 on 6 February, 2020 that councils could increase their core council tax charge by up to 4% without the need for a referendum, inclusive of 2% for adult social care expenditure.

### **Parish Council Taxes**

17. The calculation of the additional tax for areas where special items apply, i.e. parish precepts, is based on the precepts submitted by each parish council and parish meeting divided by the tax base approved at the Council meeting on 30 January 2020. The Parish Council Precepts for 2020/21 are detailed in Appendix 1 and total £178,909.
-



18. The council tax in relation to the parish precepts is shown in **Appendix 1** (column 3). When added to the basic council tax, as calculated in paragraph 14, this provides the Billing Authority's basic council tax for each parish area (**Appendix 1**, column 5).

### Billing Authority Council Tax

19. Section 30(1) of the Act requires a council tax to be set for each category of dwelling for its area. This is the Billing Authority's council tax for each parish area and the basic council tax for the rest of the authority's area, multiplied by the ratio of each band using the following: -

Band	A	B	C	D	E	F	G	H
Proportion	6/9	7/9	8/9	9/9	11/9	13/9	15/9	18/9

20. The council tax set will relate to band D which is 9/9 or 1. For other bands the above proportions will apply. For example, Band A properties will be charged 6/9 or two thirds of the Band D tax whilst band H will be charged double the Band D tax.
21. The Billing Authority's council taxes for each band of property are shown in **Appendix 2**.

### Police and Fire Authority Council Taxes

22. The Office of the Durham Police, Crime and Victims' Commissioner is a separate body responsible for its own financial affairs. The Authority met on 06 February 2020 and set their precept at £7,173,799. This results in a Band D Council Tax of £215.24, a 4.87% increase from 2019/20 as shown below:-

	A	B	C	D	E	F	G	H
	£ p	£ p	£ p	£ p	£ p	£ p	£ p	£ p
Police Authority	143.49	167.41	191.32	215.24	263.07	310.90	358.73	430.48

23. County Durham and Darlington Fire and Rescue Service meet on 25 February 2020 and are expected to set their precept at £3,515,574.56. This will result in a Band D Council Tax of £105.48, a 1.91% increase from 2019/20.

	A	B	C	D	E	F	G	H
	£ p	£ p	£ p	£ p	£ p	£ p	£ p	£ p
Fire Authority	70.32	82.04	93.76	105.48	128.92	152.36	175.80	210.96

## Overall Council Tax

24. The total council tax for each of the parish areas and the remaining area of the Borough is calculated by adding the charges for the Billing Authority to those of the Police Authority and the Fire and Rescue Service. The overall council tax for each category of dwelling in each parish area and the remaining areas of the Borough where there are no parish precepts is set out in **Appendix 3**. There is a 3.99% increase in the Billing Authority Council Tax next year, with changes in the amounts of some parish precepts. The Office of the Durham Police, Crime and Victims' Commissioner has increased its Council tax by 4.87% and the Fire and Rescue Service is expected to increase its Council Tax by 1.91%.

## Consultation

25. The content of this report was not subject to consultation. Extensive consultation has, however, taken place with a wide range of stakeholders, during which all households in the Borough have had the opportunity to comment, in preparing the Corporate Plan and Medium Term Financial Plan. The outcomes of consultation are included in those plans.
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## APPENDIX 1

## COUNCIL TAX FOR PARISH AUTHORITIES 2020/21

	Precept payable to Parish Council (1) £	Parish Tax Base (2)	Parish Council Tax (3) £ p	Basic Council Tax (4) £ p	Billing Authority's Council Tax (5) £ p
Bishopton	7,868	172.90	45.51	1,565.56	1,611.07
Heighington	20,270	956.70	21.19	1,565.56	1,586.75
High Coniscliffe	4,000	110.10	36.33	1,565.56	1,601.89
Hurworth	59,000	1,273.00	46.35	1,565.56	1,611.91
Low Coniscliffe / Merrybent	12,600	308.10	40.90	1,565.56	1,606.46
Middleton St. George	46,086	1,876.10	24.56	1,565.56	1,590.12
Neasham	8,034	245.10	32.78	1,565.56	1,598.34
Piercebridge	1,512	64.80	23.33	1,565.56	1,588.89
Sadberge	14,000	282.40	49.58	1,565.56	1,615.14
Whessoe	5,539	540.30	10.25	1,565.56	1,575.81
	<b>178,909</b>	<b>5,829.50</b>			

**APPENDIX 2****BILLING AUTHORITY'S COUNCIL TAXES FOR EACH PROPERTY BAND 2020/21**

	A £ p	B £ p	C £ p	D £ p	E £ p	F £ p	G £ p	H £ p
Bishopton	1,074.05	1,253.06	1,432.06	1,611.07	1,969.08	2,327.10	2,685.12	3,222.14
Heighington	1,057.84	1,234.14	1,410.45	1,586.75	1,939.36	2,291.97	2,644.59	3,173.50
High Coniscliffe	1,067.93	1,245.92	1,423.90	1,601.89	1,957.86	2,313.84	2,669.82	3,203.78
Hurworth	1,074.61	1,253.71	1,432.81	1,611.91	1,970.11	2,328.31	2,686.52	3,223.82
Low Coniscliffe /								
Merrybent	1,070.98	1,249.47	1,427.97	1,606.46	1,963.45	2,320.44	2,677.44	3,212.92
Middleton St. George	1,060.08	1,236.76	1,413.44	1,590.12	1,943.48	2,296.84	2,650.20	3,180.24
Neasham	1,065.56	1,243.16	1,420.75	1,598.34	1,953.52	2,308.71	2,663.90	3,196.68
Piercebridge	1,059.26	1,235.81	1,412.35	1,588.89	1,941.97	2,295.06	2,648.15	3,177.78
Sadberge	1,076.76	1,256.22	1,435.68	1,615.14	1,974.06	2,332.98	2,691.90	3,230.28
Whessoe	1,050.54	1,225.63	1,400.72	1,575.81	1,925.99	2,276.17	2,626.35	3,151.62
All other parts of the Council's area	1,043.71	1,217.66	1,391.61	1,565.56	1,913.46	2,261.36	2,609.27	3,131.12

**APPENDIX 3****OVERALL COUNCIL TAX FOR EACH PROPERTY BAND 2020/21**

	A	B	C	D	E	F	G	H
	£ p	£ p	£ p	£ p	£ p	£ p	£ p	£ p
Bishopton	1,287.86	1,502.51	1,717.14	1,931.79	2,361.07	2,790.36	3,219.65	3,863.58
Heighington	1,271.65	1,483.59	1,695.53	1,907.47	2,331.35	2,755.23	3,179.12	3,814.94
High Coniscliffe	1,281.74	1,495.37	1,708.98	1,922.61	2,349.85	2,777.10	3,204.35	3,845.22
Hurworth	1,288.42	1,503.16	1,717.89	1,932.63	2,362.10	2,791.57	3,221.05	3,865.26
Low Coniscliffe / Merrybent	1,284.79	1,498.92	1,713.05	1,927.18	2,355.44	2,783.70	3,211.97	3,854.36
Middleton St. George	1,273.89	1,486.21	1,698.52	1,910.84	2,335.47	2,760.10	3,184.73	3,821.68
Neasham	1,279.37	1,492.61	1,705.83	1,919.06	2,345.51	2,771.97	3,198.43	3,838.12
Piercebridge	1,273.07	1,485.26	1,697.43	1,909.61	2,333.96	2,758.32	3,182.68	3,819.22
Sadberge	1,290.57	1,505.67	1,720.76	1,935.86	2,366.05	2,796.24	3,226.43	3,871.72
Whessoe	1,264.35	1,475.08	1,685.80	1,896.53	2,317.98	2,739.43	3,160.88	3,793.06
All other parts of the Council's area	1,257.52	1,467.11	1,676.69	1,886.28	2,305.45	2,724.62	3,143.80	3,772.56

## **Section 3**

# **Housing Revenue Account**

### **3.1 Housing Revenue Account – Revenue Budget 2020-21**

- report to Council 20 February 2020

**SPECIAL COUNCIL  
20 FEBRUARY 2020**

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**HOUSING REVENUE ACCOUNT – MTFP 2020/21 TO 2023/24**

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**Responsible Cabinet Member - Councillor Lorraine Tostevin  
Health and Housing Portfolio**

**Responsible Director – Ian Williams  
Director of Economic Growth and Neighbourhood Services**

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**SUMMARY REPORT**

**Purpose of the Report**

1. To consider proposals for the revenue budget, rent levels and service charges for the Council's Housing Revenue Account (HRA) for the financial year 2020/21 in the context of the HRA Medium Term Financial Plan to 2023/24 and the 30-year Business Plan.

**Summary**

2. The key decision regarding the HRA is the balance between rent and service charge levels and investment in the housing stock. For the first time since 2016/17 Local Authorities have once again been given the discretion to inflate rents by CPI plus 1%, which means an average £2.02 increase in weekly rents. Having had four years of compulsory reductions of rent minus 1% for four consecutive years it is recommended that we increase all rents to the maximum allowed. Similarly, it is recommended that where appropriate service charges also have an inflationary increase. However, members may opt for continued rent reductions or a rent increase of a lesser amount than CPI plus 1% if they wish. Clearly the less income we receive the less we are able to invest in the management and maintenance of our tenant's homes and the number of new properties we are able to provide would also be reduced. It is worth noting that 68% of tenants will have their rent and most service charges covered by benefit payments. Our rent and service charges also tend to be much lower than other Social Landlords operating in Darlington due to historical differences in government guidance on what Housing Associations and Local Authorities could charge.
3. As Central Government has now lifted the borrowing cap on the HRA we are using this additional capacity to invest in building much needed new homes. In 2020/21 we can borrow an extra £9m to fund our housing capital programme. This can be supplemented with Homes England grant and we plan to build 100 affordable homes per annum over the next 10 years. We also have over 50% of households with one or more person with a disability and we are therefore committed to providing good quality homes with generous space standards and lifetime homes principles to support people to live independently and have a good quality of life. All properties are designed to meet a good standard of thermal efficiency. Over 220 households have already benefitted from our current new build programme which

has taken place at various locations around the town and demand continues to be exceptionally high.

## Recommendations

4. It is proposed that the following are approved by Council :
- (a) An average weekly rent increase of 2.7% for 2020/21 be implemented giving an average social rent of £71.30 and affordable rent of £82.55
  - (b) Garage rents and service charges are increased as shown in Table 3.
  - (c) The budget at **Appendix 1** is approved.
  - (d) The Housing Business Plan **Appendix 2** is agreed.
  - (e) That the Director of Economic Growth and Neighbourhood Services be given delegated powers to proceed with new build schemes for affordable rent using the funding as identified at paragraph 16.
  - (f) That the Director of Economic Growth and Neighbourhood Services be given delegated powers to acquire dwellings in the private sector as opportunities arise, particularly as part of regeneration initiatives as discussed at paragraph 17 of this report.

## Reason

5. To enable the Council to deliver an appropriate level of service to tenants to meet housing need and to support the economic growth of the Borough through housing development.

**Ian Williams**  
**Director of Economic Growth and Neighbourhood Services**

## Background Papers

MHCLG Rent Guidance

Pauline Mitchell: Ext 5831

S17 Crime and Disorder	The contents of this report have been considered in the context of the requirements placed on the Council by Section 17 of the Crime and Disorder Act 1998, namely, the duty on the Council to exercise its functions with due regard to the likely effect of the exercise of those functions on, and the need to do all that it reasonably can to prevent, crime and disorder in its area. It is not considered that the contents of this report have any such effect.
Health and Well Being	By ensuring our housing stock is in good condition we are making a positive contribution to the Health and well- being of our Council tenants



Carbon Impact and Climate Change	There are a range of energy efficiency measures included in the business plan which will have a positive carbon impact
Diversity	There are no diversity issues
Wards Affected	This will have an effect on all Wards in the Borough with Council Housing.
Groups Affected	All Council Tenants and Lifeline Service Users
Budget and Policy Framework	The issues contained within this report require Council approval and the report will be presented to Council in February 2019.
Key Decision	This is a key decision because agreement to the recommendations will result in the Local Authority incurring expenditure which is significant. There will also be a significant effect on the communities living or working in an area comprising two or more wards within the area of the local authority.
Urgent Decision	This is not an urgent decision for Cabinet, as the approval of Council on February 2019 will be required.
One Darlington: Perfectly Placed	Improving the existing housing stock and external environment, as well as, the new build programme will all contribute towards the sustainability agenda.
Efficiency	As the HRA is a ring-fenced budget every effort is made to maximise income and identify savings in order to maintain a high quality service.
Impact on Looked After Children and Care Leavers	No impact

## MAIN REPORT

### Setting the MTFP for the HRA

6. Councils now have the flexibility to decide the balance between the levels of service provided to tenants and the levels of rent charged provided they are no higher than the maximum level determined by the DWP. This is known as the limit rent. In Darlington for 2020/21 the maximum average increase allowed will be 2.7%. This is particularly welcome as for a four-year period from 2016/17 all social and affordable rents had to be reduced by 1% per annum which significantly impacted on our overall business plan. It is recommended therefore that we increase all rents to the maximum allowed. Similarly, it is recommended that where appropriate service charges also have an inflationary increase. However, members may opt for continued rent reductions or a rent increase of a lesser amount than the government guidance of CPI plus 1% if they wish. Clearly the less income we receive the less we are able to invest in the management and maintenance of our tenant's homes and the number of new properties we are able to provide would also be reduced. It is worth noting that 68% of tenants will have their rent and most service charges covered by benefit payments. Our rent and service charges also tend to be much lower than other Social Landlords operating in Darlington due to historical differences in government guidance on what Housing Associations and Local Authorities could charge.

7. As Central Government has now lifted the borrowing cap on the HRA we are using this additional capacity to invest in building much needed new homes. In 2020/21 we can borrow an extra £9m to fund our housing capital programme. This can be supplemented with Homes England grant and we plan to build 100 affordable homes per annum over the next 10 years. This can be supplemented with Homes England grant to provide more than 1000 much needed new Council homes at affordable rents over the next 10 years. Around 220 households have already benefitted from our current new build programme which has taken place across the Borough with sites at Branksome, Red Hall, Skerne Park, Lingfield and Lascelles Park. Overall demand has been exceptionally high.

## 8. **Analysis of Expenditure within the HRA**

### (a) **Management £2.804m**

This includes all staffing costs associated with the provision of a housing management service, central support service and other associated support costs such as ICT and insurance.

### (b) **Service Charges and other contributions to expenditure £3.010m**

This covers services charges to tenants such as grounds maintenance and Lifeline Services charges to a range of clients. All service charges are fully recoverable. It also includes recharges that will be recovered through additional income including court costs.

### (c) **Maintenance - Revenue Repairs - £4.075m**

This covers the on-going general repairs to the Council's 5,293 properties at a rate of approximately £606 per property per year. This level represents an average spend and reflects the overall good condition of the stock due to sustained capital investment. The continued investment in a good repairs service is essential to maintaining our stock at a good level for current and future tenants.

### (d) **Capital Financing Costs - £3.211m**

This is the cost of paying for borrowing undertaken to fund capital expenditure.

### (e) **Bad Debts Provision - £0.350m**

This is a provision to cover rents that are deemed unrecoverable.

### (f) **Revenue Contributions to Capital Programme - £14.273m**

This represents the amount by which the HRA is able to fund major capital works. In addition to this the Council continues to be successful in bidding for grant funding from Homes England towards the building of new houses.

## **Borrowing**

9. The HRA borrowing cap has now been abolished. We are now able to prudentially borrow and have included additional borrowing of £9m in 2020/21 to build new affordable houses.
10. Members will appreciate that expenditure items (a) to (d) are relatively fixed and the main variable is the type and location of capital investment. The proposed Business Plan is discussed in the following section and this explains where future

capital investment is planned.

## **Housing Business Plan**

11. All Housing Capital schemes are funded fully from the Housing Revenue Account. This includes the proposal to spend £17.989m on new build activity or the acquisition of private properties if appropriate. The other priorities identified through the Housing Business Plan to be funded from the estimated capital resources for 2020/21 include:-

- (a) Adaptations and lifts – £0.150m budget is to deliver adaptations within the Council's housing stock to enable tenants with a disability to remain in their own home and live independently across the Borough and to complete any major works to passenger lifts within sheltered and extra care schemes.
- (b) Heating Replacement - £1.335m to fund new energy efficient condensing boilers and central heating upgrades. This work will predominantly be completed in the Haughton and Bank Top areas. There will also be some miscellaneous properties which will be included in the programme and we will be running a "just in time" programme of replacement for those boilers that fail before their due replacement date within the financial year.
- (c) Structural Repairs - £0.500m has been set aside to address any structural issues that may be identified within the year, including brickwork repointing alongside the roofing programme.
- (d) Lifeline Services - £0.050m is set aside to continue to provide upgrades to Lifeline equipment.
- (e) Repairs before Painting - £0.100m will be invested in joinery repair works in anticipation of the cyclical external painting programme. This will cover around 1200 properties at various locations.
- (f) Roofing – £0.500m for the replacement of roofs, fascia's, soffits and rainwater goods together with the top-up of loft insulation where appropriate. The programme will primarily be in the Haughton area.
- (g) Garages - £0.050m will be invested in improvements to the Council's garage blocks which will predominantly be in the Lascelles Park area.
- (h) External Works - £0.300m will be used to provide new rear dividing fences and new footpaths to Council properties in various locations based on condition.
- (i) Smoke Detectors - £0.025m is required to replace existing hard-wired smoke and heat detectors where systems are now 10 years old and reaching the end of their recommended lifespan.
- (j) Pavement Crossings - £0.032m has been identified to fund pavement crossings and hard-standings across the Borough.
- (k) Replacement Door Programme - £0.350m will be used to replace external doors with energy efficient composite doors in the Lascelles Park area.

- (l) Window Replacement - £0.500m has been identified to replace windows across the Borough with double glazed UPVC. These areas will be determined based on those in the poorest condition, but we will be working predominantly in the Haughton and Springfield areas.
  - (m) Internal planned maintenance – £1.595m for the replacement of kitchens and bathrooms, rewiring of electrical systems and heating system upgrades where required. This work will predominantly be completed in the Lascelles Park area. There will also be some miscellaneous properties which will be included in the programme.
  - (n) Communal Works - £0.100m is required to replace communal doors in the North Road area.
  - (o) New Build/Property acquisitions - £17.989m will be spent predominantly on the new build programme.
12. The purpose of the Housing Business Plan is to ensure that the Housing Service has a financial plan which is sustainable and focuses investment towards strategic priorities. During the development of the Business Plan it has become clear that there are a number of strategic investment priorities that are particularly pressing and have significant financial implications for both the Housing Revenue Account and the Council's General Fund.
13. The following proposals will outline these strategic priorities, the resources available to deliver on these priorities (subject to final decisions on rent levels) and how resources will be aligned against the priorities.

## **New Build**

14. The Strategic Housing Market Assessment completed for Darlington in 2015 identified that there is a need for 160 affordable dwellings for rent across the Borough of Darlington each year and housing associations provide relatively low numbers of affordable housing units on average.
15. Not only is there a need to build affordable dwellings to meet local need, it is also a business need for the Housing Service. The Business Plan is underpinned by the rents received from Council properties and the loss of rents as a result of previous regeneration works and ongoing right to buy sales would significantly reduce income for the Housing Service if these properties were not replaced. Similarly, the impact for New Homes Bonus of overall reductions in property numbers needs to be taken into account.
16. Now that the HRA borrowing cap has been abolished we are able to prudentially borrow an additional £9m in the current year to build new affordable houses. This is in addition to £9m available from revenue contributions to capital giving us a total of £18m available for the development of new Council homes for rent or other property acquisitions. We have also assumed that we will be successful in grant applications to the Homes England's Affordable Housing Programme. It is difficult to predict grant funding levels as funding is now available on the basis of a rolling programme, but we have received up to 40% of the overall costs for recent schemes. A number of new build sites have been identified and are currently being worked up in more detail to enable planning permission to be sought. Meanwhile

delegated powers are being requested for the Director of Economic Growth and Neighbourhood Services to enable new build schemes to be progressed in a timely manner subject to planning permission. **Appendix 3** shows we are anticipating spending around £81m on new build in total going forward and with projected Homes England grant of £27m.

17. There may also be a strategic need in the future to acquire a small number of properties in the private sector to either address a specific housing need or as part of the regeneration of an area of older housing. Included in the Council's refreshed Corporate Plan there is a commitment to addressing poor quality private housing and bringing empty homes back into use. This will include buying up empty properties where appropriate. Delegated powers are therefore being requested for the Director of Economic Growth and Neighbourhood Services to purchase private sector properties where appropriate.

### **Housing for Vulnerable People**

18. Each year Housing Services complete a range of minor and major adaptations to individual Council properties where a need has been identified by an Occupational Therapist. Works range from the provision of lever taps and grab rails to semi-permanent ramps, stair lifts, hoists and ground floor extensions.
19. The HRA adaptations budget reflects the fundamental role adaptations play in supporting households to continue to live independently, reduce the need for expensive care packages and prevent a premature move into a more supported form of accommodation. These high levels of need have therefore been taken into account in developing our new build housing programme. The properties provided as part of our ongoing new build programme have been built in accordance with Lifetime Homes standards. Inexpensive features include flush door entrances at front and rear for wheelchair access, and raised sockets, as well as, low level window sills and openings. Increased space standards allow for hallways wide enough for 360° wheelchair turning circles, wider doors, and ground floor toilets. Occupational Therapists and Housing Officers also work closely with individuals to meet their particular needs where appropriate, providing bespoke lowered kitchens, specific bathing requirements etc. before they move in wherever possible.
20. This approach has significantly reduced the demands on the adaptations budget. However, going forward we will need to balance the additional costs of providing properties to this standard with anticipated future increased Building Regulation requirements in response to the Climate Change agenda.

### **Existing Stock Investment and Responsive Repairs**

21. In accordance with good practice, the housing stock is surveyed by an independent specialist organisation every five years and detailed analysis of the data takes place to help inform our priorities. Overall our properties have been assessed as being in good condition, reflecting our significant annual investment as part of a structured programme for both on-going capital improvements and maintenance resulting in:-
  - (a) All stock meeting the Decent Homes Standard by 2006.

- (b) A proactive approach to capital improvement work ensuring all stock is maintained to a standard above the Decent Homes Standard, locally known as the Darlington Standard.
  - (c) An average SAP rating of over 70 across the Council housing stock indicating an above average level of thermal comfort. This can be largely attributed to a central heating programme providing A-rated combi-boilers and a planned maintenance programme which ensures all properties suitable benefit from cavity wall insulation and 300mm of loft insulation. A significant number of properties with previously poor SAP ratings have also been targeted in recent years for a more comprehensive package of energy efficiency measures including double glazed UPVC windows, composite doors and in some cases external cladding.
22. The Business Plan identifies a capital works budget of around £110m over the next five years and £255m budget for capital works over the next 30 years, including the New Build Programme. This budget will ensure all works identified within the stock condition survey can be completed alongside additional works to maintain properties to the Darlington Standard.
23. The Business Plan anticipates responsive repairs will remain at historical levels and so allocates a budget of £28m for responsive and cyclical repairs within the five-year investment plan and £186m within the 30-year investment plan.

### **Rent Level Options**

24. The main objective of the Government's policy on rent restructuring is that rents should be fair and affordable for tenants in the social rented sector. The policy sets out a common basis on which all rents in the social sector should be set. This means that the rent for a house or flat (known as the formula rent) is linked to its capital value, size, location, condition and local earnings so that tenants can make a proper choice between how much they pay and the size and quality of the property they live in. As set out in paragraph 6 of this report Councils now have the flexibility to decide the balance between the levels of rent charged, provided they are no higher than the maximum level determined by the DWP. Examples of weekly rent increases based on an increase of CPI plus 1% are provided at **Appendix 4**.
25. As part of the Affordable Housing Programme 2015/18 the Council was given approval to convert social housing rents to affordable rents as properties became available to let and this was approved by Council in February 2016. We have continued with our new build programme and assumed this arrangement could continue. However, we have now been advised by Homes England that the rules have changed, and conversions are only now possible where specialist accommodation is being provided. Retrospective approval is not possible. Officers are currently working closely with Homes England to determine which future new build schemes may qualify as specialist housing. Meanwhile we have ceased converting properties on re-let. We have identified around 400 tenancies which are affected where we will need to refund the additional rent we have incorrectly charged, and this equates to £125K.

## Garage Rents and Service Charges

26. The budget at Appendix 1 includes the financial effect of the proposed increases. The proposed service charges shown below at Table 3 provide for achieving full recovery of costs from those tenants who directly benefit from the services provided. In most instances this means a small inflationary increase is necessary but in some instances no increase is needed to maintain current levels of service.
27. Any additional costs will be covered by Housing Benefit or Universal Credit for the 68% of tenants who are eligible. The HRA funds a Money Advice Service and Income Management Team to address the financial challenges facing a number of Council tenants and referrals are also made to CAB for independent financial advice as well as to food banks and furniture recycling schemes. Those tenants, particularly first-time tenants who require more sustained intensive support will be referred to the Housing Plus Team.

**Table 3: Garage Rents and Service Charges**

Description	Current Weekly Charge (19/20)	Proposed Weekly Charge (20/21)
	£	£
Garage Rents	7.88	8.01
Building Cleaning – Flats	1.82	1.85
Building Cleaning – Sheltered Schemes	3.70	3.81
Building Cleaning – Extra Care	11.78	12.02
Grounds Maintenance – General Housing	1.74	1.76
Grounds Maintenance – Blocks of Flats	1.74	1.76
Heating – Comprehensive schemes	11.46	11.46
Heating – Blocks of flats	1.48	1.50
Administration – Leaseholders	1.71	1.74
Furnishings and Fittings – Comprehensive Schemes	1.98	2.01
Furnishings and Fittings – Good Neighbour Schemes	0.89	0.92
White Goods Scheme	15.13	15.13
Lifeline Response	5.52	5.78
Lifeline – Sheltered and Extra Care Housing	17.77	17.92
Pavement Crossings and Hard standings	4.25	4.32
Mid-day Meal – Extra Care (Residents only)	34.21	34.21
Mid-day Meal – Extra Care (Non-Residents only)	41.11	41.11
Guest Rooms in Sheltered Schemes	84.17	85.60
Door Entry Systems	0.68	0.72
TV Aerials	0.19	0.19
Housing Plus Service	18.43	19.01

## Consultation

28. The Annual Review of the HRA Business Plan is developed in consultation with Council tenants through their Tenants Forum and associated sub-groups, supplemented with surveys and focus groups.

## **Financial Implications**

29. The estimates included in this report represent a fair view of ongoing plans and commitments although Members will appreciate some budgets are subject to volatility and will continue to be monitored closely.
30. The level of revenue balances projected in this report represent an adequate level given the level of risk.



**HOUSING REVENUE ACCOUNT**

Appendix 1

	2020/21	2021/22	2022/23	2023/24	2024/25
	£000	£000	£000	£000	£000
<b><u>Income</u></b>					
Rents Of Dwellings (Gross)	(20,555)	(21,110)	(22,014)	(22,475)	(22,711)
Sundry Rents (Including Garages & Shops)	(429)	(436)	(443)	(450)	(421)
Charges For Services & Facilities	(3,049)	(3,083)	(3,093)	(3,109)	(3,124)
Contribution towards expenditure	(265)	(270)	(275)	(281)	(286)
Interest Receivable	(6)	(6)	(6)	(6)	(6)
<b>Total Income</b>	<b>(24,304)</b>	<b>(24,905)</b>	<b>(25,831)</b>	<b>(26,320)</b>	<b>(26,547)</b>
<b><u>Expenditure</u></b>					
Management	5,814	5,890	6,075	6,166	6,247
Capital Financing Costs	3,211	3,840	4,201	4,634	5,122
Increase in Bad Debt Provision	350	350	350	350	350
HRA Revenue Repairs	4,075	4,157	4,240	4,325	4,411
Revenue Contribution to Capital (R.C.C.O.)	14,273	10,533	10,533	10,533	10,533
Contribution to/(from) balance	(3,419)	135	432	312	(116)
<b>Total Expenditure</b>	<b>24,304</b>	<b>24,904</b>	<b>25,830</b>	<b>26,320</b>	<b>26,547</b>
<b>(Surplus) / Deficit</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>
<b>Opening balance</b>	<b>15,326</b>	<b>11,907</b>	<b>12,042</b>	<b>12,474</b>	<b>12,786</b>
<b>Contribution to/(from) balance</b>	<b>(3,419)</b>	<b>135</b>	<b>432</b>	<b>312</b>	<b>(116)</b>
<b>Closing balance</b>	<b>11,907</b>	<b>12,042</b>	<b>12,474</b>	<b>12,786</b>	<b>12,670</b>
<i>of which: Capital Investment Fund</i>	<i>8,722</i>	<i>4,982</i>	<i>4,982</i>	<i>4,982</i>	<i>4,982</i>
<i>HRA Working Balance</i>	<i>3,185</i>	<i>7,060</i>	<i>7,492</i>	<i>7,804</i>	<i>7,688</i>
<b>Estimated closing dwelling numbers</b>	<b>5,423</b>	<b>5,585</b>	<b>5,722</b>	<b>5,849</b>	<b>5,976</b>
<b>Closing balance per dwelling</b>	<b>£2,195.59</b>	<b>£2,156.14</b>	<b>£2,180.06</b>	<b>£2,186.14</b>	<b>£2,120.29</b>

**THIRTY YEAR INVESTMENT FORECAST 2020/21 - 2049/50****Appendix 2**

	<b>Years 1-10 (£000)</b>	<b>Years 11-20 (£000)</b>	<b>Years 21-30 (£000)</b>	<b>Total Spend (£000)</b>
Adaptations / Lifts	1,500	1,500	1,500	4,500
Communal Works	1,000	1,000	1,000	3,000
Decoration following IPM	390	391	391	1,172
External works (footpaths, fencing, etc.)	3,000	3,000	3,000	9,000
Garage Improvements	500	500	500	1,500
Heating Replacements	13,401	12,932	12,251	38,584
Internal Planned Maintenance	20,592	22,799	21,598	64,989
Repairs before painting	1,000	1,000	1,000	3,000
Roof work	5,000	5,000	5,000	15,000
Structural Repairs	5,000	5,000	5,000	15,000
Warden Link & Sheltered Housing	500	500	500	1,500
Energy Efficiency	8,500	8,500	8,500	25,500
Professional Fees	2,670	2,670	2,670	8,010
Smoke / Fire Alarms	250	250	250	750
Pavement Crossing	320	320	320	960
New build and regeneration capital investment	65,785	0	0	65,785
<b>Total expenditure</b>	<b>129,408</b>	<b>65,362</b>	<b>63,480</b>	<b>258,250</b>

**HRA Business Plan – Draft 5 Year Investment Plan****Appendix 3**

	<b>2020/21</b>	<b>2021/22</b>	<b>2022/23</b>	<b>2023/24</b>	<b>2024/25</b>
	£000's	£000's	£000's	£000's	£000's
<b><u>Scheme / Project</u></b>					
Adaptations / Lifts	150	150	150	150	150
Heating replacement programme	1,335	1,335	1,335	1,335	1,335
Structural works	500	500	500	500	500
Lifeline Services*	50	50	50	50	50
Repairs before painting	100	100	100	100	100
Roofing	500	500	500	500	500
Garages	50	50	50	50	50
External Works (footpaths, fencing, fabric etc.)	300	300	300	300	300
Smoke detection	25	25	25	25	25
Pavement Crossing	32	32	32	32	32
Replacement Door Programme	350	350	350	350	350
Window Replacement	500	500	500	500	500
IPM works	1,595	1,595	1,595	1,595	1,595
Communal Works	100	100	100	100	100
New build (net of HE grant)/regeneration	17,989	17,632	15,082	15,082	15,082
Fees	267	267	267	267	267
<b>Total spend</b>	<b>23,843</b>	<b>23,486</b>	<b>20,936</b>	<b>20,936</b>	<b>20,936</b>
<b><u>Resourced by:</u></b>					
Capital Receipts	303	303	303	303	303
RCCO	5,551	5,551	5,551	5,551	5,551
Additional Borrowing	9,267	12,650	10,100	10,100	10,100
Investment Fund	8,722	4,982	4,982	4,982	4,982

## Examples of Weekly Rent Changes for 2020/21

## Appendix 4

Area		Property Type	Approved Rent 2019/20	Proposed Rent 2020/21	Increase between 19/20 & 20/21 £	Increase between 19/20 & 20/21 %
Middleton St George						
	Mount Pleasant Close	1 Bedroom Bungalow	79.43	81.57	2.14	2.7% *
	Pounteys Close	2 Bedroom House	74.67	76.68	2.01	2.7%
	Thorntree Gardens	3 Bedroom house	85.17	87.47	2.30	2.7%
Cockerton						
	Newton Court	1 Bedroom Flat	61.66	63.33	1.67	2.7%
	Elvet Place	2 Bedroom House	72.21	74.16	1.95	2.7%
	Minors Crescent	3 Bedroom House	77.79	79.90	2.11	2.7%
Haughton						
	Ted Fletcher Court	1 Bedroom Flat	62.18	63.86	1.68	2.7%
	Lyonette Road	2 Bedroom Flat	70.43	72.33	1.90	2.7%
	Nightingale Avenue	1 Bedroom Bungalow	74.83	76.85	2.02	2.7% *
	Rockwell Avenue	2 Bedroom House	74.10	76.10	2.00	2.7%
	Dunelm Walk	3 Bedroom House	82.84	85.08	2.24	2.7%
Branksome						
	Branksome Hall	1 Bedroom Flat	61.76	63.42	1.66	2.7% *
	Whitby Way	1 Bedroom Bungalow	68.31	70.15	1.84	2.7% *
	Malvern Crescent	2 Bedroom House	70.83	72.75	1.91	2.7%
	Rosedale Crescent	3 Bedroom House	80.53	82.70	2.17	2.7%
	Sherborne Close	2 Bedroom Flat	85.34	87.64	2.30	2.7% *
Lascelles						
	Coxwold House	1 Bedroom Flat	61.04	62.69	1.65	2.7%
	Gilling Crescent	2 Bedroom Flat	68.07	69.91	1.84	2.7%
	Aldbrough Walk	2 Bedroom House	80.14	82.30	2.16	2.7% *
	Caldwell Green	3 Bedroom House	77.34	79.43	2.09	2.7%

Area		Property Type	Approved Rent 2019/20	Proposed Rent 2020/21	Increase between 19/20 & 20/21	Increase between 19/20 & 20/21
	Fenby Avenue	3 Bedroom House	96.48	99.08	2.60	2.7% *
<u>Bank Top</u>						
	Graham Court	1 Bedroom Flat	62.15	63.83	1.68	2.7%
	Graham Court	3 Bedroom House	88.49	90.88	2.39	2.7% *
<u>Redhall</u>						
	Bramall House	1 Bedroom Flat	74.23	76.23	2.00	2.7% *
	Aviemore Court	2 Bedroom Flat	65.57	67.34	1.77	2.7%
	Murrayfield Way	1 Bedroom Bungalow	63.22	64.93	1.71	2.7%
	Aintree Court	2 Bedroom House	67.02	68.83	1.81	2.7%
	Aintree Court	3 Bedroom House	88.05	90.43	2.38	2.7% *
<u>Eastbourne</u>						
	West Moor Road	1 Bedroom Flat	58.57	60.15	1.58	2.7%
	Tansley Gardens	2 Bedroom Flat	65.23	66.99	1.76	2.7%
	Firthmoor Crescent	2 Bedroom House	67.93	69.77	1.83	2.7%
	Brignall Moor Crescent	3 Bedroom House	73.53	75.52	1.99	2.7%
<u>Skerne Park</u>						
	Trent Place	2 Bed House	68.69	70.54	1.85	2.7% *
	Humber Place	3 Bed House	74.23	76.23	2.00	2.7%
<u>Parkside</u>						
	Wordsworth Road	1 Bedroom Flat	62.23	63.91	1.68	2.7%
	Shakespeare Road	2 Bedroom House	77.85	79.95	2.10	2.7% *
	Ruskin Road	3 Bedroom House	81.30	83.49	2.19	2.7% *

\* Affordable rent properties - these rents include applicable service charges.