

Public Document Pack

LICHFIELD DISTRICT COUNCIL

DIANE TILLEY BSc., MRICS
Chief Executive
Tel (01543) 308001

District Council House
Frog Lane
Lichfield
WS13 6YY

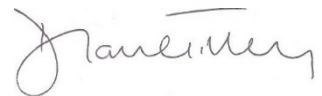
10 February 2020

To: Members of the Lichfield District Council

In accordance with Paragraph 4(2) of Part 1 of Schedule 12 to the Local Government Act 1972, you are hereby summoned to attend the meeting of the Lichfield District Council which will be held in the Council Chamber, District Council House, Frog Lane Lichfield on **TUESDAY, 18 FEBRUARY 2020 at 6.00 pm.**

Prayers will be said by Reverend Bateman.

Access to the Council Chamber is via the Members' Entrance or the main door to the vestibule.



Chief Executive

A G E N D A

1. Apologies for absence (if any)
2. Declarations of interest
3. To approve as a correct record the Minutes of the previous meeting (*Pages 3 – 10*)
4. Chairman's Announcements
5. Report of the Leader of the Council on Cabinet Decisions from the Meeting held on 11 February and Cabinet Member Decisions (*Pages 11 – 12*)
6. Minutes of the Economic Growth, Environment & Development (Overview & Scrutiny) Committee (*Pages 13 – 22*)
7. Minutes of the Strategic (Overview And Scrutiny) Committee (*Pages 23 – 26*)
8. Minutes of the Strategic Asset Management Committee

The Chairman of the Strategic Asset Management Committee to move that the proceedings of the meeting held on 28 November 2019 be received and where necessary approved and adopted (Pages 27 – 30)
9. Minutes of the Planning Committee

The Chairman of the Planning Committee to move that the proceedings of the meetings held on 16 December 2019 and 13 January 2020 be received and where necessary approved and adopted (Pages 31 – 36)

10. Minutes of the Audit & Member Standards Committee

The Chairman of the Audit and Member Standards Committee to move that the proceedings of the meeting held on 5 February 2020 be received and where necessary approved and adopted (Pages 37 – 40)

11. Strategic Plan 2020-2024

To approve the Strategic Plan 2020 – 2024 (Pages 41-44)

12. Medium Term Financial Strategy

To agree the Medium Term Financial Strategy (Revenue and Capital) 2019-2024 and the Council Tax Resolution 2020-2021 (Pages 45 – 112)

13. Allocation of seats on committees and panels

To agree changes to the allocation of seats on committees and panels to reflect the revised political balance of the Council (as attached, Pages 113 – 120)

14. Amendments to the Constitution

To agree the recommendation as set out in the attached report (Pages 121 – 122)

15. Calendar of Meetings

To approve the Calendar of Meetings as submitted (Pages 123 – 125)

16. Questions

To answer any questions under Procedure Rule 11.2

COUNCIL

10 DECEMBER 2019

PRESENT:

Councillors Councillors Powell (Chairman) Cross (Vice-Chairman), Anketell, Baker, Ball, Banevicius, Barnett, Binney, Birch, Brown, Cox, Eadie, Eagland, D Ennis, L Ennis, Evans, Grange, Greateorex, Gwilt, Ho, Lax, Leytham, A Little, E Little, Marshall, Matthews, Norman, Parton-Hughes, Pullen, Robertson, Salter, Silvester-Hall, Smith, Spruce, Strachan, Tapper, Warburton, Warfield, Westwood, White, M Wilcox, S Wilcox, A Yeates and B Yeates.

40 APOLOGIES FOR ABSENCE

Apologies for absence were received from Councillors Checkland, Humphreys and Ray.

41 DECLARATIONS OF INTEREST

Councillors Ball, Baker, Birch, Cox, Eadie, D Ennis, L Ennis, Evans, Grange, Ho, Marshall, Matthews, Norman, Spruce, Westwood and B Yeates declared interests as Trustees/Members of organisations/bodies with an interest in premises used as polling places (Agenda Items 12 and 14 – Review of Polling Districts and Polling Places – see Members' register of interests for details of bodies/organisations to which Members belong).

Councillor Pullen declared an interest in Disabled Facilities Grants as an application had been made for a Member of his family.

Councillor A Little and E Little declared interests in Agenda Item 16 (Amendments to the list of Buildings of Local Architectural and Historic Interest) as owners of a listed property.

42 TO APPROVE AS A CORRECT RECORD THE MINUTES OF THE PREVIOUS MEETING

The Minutes of the meeting held on 15 October 2019 were approved as a correct record subject to the final paragraph of Minute No.33 (Designation of Monitoring Officer) being amended to read 'It was proposed by Councillor Lax *and seconded by Councillor Norman.*'

43 CHAIRMAN'S ANNOUNCEMENTS

(a) Previous Meeting

The Chairman thanked the Vice-Chairman for chairing the last meeting of Council.

(b) Armistice Day

The Chairman thanked all those that had attended the Armistice Day Commemoration at the Alrewas National Memorial Arboretum.

(c) Chairman's Charity

The Chairman invited Members to make a Christmas donation to his nominated charity, the food bank.

(d) Civic Lunch

The Chairman advised that his Civic Lunch would be held on 8 March.

(e) Neil Turner

The Chairman advised that Neil Turner, Strategic Director of Transformation and Resources was leaving the Authority and this would be his last Full Council. He thanked him for his work over many years and wished him good luck for the future.

44 REPORT OF THE LEADER OF THE COUNCIL ON CABINET DECISIONS FROM THE MEETINGS HELD ON 12 NOVEMBER AND 3 DECEMBER AND CABINET MEMBER DECISIONS.

The report of the Leader of the Council was received.

45 MINUTES OF THE MEETING OF THE COMMUNITY, HOUSING AND HEALTH (OVERVIEW & SCRUTINY) COMMITTEE

Councillor Eagland submitted the Minutes of the Community, Housing and Health (Overview and Scrutiny) Committee held on 17 October 2019.

15 – Standing Items

Councillor Evans stressed the importance of keeping the George Bryan Centre open and called on Councillor Leytham to raise it at the Staffordshire County Council Health Select Committee.

17 – Homelessness and Rough Sleeper Strategy

Councillor Evans noted that the data for rough sleeping in the District was due to have been updated at the end of November and asked for the latest figures.

Councillor Robertson referred to the excellent work undertaken by the emergency night shelter and the delay in national funding.

Councillor Banevicius asked about arrangements for running the alternative giving scheme and Councillor A Yeates advised that discussions were currently taking place.

20 - Discretionary Housing Payments

Councillor Robertson said the Council could look at providing affordable houses through the Property Investment Strategy to hopefully mitigate problems for those requiring financial assistance with housing costs.

Councillor Eadie said arrangements for Lichfield Housing Ltd were progressing and he was sure the shareholders would be listening to what was being said.

46 MINUTES OF THE STRATEGIC (OVERVIEW & SCRUTINY) COMMITTEE

Councillor A Little submitted the Minutes of the Strategic (Overview and Scrutiny) Committee held on 22 October 2019.

In addition to the Members listed in the Minutes, it was noted that Councillor Strachan had attended the meeting.

47 MINUTES OF THE LEISURE, PARKS AND WASTE MANAGEMENT (OVERVIEW & SCRUTINY) COMMITTEE

Councillor Matthews submitted the Minutes of the Leisure, Parks and Waste Management (Overview and Scrutiny) Committee held on 18 November 2019.

48 MINUTES OF THE EMPLOYMENT COMMITTEE

It was proposed by Councillor Barnett, duly seconded and

RESOLVED: That the Minutes of the meeting of the Employment Committee held on 15 October 2019 as amended be approved and adopted.

49 MINUTES OF THE PLANNING COMMITTEE

It was proposed by Councillor Marshall, duly seconded and

RESOLVED: That the Minutes of the meetings of the Planning Committee held on 28 October and 25 November be approved and adopted.

50 MINUTES OF THE AUDIT AND MEMBER STANDARDS COMMITTEE

It was proposed by Councillor Greatorex, duly seconded and

RESOLVED: That the Minutes of the meeting of the Audit and Member Standards Committee held on 14 November 2019 be approved and adopted.

51 MINUTES OF THE REGULATORY AND LICENSING COMMITTEE

It was proposed by Councillor B Yeates, duly seconded and

RESOLVED: That the Minutes of the Meeting of the Regulatory and Licensing Committee held on 26 November 2019 be approved and adopted.

52 REVIEW OF POLLING DISTRICTS AND POLLING PLACES

It was reported that the Regulatory and Licensing Committee had been supporting the review of the District's polling places and polling districts. The Council was required to complete such a review at least every five years and by no later than 31 January 2020.

The Review was conducted in accordance with the Representation of the People Act 1983 and guidance issued by the Electoral Commission.

The Regulatory and Licensing Committee considered the findings of the review at its meeting on the 26 November 2019 and had proposed a series of recommendations for 2020 and beyond.

Councillor Norman suggested that due to the poor nature of one of the access routes to the polling place at Cherry Orchard information be provided about the best way to access the premises.

Councillor White said it was good to be pragmatic and avoid closing schools where possible. Councillor Evans noted that the school she served as governor only closed part of the school for elections. Councillor Greatorix advised that it could be difficult to keep schools open when car parking was poor.

Councillor L Ennis advised paragraph 3.25 of the report referred to Spring Hill Primary school whereas it should read Highfield Primary School.

Councillor B Yeates noted the reduction in the number of mobile polling stations would improve disabled access and reduce costs.

It was proposed by Councillor B Yeates, seconded by Councillor Binney and

RESOLVED:

In Burntwood

- (i) Move the polling place from St Joseph's and St Theresa's Primary School to The Old Mining College Centre.
- (ii) Move the polling place from a mobile unit at the Oakdene Road Island and incorporate within the polling places at Burntwood Area Youth Centre for voters in polling district CM and at Springhill Academy for polling district CS2.
- (iii) Move the polling place from Fulfen Primary School to Burntwood Memorial Institute.
- (iv) Move the polling place at Holly Grove Primary School to St John's Community Church.

In Lichfield

- (v) Move the polling place from the Co-op Superstore car park to Boley Park Community Centre.
- (vi) Move the polling place from The Willows Primary School to Curborough Community Centre.
- (vii) Move the polling place at St Michael's Primary School to the three primary schools – St Michael's Primary School, Five Spires Academy and St Joseph's Primary School – and define the polling place as 'Cherry Orchard schools'.
- (viii) Move the polling place at St Peter's and St Paul's Primary School and incorporate within the polling place at Chadsmead Primary Academy.

In Villages

- (ix) Move the polling place at Bexmore Drive, Streethay to Streethay Primary Academy.
- (x) Move the polling place at the Longwood Public House, Fazeley and incorporate within the polling place at Fazeley Town Hall.
- (xi) Move the polling place at The Highwayman Public House, Shenstone Wood End and incorporate within the polling place at Shenstone Village Hall.

53 COMMUNITY LOTTERY

Further to the approval of a community lottery by Cabinet on 12 November 2019, consideration was given to the policies that would support the application to the Gambling Commission for a licence.

In response to a question Councillor B Yeates confirmed that the policies would be kept under review by Overview and Scrutiny.

It was then proposed by Councillor B Yeates seconded by Councillor Eagland and

RESOLVED: (i) That approval be given to the policies listed below to govern the operation of the lottery:

- Social Responsibility in Gambling
- Protection from Crime and Disorder
- Implementation Procedures
- Fair and Open Gambling
- Children and vulnerable person protection.

(ii) That the Cabinet Member for Housing and Communities, in consultation with the Head of Regulatory Services Housing and Wellbeing be authorised to make any minor amendments that may be required to the policies in the future.

54 AMENDMENTS TO THE CONSTITUTION

It was reported that the Council's Constitution was constantly reviewed and updated to ensure it remained fit for purpose, reflected changes in legislation, and provided appropriate delegations.

Due to recent staffing changes and findings from a scheme of delegation audit, several changes were proposed to the scheme of delegation to officers.

It was proposed by Councillor Lax, seconded by Councillor Pullen and

RESOLVED: (1) That the updated scheme of delegation be approved.

(2) That the temporary delegations to all Heads of Service be approved.

55 AMENDMENTS TO THE LIST OF BUILDINGS OF LOCAL ARCHITECTURAL AND HISTORIC INTEREST

Details were given of the results of the public consultation on the amendments to the Council's List of Buildings of Local Architectural and Historic Interest (commonly referred to as the "Local List").

Councillor Marshall thanked the Principal Design and Conservation Officer for her work and Councillor Evans welcomed the recognition of important buildings in Burntwood. She also commented on the interesting training provided to Members.

Councillor D Ennis said it was a good idea for Members to get involved and engage with owners of buildings of local architectural and historic interest.

It was proposed by Councillor Lax, seconded by Councillor Marshall and

RESOLVED: That the results of the consultation be noted and the amendments to the Council's List of Buildings of Local Architectural and Historic Interest be supported and ratified.

56 MOTION ON NOTICE

The following Motion was submitted by Councillor Norman:

"Lichfield District Council recognises that a climate change emergency exists and, in consequence, resolves to take this into account as a factor in all future policy and spending decisions of the Council, with an Environmental Impact Assessment, whenever appropriate."

Councillor Norman said this was not a political statement but was on behalf of future generations. He said the Council's contribution may only be small, but each issue should have an Environmental Impact Assessment.

It was proposed by Councillor Pullen to amend the motion to:

'Lichfield District Council recognises that a climate change emergency exists and in consequence, resolves to take this into account as a factor in future decisions of the Council and accepts that specific actions are necessary and therefore resolves that it will:

- Support the Government's target of Net Zero Carbon Emission by 2050
- Actively consider investment in green technologies
- Ensure that, where appropriate, decisions made by the Council consider Environmental Impact
- Ask an Overview & Scrutiny Committee to investigate initiatives that will reduce our impact on the environment
- Name a specific Cabinet member for Climate Change'

Councillor Yeates then seconded the amendment.

Referring to the Marches energy report Councillor Norman listed previous commitments and targets for 2020, and said actions rather than intentions were needed this time.

Councillor Ball said that he supported the motion and the amendment, and pointed out the linkages to local procurement.

Councillors Marshall, White and Strachan also spoke in favour of the amendment.

Councillor Anketell asked the net zero carbon emission date be brought forward from 2050 to 2040.

Councillor Eadie said while it was not true to say that no action had been taken to date, the Council could do more.

Councillor Binney said he did not support the term 'emergency' and that the word 'priority' was more accurate.

Councillor Robertson said he hoped the motion and the amendment would be passed and that the Council should look to bring the 2050 target date forward.

Councillor A Yeates then called upon the Council to act and for everyone to work together to make a difference. Following a vote the amendment, as proposed and seconded, was passed

RESOLVED: That the amendment to the Motion as proposed and seconded be agreed.

Councillor Norman referred to his environmental record and noted that in the 1990s Environmental Impact was included in every report and he hoped under Cllr Strachan's leadership and scrutiny the necessary action would be taken. He formally moved the substantive motion.

Councillor Pullen said the amended motion just passed included the good things put forward by Councillor Norman about ensuring that environmental impact was taken into consideration, so whilst he thought the amended motion did more in terms of putting pragmatic action into place, he would still certainly support Councillor Norman's motion because it had been included in the amendment.

Councillor White advised that the substantive motion had been amended to incorporate the amendment.

Councillor Greatorex said the amendment had been passed and the motion as amended should be voted upon.

Following a vote it was

RESOLVED: That the motion as amended be approved.

57 QUESTIONS

Q1. Question from Councillor Evans to the Cabinet Member for Communities and Housing

At the Community, Housing and Health meeting on the 17th October the Cabinet Member, Councillor Yeates was asked in 13, Minutes of the Previous Meeting, about the delivery of Disabled Facilities Grants and the response expected from Staffordshire County Council (SCC) regarding the way they had contributed to the problem. Can he please inform us if any response has been received yet and if so what is the outcome? It is an important issue and we must continue to ensure improvements are made as we were promised.

Response from the Cabinet Member for Communities and Housing

There was detailed discussion on the issues at the October Strategic Project Board meeting, particularly around the quality of service provided to the end user when an Occupational Therapist (OT) assessment is completed and then a second assessment

has to be done by Millbrook. The SCC rep agreed to review this in line with SCC/Midland Partnership Foundation Trust (MPFT) contract to ensure that the service specified is being provided and also set up a meeting with the SCC lead on the OT service to discuss in more detail.

Following this meeting we've had confirmation that the SCC rep has raised the issue about MPFT OTs only passing through minimal referral information with the county lead for the s75 contract with MPFT, and has been assured that it wouldn't happen again. The issue of information on the poor referrals has been raised with the First Contact Team Leaders who confirmed that they were going to ensure that all referrals were on the one form.

A fuller update by SCC was due for SPB meeting on 12th December, however this meeting has been cancelled due to the election and will be held early in the New Year. Please be assured that all issues over performance are being actively followed up.

Key:

SPB Strategic project board - the senior governing body of the SILIS contract comprising 6 Chief executives and SCC representatives MPFT Midland Partnership Foundation Trust - hold the s75 OT service contract with SCC

58 EXCLUSION OF PUBLIC AND PRESS

RESOLVED: That as publicity would be prejudicial to the public interest by reason of the confidential nature of the business to be transacted, the public and press be excluded from the meeting for the following items of business which would involve the likely disclosure of exempt information as defined in Paragraph 3 of Part 1 of Schedule 12A of the Local Government Act 1972.

59 REPORT OF THE LEADER ON CONFIDENTIAL CABINET DECISIONS FROM THE MEETING HELD ON 3 DECEMBER 2019

The report of the Leader was received.

60 CONFIDENTIAL MINUTES OF THE STRATEGIC (OVERVIEW & SCRUTINY) COMMITTEE

Councillor A Little submitted the confidential Minutes of the Strategic (Overview and Scrutiny) Committee held on 22 October 2019.

(The Meeting closed at 7.22 p.m.)

CHAIRMAN

REPORT OF THE LEADER OF THE COUNCIL

CABINET DECISIONS – 11 FEBRUARY 2020

1. Strategic Plan 2020-2024

The Cabinet agreed:

- 1.1 To endorse the draft Strategic Plan 2020- 2024 and begin formal consultation.
- 1.2 To approve the consultation approach and draft timeline as set out in the Cabinet report.

2. Money Matters 2019/20: Review of the Financial Performance against the Financial Strategy

- 2.1 The Cabinet agreed to note the report and issues raised within and that Leadership Team with Cabinet Members will continue to closely monitor and manage the Medium Term Financial Strategy.

3. Medium Term Financial Strategy (Revenue and Capital) 2019-24

The Cabinet recommend to Council for approval:

- 3.1 The 2020/21 Revenue Budget, including the Amount to be met from Government Grants and Local Taxpayers of £12,284,000 and a proposed level of Council Tax (the District Council element) for 2020/21 of £180.07 (an increase of £5.00 or 2.86%) for a Band D equivalent property.
- 3.2 The MTFS 2019-24 Revenue Budgets set out in Appendix A of the Cabinet report.
- 3.3 The MTFS 2019-24 Capital Strategy and Capital Programme (Appendices B & C of the Cabinet report).
- 3.4 The Minimum Revenue Provision Statement for 2020/21, at Appendix D of the Cabinet report, which sets out the Council's policy of using the asset life method as the basis for making prudent provision for debt redemption.
- 3.5 Treasury Management Strategy Statement for 2020/21 including proposed limits (Appendix E of the Cabinet report).
- 3.6 The Investment Strategy Report (Appendix F of the Cabinet report) including the proposed limits for 2020/21.
- 3.7 The Capital and Treasury Prudential Indicators for 2019-24 in the financial implications section of the Cabinet report.

3.8 The Authorised Limit Prudential Indicator shown within the financial implications section of the Cabinet report.

3.9 The requirements and duties that the Local Government Act 2003 places on the Authority on how it sets and monitors its Budgets, including the CFO's report on the robustness of the Budget and adequacy of Reserves shown in Appendix G of the Cabinet report.

That Cabinet notes and approves:

3.10 The plan to undertake further Strategic Fund investments up to £4m although this will be subject to the approval by Council of recommendations 1.5 to 1.7.

3.11 The longer term financial planning model shown at Appendix H of the Cabinet report.

4. Expanding the Land Charges Partnership

The Cabinet:

4.1 Gave authorisation to enter into a new agreement with the Councils listed in Section 1.6 of the Cabinet report.

4.2 Delegated authority to Cabinet Member for Legal & Regulatory Services and Head of Economic Growth & Development to authorise the creation of the shared service.

4.3 Agreed Lichfield District Council to be the Host Authority for the new shared service.

5. Charging for Supplying Building Control Information

The Cabinet:

5.1 Approved a new proposed charging scheme for supplying building control environmental information in accordance with the Environmental Information Regulations 2004.

5.2 Delegated the setting of the charges to the Head of Economic Growth & Development.

Cabinet Member Decisions

6. Server Hosting and Support Services

6.1 The Cabinet Member for Customer Service and Innovation approved the procurement of server hosting and support services from Staffordshire and Shropshire Health Informatics Service.

DOUG PULLEN
LEADER OF THE COUNCIL

**ECONOMIC GROWTH, ENVIRONMENT AND DEVELOPMENT (OVERVIEW
& SCRUTINY) COMMITTEE**

17 DECEMBER 2019

PRESENT:

Councillors Cox (Chairman), Ball (Vice-Chair), S Wilcox (Vice-Chair), Binney, D Ennis, Ho, Parton-Hughes, Ray, Warburton and Westwood.

(In accordance with Council Procedure Rule No.17 Councillors Eadie and Strachan attended the meeting).

15 APOLOGIES FOR ABSENCE

Apologies were received from Councillors Gwilt, A. Little and Marshall.

16 DECLARATIONS OF INTEREST

There were no declarations of interests.

17 MINUTES OF THE PREVIOUS MEETING

The Minutes of the previous meeting as circulated were agreed and signed as a correct record.

18 LICHFIELD CITY CENTRE MASTER PLAN - DRAFT FOR CONSULTATION

The Committee received a report on the draft Lichfield City Centre Masterplan which David Lock Associates (DLA) had been commissioned by the Council to produce. It was requested that Members give their views on the draft document before being published for consultation. Representatives from DLA were in attendance to present their report and aid the Committee in their discussions

The Committee heard, as part of the presentation, that Stage 1 of the masterplan where baseline analysis had been completed and DLA were now in Stage 2 of having a draft masterplan with the final Stage 3 being the definitive document. The Committee also noted the core proposals and that it was aspirational but considered deliverable.

The Committee were introduced to the proposed masterplan Quarters which split the City centre into areas which established the character of that area and in turn aided the understanding of proposals for development opportunities and publish realm priorities. These Quarters were named to be Cathedral Quarter, Market Quarter, Business & Learning Quarter and Southern Gateway Quarter.

The Committee then discussed each development opportunity in turn.

Birmingham Road Gateway

The Committee noted it was envisioned that people would arrive to an area that was clear and attractive with a better flow for pedestrians.

It was noted that there would be a residential element to the site and this could be developed first. Members were pleased to note that it was suggested that there should be an affordable housing element to the residential development and DLA had worked on the approved policy

of 40% affordable housing. There was some discussion on what demographic should be prioritised for the housing for example elderly, the young or families but it was noted that at this stage, the proposals were flexible. It was reported that there could be scope to build in partnership with a housing association as had been successful in other parts of the city. There was some discussion whether the land was too prime in nature to try and maximise return from housing and have less affordable or whether due to the Council being the land owner, focus should be less financial and on housing need.

Another element of the site was a new modern multistorey car park and the Committee were again in agreement to this proposal. It was reported that the County Council had no objections as long as the Southern Bypass was completed before development. There were concerns that there should be more planning and consideration to traffic management issues getting into the centre and to this site. It was reported that the emerging Local Plan would be out for consultation at the same time and could deal with these sorts of issues.

It was reported that the site would then have some food and beverage outlets and it was requested that family focused providers were sought as there was a current lack of this type in the area. There was also suggestion for flexible office space for start-up businesses. Finally the Committee noted the smaller retail offering at the site and potential provision for cycle storage to encourage healthier and greener forms of travel which the Committee felt was a positive step.

It was requested that some narrative be included in the masterplan to set out how there would be a seamless transition from the approved temporary development to this permanent one.

District Council House

It was reported that there had been an ongoing review of office space requirements for Lichfield District Council and it was noted that currently there was not an efficient use of the space and was not modern in nature so it was proposed to reconfigure the newer element of the building and then use the listed part for requested small to medium event space. It was noted that the Chamber would remain available for Council meetings but could also generate an income stream from such events as weddings.

It was asked if the council could relocate altogether and it was reported that this option was the most cost effective and other authorities that had moved out of centre were returning as that city centre presence was being missed by residents.

Bird Street Courtyard

Development potential for the current Bird Street Car Park was discussed and it was noted that the masterplan suggested a new mixed use development with retention of some car parking and a greatly enhanced public realm with a courtyard and better views of the Cathedral and in the longer term potential to redevelop the adjoining retail buildings to provide better overlooking towards the market area. It was reported that there was potential for a Minster Pool Walk.

The Committee agreed that the car park currently was very popular so these proposals could be contentious however felt it was an exciting opportunity. It was agreed that discussions with already struggling retailers should be undertaken as this car park feeds into many shops and could have a further detrimental effect on footfall.

When asked, it was confirmed that discussions with the Diocese had begun and they were keen to see a walk around the pool be implemented.

Car parking was considered further and it was noted that along with disabled spaces, parent and child spaces were also required and currently lacking in the area and should be considered as part of any development. It was noted that park and ride schemes had been considered but was difficult as a large expanse of space on the outskirts was needed with

express links to the centre and many other schemes were closing as they were no longer viable. It was agreed to look at this again in the longer term.

University West Car Park

Proposals were reported to the Committee which included coach parking and small scale offices or small residential. It was noted that the Council were still trying to purchase the car park and if successful would like to develop the site quickly. The Committee agreed with the proposals as set out in the masterplan.

Public Realm priorities

The Committee then considered the proposed Public Realm priorities which firstly was the Birmingham Road Corridor and Lichfield Transport Hub. It was reported that there should be a better experience at the Train Station with a pavilion style building to aid waiting of passengers or refreshments for arriving people. It was then reported that a better experience to get taxis would be included.

It was then discussed that there could be short term improvements to the Bird Street Walk.

It was requested that thought be given to event vendors when considering street furniture as it may impede delivery of stock.

It was asked if reference to potential public art spaces could be included in the masterplan.

The Committee then finished with more general views as well as comments on the consultation methods proposed.

It was asked if there was any worth in consulting on how the developments could be funded as ultimately it was for the Council to decide and it was reported that it gave credibility to the proposals showing that there were options. It was noted that information around this was an appendix and not formal part of the consultation.

The Committee were shown a new consultation app which DLA had developed and would be using for the first time the Lichfield masterplan consultation. It was agreed that it would hopefully encourage younger residents to give their views. It was noted that it would be advertised at the college and schools and be linked from the Council website.

It was asked if the stakeholders that the BRS Member Task Group met with could be repeated as it proved to be positive and could help again. It was reported that there would be two public events that would act as drop in sessions with DLA and it would be investigated whether time could be set aside specifically for those organisations.

It was asked why leisure had not been included in the master plan especially as there was a commitment by the Council to build a new centre. It was reported that it had been considered however the sites in the masterplan were deemed unsuitable leisure centres in broad terms were box like in nature and that would detract from the historic nature of the city centre. It was also noted that there could be a potential loss in car parking availability and vitality of the area with people only visiting the leisure centre and not the wider city centre.

Thanks was given to DLA for their attendance and input in the meeting.

RESOLVED: That the draft Lichfield City Centre Masterplan be noted and its publication from the 6th January 2020 to 3rd February 2020 for consultation purposes be agreed.

COUNCILLOR HO REITERATED HIS DECLARED INTEREST IN CONNECTION TO A BUSINESS SITUATED ON CONDUIT STREET.

(The Meeting closed at 8.15 pm)

CHAIRMAN

ECONOMIC GROWTH, ENVIRONMENT AND DEVELOPMENT (OVERVIEW & SCRUTINY) COMMITTEE

21 JANUARY 2020

PRESENT:

Councillors Cox (Chairman), Ball (Vice-Chair), S Wilcox (Vice-Chair), Binney, D Ennis, Gwilt, Ho, Marshall, Parton-Hughes, Ray, Warburton and Westwood.

(In accordance with Council Procedure Rule No.17 Councillors attended the meeting).

19 APOLOGIES FOR ABSENCE

Apologies were received from Cllr A Little

20 DECLARATIONS OF INTEREST

There were no declarations of interests.

21 MINUTES OF THE PREVIOUS MEETING

The minutes of the previous meeting as circulated were agreed and signed as a correct record.

22 WORK PROGRAMME

The work programme was discussed by the Committee. Some disappointment was noted that there had still been no report in respect of the Development of Burntwood. It was reported that it remained on the work programme to keep minds focused and although nothing to report at this time, the Leader and Deputy Leader would be meeting the Leader of Burntwood Town Council shortly and would then be able to give a verbal update on the Town Deal soon.

It was confirmed that the Government had still not come to a decision on the location and makeup of the Local Enterprise Partnerships but this would remain on the work programme until there was.

It was also noted that there may be updates on HS2 dependant on what was decided nationally.

It was asked if there was opportunity to consider how the Council could reduce its carbon footprint through its activities. It was reported that Councillor A Yeates had been appointed as Champion for this area so it may be more appropriate for the Community, Housing and Health (Overview & Scrutiny) Committee to consider and it was agreed to scope this further.

RESOLVED: That the work programme be noted.

23 ECONOMIC IMPACT OF EVENTS AND FESTIVALS IN LICHFIELD CITY

The Committee received a report on the findings of the work undertaken by Bournemouth University (BU) to assess the economic impact of key events and festivals that take place in Lichfield City. The Deputy Leader and Cabinet Member for this area was in attendance and

requested the Committees views on the outcomes from the BU study and how events and festivals could be improved.

The Committee discussed various areas where they felt improvements could be made. The first was to have consideration for the current businesses in the city centre. It was noted that there had been some negative comments made in the study by local businesses and it was suggested that there could be some compensation for those who lose income on the days these events took place. An example was given that a baked goods stall was situated outside a bakery. It was reported that there was currently no mechanism for compensation however better coordination of the location of the stalls by event organisers could reduce impact. It was asked whether offering the stall directly in front of the business to them to use themselves could be considered. It was also noted that the use of generators was affecting businesses and it was noted that integrated power supplies for the use of events could be considered as part of the city centre master planning process or that businesses own supply could be used. The Committee felt there should be some recognition of the fact that local business pay rates and stall holders do not.

The number of events and festivals were discussed and it was agreed that there could be scope for more however there should be a more diverse offering than currently. It was felt that there were no events to attract younger people although it was noted that the Council may not be able to directly influence this and this demographic may just not wish to attend. It was also discussed that events outside the city centre could be organised which in turn would create a more varied offering including a potential Country show for the rural areas of the district.

Health and safety at events was considered and it felt that stewarding was vital. It was proposed that a permanent team could gain experience and so add value and reduce risks. It was felt that better stewarding could also enable access during events especially emergency vehicles. It was noted that road closure orders stated that event organisers should allow access and that had not always been successful. The Committee agreed that the application process should be simplified and streamlined.

Marketing of events was then discussed and it was agreed that this was key. It was agreed that having a single point of contact at the Council would be of great benefit and help deal with the other points that the Committee had raised. It was discussed that a resource like this could help enable more community based events and liaise with businesses, Cathedral, other organisations and event organisers to ensure there was more coordination and guidance through the whole process.

The Committee requested that the BU study key recommendations be considered further when investigating improving the festival and events for the city along with a potential resource for a single point of contact at the Council to help market, enable and coordinate events. With this, there should be a simpler application process, a more diverse offering of events that benefit the whole district.

RESOLVED: (1) That the report be noted and the views of the Committee and recommendations of the BU Study on improving festivals and events be considered by the Cabinet member in preparing a policy approach for LDC.

(2) That the following recommendations from the Bournemouth University report (page 22) be considered further

“The key events programme brings socio-economic benefits to the city, and consideration should be given to enhance and develop it further.

It is suggested that event organisers should look to work more closely and collaboratively with the council and local businesses. Improved communications from event organisers to local businesses would be beneficial. This should include making them aware of any road closures, and any opportunities there are for businesses to get involved with their event.

More events could be encouraged throughout the year to account for seasonal peaks and troughs. A more varied event programme, celebrating the history and heritage of Lichfield may also attract a wider audience.

There should be more promotion and marketing of events to increase awareness of them. Events should be promoted to a wider audience within a 2 hour drive of Lichfield to encourage more non-locals to attend.

It is also important that key events reflect what they are marketed as, with stalls, activities and products reflecting the theme of the event.

Greater consideration should be given to the layout and placement of stalls at events. Through working with local businesses, event organisers should look to place stalls which result in minimal congestion or in areas that will not cause issues with local businesses.”

24 LICHFIELD CITY CENTRE CAR PARKING

The Committee received a report on the current occupancy levels, fee income and proposed improvements to the car parking estate within the ownership of Lichfield District Council. The Deputy Leader and Cabinet Member requested the Committee’s views on Sunday charging and potential betterment of the service provided.

The current charging regime was reported and that there was one set of charges for Monday to Saturday and then £1 charge for Sunday parking. It was reported that there were contemplations of charging the midweek amount on Sundays to bring in extra income that could be used for improvements including more cashless payment systems, more electric vehicle (EV) charging points and digital messaging signage to aid car park users.

It was asked how much income would be raised if the extra charges were brought in. It was confirmed that there would not be any extra charging on evenings and with the Sunday alone, it would be approximately £176k but noted that this would be if parking use was as it was at this point and not reduced, which there was a risk of.

The Committee had many concerns that they felt should be considered or investigated further before any progression was made. The first was the effect it could have on the high street and trading as well as the attractiveness of events that were held on the weekend. Members were concerned that it may not be the right time to introduce extra charging as other close areas outside the district were offering better retail experiences with free parking namely Ventura Park in Tamworth and the soon to be completed McArthur Glen Outlet at Cannock Chase. It was asked whether car park charging in other authorities were considered and it was reported that there was regular benchmarking carried out. It was reported that there would have to be a good communications plan to ensure visitors understood the benefits to the service

It was discussed that the city was a religious centre and it may not be fair to charge worshipers and it was suggested to charge the current £1 for the first two hours then the proposed charge after that to help mitigate this concern. It was added that this may help people who leave their vehicles overnight.

When suggested that charging may encourage people to use public transport more it was noted that the Sunday bus service was reducing and was still a cost similar to the proposed charge so many people may stay at home and order online.

There was some suggestion that there should be no charge at all on a Sunday to encourage local shopping and community benefit.

Overall, the Committee agreed with the need to better the car parking provided and investigations for investing in improvements and EV charging but felt the proposed rise in income would not be enough and so other sources should be investigated. It was felt that the projects should be scoped and costed before any decision on charging was made. It was felt that clear communications as to the benefits of the improvements would have to be made especially as investment in EV charging would only benefit a few users to begin with.

RESOLVED: That the report be noted and the Committees views be taken into account and a further report be submitted when ready on the scope and costs of improvement works to car parking.

25 LOCAL PLAN UPDATE

The Committee received a report updating Members on the consultation on the Local Plan Review Preferred Options document. It was reported that the Leader and Deputy Leader had met with local groups including the Burntwood Action Group and there had been a number of consultation events.

It was reported that residents in Fazeley opposed development in the green belt in that area and traffic was already a concern due to Drayton Manor Theme Park and it was asked if Staffordshire County Council had been asked for views and it was reported that they had been consulted. It was also noted that the preferred options were to encourage growth and help areas meet their own housing needs. It was suggested that residents of that area be encouraged to submit representations to ensure all views were considered. It was requested that SCC be invited to a meeting to discuss infrastructure further with the Committee.

It was asked why greenbelt land at Hammerwich had been reclassified from 'important' to 'moderate' as the area was of historical importance. It was reported there were no proposal to remove this land from the green belt.

Neighbourhood plans were discussed and the Committee were pleased to note the progress made by Burntwood Town Council in developing their plan. It was noted that Kings Bromley had also progressed their plan

Thanks were given to the Development Plans team for their hard work.

RESOLVED: (1) That the progress associated with the Local Plan Review be noted;

(2) That the progress associated with the evidence base being advanced to support the local plan review be noted; and

(3) That the recent progress in relation to neighbourhood plans within Lichfield District be noted; and

26 COMMUNITY INFRASTRUCTURE LEVY AND SECTION 106 UPDATE

The Committee received a report updating them in terms of the administration and progress of the Community Infrastructure Levy (CIL) and the use of develop contributions to provide key infrastructure, in particular affordable housing. It was reported that there would be a review of the Regulation 123 list to bring the Council in line with regulatory changes.

Discussions centred on affordable housing and there were concerns that 50% CIL monies went to Lichfield City area however there were far less than 50% of the affordable homes for the district, built in the city. It was felt that CIL, S106 and affordable housing should be investigated in more detail and it was suggested that there be a Member Task group created to do this.

It was felt that this group could look at where charging could be introduced including for apartment development as well as the level of offsite contributions as in some cases, this had been smaller than expected. It was reported that one issue was the desire to promote development of brownfield sites however the extra work involved in making the land acceptable to build on lessened the viability to have affordable housing.

It was agreed that there may need to have some input from the Community, Housing & Health (Overview & Scrutiny) Committee as they have the remit for affordable housing although not the planning policy for it.

RESOLVED: That the report be noted and further items be added to the work programme.

(The Meeting closed at 8.35 pm)

CHAIRMAN

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STRATEGIC (OVERVIEW AND SCRUTINY) COMMITTEE

28 JANUARY 2020

PRESENT:

Councillors Norman (Vice-Chair, in the Chair), Ball, Banevicius, Checkland, Grange, Greateorex, Matthews, Tapper (Vice-Chair), Warfield and White.

(In accordance with Council Procedure Rule No.17 Councillors Pullen, Lax and Strachan attended the meeting).

29 APOLOGIES FOR ABSENCE

Apologies were received from Councillors A. Little, Spruce and S. Wilcox

Congratulations were given to Councillors A. and E. Little on the birth of their daughter.

30 DECLARATIONS OF INTEREST

There were no declarations of interests.

31 MINUTES OF THE PREVIOUS MEETING

With a number of minor amendments, the minutes of the meeting were signed as a correct record.

32 WORK PROGRAMME

The work programme was considered and it was noted that this was the last meeting of the municipal year. It was requested that the outstanding items of Local Procurement Scheme as well as the Commercialisation and Development Company be considered at the earliest opportunity in the next municipal year.

RESOLVED: That the work programme be noted.

33 MEDIUM TERM FINANCIAL STRATEGY (REVENUE AND CAPITAL) 2019-24 (MTFS)

The Committee received a report on the Medium Term Financial Strategy (MTFS) for the period 2019-24. It was reported that there was a statutory duty to set a balanced budget and to calculate the level of Council Tax for the district. It was also reported that the Chief Finance Officer (Head of Finance & Procurement) had a duty to ensure all figures provided for estimating and financial planning were robust and stand up to Audit scrutiny.

The Committee heard from the Cabinet Member for Finance and Procurement who reported that the Council would have a balanced budget for 2020/21. It was noted that the Council had received the provisional Local Government Finance Settlement for 2020/21 only and that little was known beyond this point. It was reported that the Council Tax referendum limit would be 2% or £5 and it was recommended to increase by £5. It was then reported that New Homes

Bonus (NHB) would remain until 2022/23 but it was not known how it would look in the future and that there would be no negative revenue support grant or business rate pilots.

It was noted that there would be a transfer to general reserves and this would contribute to balancing the budget in future years if required.

It was reported that it was proposed to include the Property Investment Strategy within the Capital Strategy to ensure it was fully integrated and not considered in silo. It was reported that it complied with CIPFA guidance on the consideration of the drivers for investment and the principles that should govern any decisions.

The Committee noted that there had been an increase in costs including a commitment of £100k for climate change.

The Committee then asked questions on the report and it was enquired why CIPFA had brought in the guidance around property investment and it was reported that there were concerns on the motivation of the investment especially if borrowing for profit only. It was noted that CIPFA felt more comfortable if social benefit of the investment could be shown.

The Committee thanked the finance and procurement team for their hard work and felt it had been of good foresight to cap the level of NHB included in the base budget given the inherent risks around this funding stream.

The Committee noted that there would be a proposal at Council to increase Council Tax by £5 however they felt uneasy that this was needed whilst also putting more into reserves. It was considered that it may be difficult for the public to understand that it was to help future proof the budget and be able to deal with potential Government funding cuts.

Staffing costs were discussed and it was noted that there had been new posts in car parking, tourism and development however the case had been made and agreed that the work of these Officers brought an income to the authority. It was also reported that there was an interim management structure in place and this was why there were no savings from the current vacant Director posts assumed in the MTFS and this position would be reviewed after the completion of the six months assessment.

The Capital programme was discussed and it was asked whether climate change mitigation could be considered including recycling bins instead of replacing and looking at non diesel waste vehicles. It was reported that this would be passed to the relevant Cabinet Member and Overview & Scrutiny Committee to consider. It was asked why the vehicle replacement plan was for one year and not spread over many and it was reported that the current contract was due to end in a single year however an option would be to extend it.

The Capital funding bid forms were noted and it was asked why there were no values and it was reported that there was a separate funding sheet which had been incorporated in the report. It was also reported that scoring moderation will be considered for future years.

It was asked how much of the Capital programme was committed and it was reported that a number of projects were not at this time including the coach park and IT improvements and the Investment in Property which is the single biggest project included.

Business rate reassessments that had happened outside the district were discussed and it was reported that Officers were not aware of similar in Lichfield but it highlighted the risk of appeals and other Rateable Value reductions but further confirmation from the Revenues Team of the level of risk would be sought.

The Council does have a balanced portfolio of business so not reliant on specific business areas.

The Committee noted that there was no Capital Programme budget allocated to the Developing Prosperity priority after 2021 and it was asked what the Cabinet's plans were and how it could be resolved. The Cabinet Member for Finance and Procurement agreed to look at this issue as part of the normal refreshment process related to the Medium Term Financial Strategy.

RESOLVED: That the Cabinet consider the comments and suggestion made on the following items

- 1) The 2010/21 Revenue Budget, including the Amount to be met from Government Grants and Local Taxpayers of £12,284,000 and proposed level of Council Tax (the District element) for 2020/21 of £180.07 (an increase of £5.00 or 2.86%) for Band D equivalent property;
- 2) The MTFS 2019-24 Revenue Budgets;
- 3) The MTFS 2019-24 Capital Strategy and Capital Programme;
- 4) The requirements and duties that the Local Government Act 2003 places on the Authority on how it sets and monitors its Budgets, including the Chief Finance Officer's report on the robustness of the Budget and adequacy of Reserves; and
- 5) The 25 year financial planning.

34 STRATEGIC PLAN 2020-2024 FINAL DRAFT

The Committee received an update to the draft Strategic Plan 2020-2024. It was reported that the consultation plan had been extended due the General Election and this had now ended. It was then reported that through engagement, 150 people were spoken to and resident and stakeholder focus groups were formed and held in January 2020.

The Committee were presented with the feedback from the residents and stakeholder focus groups and the suggested changes to the Strategic Plan following them.

The Committee debated these suggested changes and there was concern that adding "to preserve the characteristics" to shaping place could make the Council a hostage to the non desire of change. It was noted that there were some recognised unique characteristics in the District with some being cultural not just physical assets. It was agreed that there should be some definition of the words used.

There was then discussion to whether the word "transparent" should be deleted from a good council as it would be covered by the term responsible. It was agreed that it should remain to ensure there was no misunderstanding, but that responsible was not also required.

The Committee then debated if the term 'good' council was aspirational enough or whether the term 'great' should be used. It was noted that it was the definition that counted and doing the best you can with what you have could be considered good enough or indeed great.

The Committee was reminded that the item would now be considered at Cabinet and then full Council.

RESOLVED: That the Strategic Plan 2020-2024 final draft be noted and comments be considered before Cabinet and Council approval.

35 VOTE OF THANKS

It was proposed, duly seconded and

RESOLVED: That the sincere thanks of the Committee be recorded to all the Chairmen and Vice-Chairmen for their work during the past year.

(The Meeting closed at 7.25 pm)

CHAIRMAN

STRATEGIC ASSET MANAGEMENT COMMITTEE

28 NOVEMBER 2019

PRESENT:

Councillors Eadie (Chairman), Cross, A Little and Strachan

6 APOLOGIES FOR ABSENCE

An apology for absence was received from Councillor Norman.

7 DECLARATIONS OF INTERESTS

There were no declarations of interest.

8 MINUTES OF THE PREVIOUS MEETING

The Minutes of the meeting held on 11 June 2019 were approved as a correct record.

9 PRESENTATION: AN INTRODUCTION TO PUBLIC SECTOR PLC (PSP)

The Chairman welcomed Mark Hammersley (Partnerships Director), Laila Miles (Development Manager) and Carwyn Beswick (Development Manager) from Public Sector Plc who gave an introduction to the PSP Lichfield LLP Partnership which included:

- An introduction to Public Sector Plc
- Benefits of PSP Partnerships
- A governance overview
- A summary of partnership projects including modular housing.

Members asked a number of questions and discussed the potential role of the Partnership.

RESOLVED: That the presentation by Public Sector Property Plc be noted.

10 WORK PROGRAMME

Consideration was given to the Committee's work programme for the council year 2019-20.

11 UPDATE ON LICHFIELD HOUSING LIMITED

The Committee noted that the delivery mechanisms for the Council's strategy for investing in property including the creation of a company to develop residential property.

The residential property investment company, named Lichfield Housing Company was incorporated on 2 September 2019. The Board of Directors had been formally appointed and had met to undertake the necessary formalities to finalise incorporation.

It was reported that delivery of the transition plan was underway and once completed the company would be operational and able to take forward development opportunities.

RESOLVED: That the content of the report and progress made be noted.

12 PORTFOLIO MANAGEMENT UPDATE

It was reported that, in line with the recommendations of the 'delivering the property strategy' report approved in October 2018, a property services team had been established to improve the approach to estates management and property investment.

This team had undertaken a range of activities to modernise and improve the delivery of estates management and details were given of the progress to date.

Members asked about rental income, dilapidations and service charges (including service charge administration). It was advised that data validation work was currently underway and further core data would be reported in the near future. It was noted that property condition surveys were being undertaken across the estate to enable a proactive repair and maintenance programme to be implemented and inform the establishment of a sinking fund.

RESOLVED: The Committee noted the report and the progress made.

13 ACQUISITION PROCESS FOR INVESTMENT PROPERTY

It was reported that the Council's Property Investment Strategy was approved by Cabinet in December 2017. In October 2018 the Council approved the property acquisition process for investment property.

The significant growth in commercial property investment by local authorities had seen a number of statements issued by the Chartered Institute of Public Finance and Accountancy (CIPFA) and proposals had been made to change their guidance on commercial property investment. As a consequence the Council would need to focus investment that was funded by borrowing on opportunities that clearly supported the local economy.

The Committee was advised that in implementing the strategy, potential improvements and areas that required further clarity had been identified. As a consequence it had been decided to undertake a review of the Council's approach.

The Committee discussed the existing acquisitions process noting that it could result in significant delays before an offer could be made, potentially putting the Council at a disadvantage.

Consideration was given to options/models for making the process more streamlined thereby enabling the Council to respond more quickly to opportunities. The Committee was conscious that acquisition procedures needed to be agile while ensuring governance requirements were met including provision for effective scrutiny.

It was suggested that following a successful viability and financial assessment of a potential investment, a review could be undertaken by the Strategic Asset Management Committee. If approved, an offer could be made subject to due diligence and Cabinet approval. Where an offer was accepted by the vendor, upon completion of the necessary due diligence, then the matter would be referred to Strategic (Overview and Scrutiny) Committee and finally Cabinet where making the purchase was deemed to be in the Council's interest.

It was advised that for lower value property investment opportunities (up to £2m) the constitution allowed for the Chief Executive, in consultation with the Leader of the Council, with oversight by the Section 151 Officer and Monitoring Officer, to make an offer (subject to due diligence being undertaken).

RESOLVED: (1) That the approach to only consider acquisitions where there is evidence that the acquisition would have a clear benefit to the local economy be noted.

(2) That the views of the Committee on the acquisition process and changes that could be implemented to improve the approach be noted and that the property acquisition process be refined.

(The Meeting closed at 5.45 pm)

CHAIRMAN

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PLANNING COMMITTEE

16 DECEMBER 2019

PRESENT:

Councillors Marshall (Chairman), Baker (Vice-Chair), Anketell, Barnett, Birch, Brown, Checkland, Cox, Evans, Ho, Leytham and Matthews

28 APOLOGIES FOR ABSENCE

Apologies were received from Councillor Eagland and Councillor Humphreys.

29 DECLARATIONS OF INTEREST

Councillor Anketell declared a personal interest in application no. 19/01162/COUM as the Applicant's Agent is known to him.

Councillor Birch declared a personal interest in application no. 19/01162/COUM as he is the Chair of Burntwood Town Council's Planning Committee.

Councillor Brown declared a personal interest in application no. 19/01162/COUM as he had spoken to an Objector.

Councillor Checkland declared a personal interest in application no. 19/00762/FUL as he has played tennis at the Tennis Courts in Beacon Park and his daughter plays for the netball team who also use the Tennis Courts.

30 MINUTES OF PREVIOUS MEETING

The Minutes of the Meeting held on 25 November 2019 previously circulated were taken as read, approved as a correct record and signed by the Chairman.

31 PLANNING APPLICATIONS

Applications for permission for development were considered with the recommendations of the Director of Place and Community and any letters of representation and petitions of observations/representations since the publication of the agenda in association with Planning Applications 19/01162/COUM & 19/00762/FUL.

19/01162/COUM – Change of use from residential care home (class C2) to 10 no flats (class C3). Works incl window amendment to front elevation with balcony to rear elevations
Southwinds Nursing Home, 17 Chase Road, Burntwood, Staffordshire
For Mrs G Bundy

RESOLVED:- (1) That planning permission be approved subject to the owners/applicants first entering into a Unilateral Undertaking under the Town and Country Planning Act (as amended) to secure contributions/planning obligations towards the Cannock Chase Special Area of Conservation; and,

(2) If the Unilateral Undertaking is not signed/completed by the 1 February 2020 or the expiration of any further agreed extension of time, then powers be delegated to officers to refuse planning permission

based on the unacceptability of the development without the required contributions and undertakings as outlined in the report.

(Prior to consideration of the application, representations were made by Councillor Laura Ennis, Burntwood Town Council (Ward Councillor) and Mr Damian Field (Applicant's Agent))

19/00762/FUL – Resurfacing and reorientation of 4 no existing tarmac courts; replacement of existing fencing and floodlights
Tennis Courts, Beacon Park, Swan Road, Lichfield
For Mr P Shaw

RESOLVED:- That planning permission be approved subject to the conditions in the report of the Director of Place and Community.

(Prior to consideration of the application, representations were made by Mr Philip Shaw (Applicant))

(The Meeting closed at 7.00 pm)

CHAIRMAN

PLANNING COMMITTEE

13 JANUARY 2020

PRESENT:

Councillors Marshall (Chairman), Baker (Vice-Chair), Anketell, Birch, Brown, Checkland, Cox, Eagland, Evans, Ho, Leytham, Matthews and Tapper

32 APOLOGIES FOR ABSENCE

Apologies were received from Councillor Barnett and Councillor Humphreys.

33 DECLARATIONS OF INTEREST

Councillor Matthews declared a personal interest in application no. 19/00753/OUTMEI as he has a relative on the Hawksyard Estate.

Councillor Cox and Councillor Marshall re-iterated what had been recorded on their Register of Members Interests that they are Members on Armitage with Handsacre Parish Council.

Councillor Eagland re-iterated what had also been recorded on her Register of Members Interests that she is a Staffordshire County Councillor for the area.

Councillor Leytham declared a personal interest in application no. 18/01693/FUL as he lives in Fradley Village and has attended Fradley Parish Council meetings where this application has been discussed and he is aware of the feelings of everyone in the village.

34 MINUTES OF PREVIOUS MEETING

The Minutes of the Meeting held on 16 December 2019 previously circulated were taken as read, approved as a correct record and signed by the Chairman.

35 PLANNING APPLICATIONS

Applications for permission for development were considered with the recommendations of the Head of Economic Growth and Development and any letters of representation and petitions of observations/representations together with a supplementary report of observations/representations received since the publication of the agenda in association with Planning Applications 19/00753/OUTMEI & 18/01693/FUL

19/00753/OUTMEI – Outline Planning Application for the creation of development platform and the demolition of existing office building and environmental centre, site clearance, remediation and mixed-use development comprising: up to 2,300 new dwellings and residential units (use classes C3 and C2); up to 1.2 HA of mixed-use (use classes A1, A2, A3, A4, A5, C1, C2, C3, D1 and D2); up to 5 HA of employment (use classes B1A, B, C and B2); 1 no. 2 Form Entry Primary School (use class D1); formal and informal publicly accessible open space; key infrastructure including new adoptable roads within the site and the provision of a new primary access junction on to the A513; ground mounted solar panels and 2 no. existing electricity substations (132 KV and 400 KV) retained (All Matters Reserved Except Access) Rugeley Power Station, Armitage Road, Armitage, Rugeley

RESOLVED:- (1) That planning permission be approved subject to conditions (including those amended within the supplementary report) and subject to the owners/applicants first entering into a Section 106 Legal Agreement under the Town and Country Planning Act (as amended) to secure contributions/planning obligations towards:-

1. On-site affordable housing provision;
2. On-site sports provision (including changing facilities and management);
3. On-site Public Open Space provision (including delivery of the waterside park and public art);
4. Education provision, including on-site delivery of 2 form of entry primary school and secondary school contribution;
5. Highways and transport contributions (comprising off-site highway works (junction improvements), canal towpath improvements, public transport service enhancement sum and travel plan monitoring sum);
6. Cannock Chase SAC air quality mitigation scheme; and
7. The Community Building and Healthcare.

Note: A separate Unilateral Undertaking relating to the payment of £178.60 per dwelling for recreational mitigation of the Cannock Chase SAC is also required.

(2) If the Section 106 Legal Agreement and Unilateral Undertaking are not signed/completed by the 13th April 2020 or the expiration of any further agreed extension of time, then powers to be delegated to officers to refuse planning permission, based on the unacceptability of the development, without the required contributions and undertakings, as outlined in the report.

(Prior to consideration of the application, representations were made by Mr Mark Sitch (Applicant's Agent))

18/01693/FUL – Erection of 8 no. dwellings and associated works
Land fronting Turnbull Road, Fradley
Massey Limited

RESOLVED:- That this application be deferred to allow time for the further consideration of issues relating to drainage and flooding following receipt of additional information from the Lead Local Flood Authority since the publication of the committee report.

36 EXCLUSION OF PUBLIC AND PRESS

RESOLVED:- That, as publicity would be prejudicial to public interest by reason of the confidential nature of the business to be transacted the public and press be excluded from the meeting for the following item of business which would involve the likely disclosure of exempt information as defined in **Paragraph 3 of Part 1 of Schedule 12A** of the Local government Act 1972 as amended.

IN PRIVATE

37 ENFORCEMENT MATTERS - UPDATE REPORT

Consideration was given to the Enforcement Matters – Update Report. No matters raised for discussion with the content of the report.

It was noted that the Enforcement Team Leader is due to leave the Authority in early March for a role at another Local Authority.

(The Meeting closed at 7.42 pm)

CHAIRMAN

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AUDIT AND MEMBER STANDARDS COMMITTEE

5 FEBRUARY 2020

PRESENT:

Councillors Greateorex (Chairman), Checkland, Grange, A Little, Norman, Robertson and White

26 APOLOGIES FOR ABSENCE

Apologies for absence were received from Councillor Ho and Councillor Spruce

27 DECLARATIONS OF INTEREST

There were no declarations of interest

28 MINUTES OF THE PREVIOUS MEETING

The Minutes of the Meeting held on 14 November 2019, as printed and previously circulated, were taken as read and approved as a correct record subject to a couple of amendments.

29 TREASURY MANAGEMENT STATEMENT AND PRUDENTIAL INDICATORS

The Committee received a report on the Treasury Management Strategy Statement (TMSS) 2020/21 from Mr Anthony Thomas (Head of Finance & Procurement).

Anthony Thomas outlined the financing and investment strategy for the forthcoming financial year including the Capital Programme which incorporates the previous Property Investment Strategy.

Concerns were raised at the meeting in relation to the incorporation of the Property Investment Strategy into the Capital Strategy within the MTFS. It was highlighted that the change reflected that the desired outcomes such as establishment of Governance Structures and processes were now complete and the outstanding areas could be incorporated into existing processes. The concern is that it would be more difficult to scrutinise the Property Investment Strategy because it had already been considered by the Strategic (Overview and Scrutiny) Committee as part of the MTFS. It was noted that the CIPFA guidance required the Council to approve a Capital Strategy that set out the framework for managing the Capital Programme and the current version included the relevant areas of the Property Investment Strategy.

The Committee did not believe it appropriate to duplicate the work of another Committee and therefore this would need to be considered by the Overview and Scrutiny Co-ordinating Group. Assurance was provided that the Audit and Member Standards had overall responsibility for Governance and Risk Management and could therefore still scrutinise the relevant systems and processes related to Investment in Property.

There were some questions raised in relation to the mechanism for responding to situations where financial markets are impacted, such as bank mergers. Anthony Thomas confirmed that any increases in limits would have to be reviewed by the Committee prior to approval by Council.

Anthony Thomas stated any restrictions on the limit for employee car loans could have a negative impact on staff retention and therefore the £100,000 limit took this into consideration.

RESOLVED:- Members considered the Treasury Management Strategy Statement and did not highlight any changes or recommendations to Cabinet. It was agreed by the Committee that Cabinet take into account the potential ethical considerations of investment in Real Estate Investment Trusts (REITs).

30 INTERNAL AUDIT PROGRESS REPORT

Rebecca Neill (Internal Audit Manager) presented the Internal Audit Progress Report for the period to 30 December 2019 (Quarter 3) and proposals for a new approach to audit follow up and assurance opinions.

Members discussed the limitations to the customer satisfaction survey results due to the limited number of responses and suggested that this KPI include the annual to date results, as opposed to the quarter's outturn. Rebecca Neill agreed and explained that going forward an increased proactive approach would be taken to ensure a higher response rate was received.

The Committee discussed the proposed approach to audit follow up and endorsed the increased visibility in implementation of recommendations.

In discussing the audit plan progress, the Committee requested greater detail where a decision is taken to postpone an internal audit.

Rebecca Neill agreed to incorporate these into the work programme going forward.

With regard to consultancy work undertaken by the audit team, the Committee queried how potential conflicts of interest were managed in not subsequently auditing areas where advice had previously been given, within a small team. Rebecca Neill explained that this was a challenge, but assured the Committee that where an auditor has provided advice they will not be part of the audit. There is an additional safeguard against this Rebecca Neill has oversight of all audit reports.

In terms of the proposal to sample test managers' confirmation of implementation of medium and low recommendations, the Committee asked for the results of this to be fed back in the internal audit progress reports. Rebecca Neill agreed that this was a good idea.

RESOLVED: The Committee considered the Internal Audit Progress Report September 2019 to December 2019 and endorsed the proposals for the new approach to follow up and assurance opinions.

31 RISK MANAGEMENT UPDATE

Rebecca Neill introduced the Risk Management Update which updated the committee on the management of the Corporate risk Register.

The Committee requested assurances that there have been risk handovers in line with the recent changes to the management structure.

Christie Tims (Head of Corporate Services and Monitoring Officer) provided assurances that appropriate handovers had taken place and Pentana was being used to manage these risks.

The Committee raised a number of areas for consideration; a greater level of information in relation with risks and climate, Brexit as a stand-alone risk, climate change emergency as a stand-alone risk.

Rebecca Neill confirmed that these considerations would be taken back to Leadership Team for review.

RESOLVED:- Members noted the work being undertaken to ensure the risk Management Policy is adhered to and the actions taking place to manage the Council's most significant risks.

32 ANNUAL REPORT ON EXCEPTIONS AND EXEMPTIONS TO PROCEDURE RULES

Members received a report from Christie Tims on the Annual Report on Exceptions and Exemptions (Waivers) to Procedure Rules which is part of the Contract Procedure Rules and applicable for the 2018/2019 financial year. The level of exceptions and exemptions (waivers) granted during this period are shown in the report.

The Committee have requested a rationale for each waiver in future reports.

RESOLVED:- The Committee noted the Exceptions (Waivers) set out within Appendix A of the report.

33 REVIEW OF THE EFFECTIVENESS OF THE AUDIT & MEMBER STANDARDS COMMITTEE

Rebecca Neill introduced the Risk Management Update which updated the committee on the management of the Corporate risk Register.

The Committee requested assurances that there have been risk handovers in line with the recent changes to the management structure. Christie Tims (Head of Corporate Services and Monitoring Officer) provided assurances that appropriate handovers had taken place and Pentana was being used to manage these risks.

The Committee raised a number of areas for consideration;

- Greater clarification on corporate risk 'a failure to respond to changing demographics' in terms of the ageing population.
- That the current risk score on governance and statutory obligations be reviewed by the risk owner.

The current flu pandemic and mitigations in place were also discussed by the Committee.

Rebecca Neill confirmed that these considerations would be taken back to Leadership Team for review.

RESOLVED: Members noted the work being undertaken to ensure the risk Management Policy is adhered to and the actions taking place to manage the Council's most significant risks.

34 AUDIT COMMITTEE LDC PROGRESS REPORT AND UPDATE - YEAR ENDED 31 MARCH 2020

Mr John Gregory from Grant Thornton presented the Audit Progress Report and Sector Update Lichfield District Council year ending 31 March 2020 which provided the Committee with a report on progress in delivering our responsibilities as External Auditors.

The Committee questioned whether it would be prudent for Cllr Greatorex as the Chair of the Committee to have a greater level of involvement in the process of completing the Statement of Accounts prior to approval by the Committee.

The Head of Finance and Procurement agreed to provide regular updates to the Chair of the Committee on the progress of completing the Statement of Accounts prior to approval by the Committee.

RESOLVED:- The Committee noted the contents of the Audit Progress Report and Sector Update.

35 WORK PROGRAMME

Members noted the Work Programme and the Chairman requested any additions/alterations to the programme.

(The Meeting closed at 7.46 pm)

CHAIRMAN

Strategic Plan 2020 - 2024

Cllr Doug Pullen, Leader of Lichfield District Council, and Cllr Andrew Smith, Cabinet Member for Customer Services and Innovation



Date:	18 February 2020
Contact Officer:	Christie Tims
Tel Number:	01543 308002
Email:	christie.tims@lichfielddc.gov.uk
Key Decision?	Y
Local Ward Members	(All Wards)

Full Council

1. Executive Summary

- 1.1 This report sets out the council's new strategic plan ready for formal adoption by full Council.

2. Recommendations

- 2.1 To endorse the Strategic Plan 2020- 2024 (**Appendix A**) for adoption.

3. Background

- 3.1 A strategic plan sets out the long term vision for the council, that shapes its activities and the impact it expects to make. It is high level and should be succinct for officers and residents to understand and remember.
- 3.2 The strategic plan is supported by our Delivery Plan (DP) which details all the activity which will take place as part of our performance management framework. This is informed by our corporate indicators (CIs). This framework enables the council to have plans that can change and adapt over the term of the council rather than being fixed for the entire four year period and as such, allows the council to plan effectively but also to respond to external factors and the changing needs of our community.
- 3.3 Because of this approach, we can develop a much more concise and high level plan than the previous iteration, which will be able to adapt through the DP in the next 4 years. Once our strategic plan is approved a DP will be developed to identify how the outcomes will be achieved for approval and monitoring by Cabinet.
- 3.4 The new strategic plan has been informed by a number of key elements:
- The aspirations of the council.
 - The views of local residents gathered in consultations since October 2018.
 - Existing commitments, such as the Local Plan and existing strategies that extend beyond the current plan period.
 - The current and future financial situation of the council – the Medium Term Financial Strategy.
 - Local statistics that highlight areas of concern/focus.
 - The views of partners and stakeholders (including via the Parish forum).
 - The views of staff and an officer working group.
 - Formal consultation via resident and stakeholder focus groups.
 - Input and shaping by a cross-party Strategic Overview and Scrutiny member task group.
 - Consideration and challenge by Strategic O&S.
 - Debate and approval by Cabinet.
- 3.5 The cross party O&S Member Task Group was created/overseen by the council's Strategic O&S Committee, to lead the creation of the plan, in partnership with Cabinet. It originally met on 23 July

and 24 September 2019 to consider the issues, consultation, and evidence and recommend approaches and the draft plan which was approved by Cabinet in November for formal consultation. A further meeting took place on 20 January 2020 to review the consultation responses and make recommendations to the Strategic O&S Committee and Cabinet.

- 3.6 These were considered by Strategic O&S Committee on 28 January who recommended the final strategic plan for approval as detailed in **Appendix A**. This was approved by Cabinet on 11 February.

Alternative Options	<ol style="list-style-type: none"> 1. Alternative wording or layouts have been considered and discounted as part of the development and consultation process. 2. Full Council can choose not to adopt or update a Strategic Plan but this may render the current objectives irrelevant. 3. Full Council can choose to opt for a more detailed Strategic Plan but this will delay approval and adoption before April 2020.
Consultation	<ol style="list-style-type: none"> 1. Residents, stakeholders, members and staff have been consulted on the development of the new strategic plan. 2. Strategic O&S Committee have been consulted following development by a member task group. 3. Cabinet have debated and approved the Strategic Plan.
Financial Implications	<ol style="list-style-type: none"> 1. There are no direct financial implications arising from creation of the strategic plan. All plan activities will need to be built into financial planning. 2. Costs including consultation, design and print that will be associated with the production of the plan have been met from existing corporate services budgets. 3. The strategic plan will be reviewed against the Medium Term Financial Strategy, to ensure any financial implications are captured and addressed and resources are effectively targeted to help achieve the strategic aims.
Contribution to the Strategic Plan	<ol style="list-style-type: none"> 1. This is the start of the new Strategic Plan 2020 – 2024.
Crime & Safety Issues	<ol style="list-style-type: none"> 1. There are no specific crime and safety issues arising from the production of the strategic plan.
Environmental Issues	<ol style="list-style-type: none"> 2. There are no specific environmental issues arising from the production of the strategic plan.
GDPR/Privacy Impact Assessment	<ol style="list-style-type: none"> 3. There are no GDPR/privacy issues arising from the production process of the strategic plan.

	Risk Description	How We Manage It	Severity of Risk (RYG)
A	The Strategic Plan is too ambitious and sets out aspirations we do not have the resources to achieve	The Strategic Plan will be delivered through a delivery plan that will be assessed and prioritised to deliver within our resources.	Green
B	The Strategic Plan does not reflect the aspirations of members, stakeholders or residents.	Cross party O&S working group and the councillor consultation have enabled cross party views to be collected and tested via resident and stakeholder focus groups.	Green

C	The plan is not evidence led.	The plan will continue to be evidenced through a set of corporate indicators and delivery projects.	Green
F	The plan is not financially deliverable.	We have worked closely with the team developing the MTFS.	Green

Background documents

Cabinet Agenda Pack 9 July 2019

<https://democracy.lichfielddc.gov.uk/ieListDocuments.aspx?CId=138&MId=1499&Ver=4>

Strategic (Overview and Scrutiny) Committee Agenda Pack 22 October 2019

<https://democracy.lichfielddc.gov.uk/ieListDocuments.aspx?CId=142&MId=1615&Ver=4>

Cabinet Agenda Pack November 2019

<https://lichfieldintranet.moderngov.co.uk/ieListDocuments.aspx?CId=138&MId=1533&Ver=4>

Cabinet Agenda Pack 11 February 2020

<https://lichfieldintranet.moderngov.co.uk/ieListDocuments.aspx?CId=138&MId=1549&Ver=4>

Relevant web links

Strategic Plan 2020-2024

We will work collaboratively
to **enable people, shape place and
develop prosperity** across Lichfield District.
We will be a good council that innovates and puts our
customers at the heart of all we do.



Enabling people

- to help themselves and others
- to collaborate and engage with us
- to live healthy and active lives



Shaping Place

- to keep it clean, green and safe
- to preserve the characteristics
- to ensure sustainability and infrastructure needs are balanced



Developing Prosperity

- to encourage economic growth
- to enhance the district for all (visitors/residents/employers)
- to invest in the future



A good council that is:

- financially sound
- transparent and accountable
- responsive and customer focussed

Medium Term Financial Strategy (Revenue and Capital) 2019-2024 (MTFS)

Report of the Cabinet Member for Finance and Procurement

Date: 18 February 2020

Agenda Item: 12

Contact Officer: Diane Tilley / Anthony Thomas

Tel Number: 01543 308001 / 01543 308012

Email: Diane.tilley@lichfielddc.gov.uk

Anthony.thomas@lichfielddc.gov.uk

Key Decision? YES

Local Ward Full Council

Members



Council

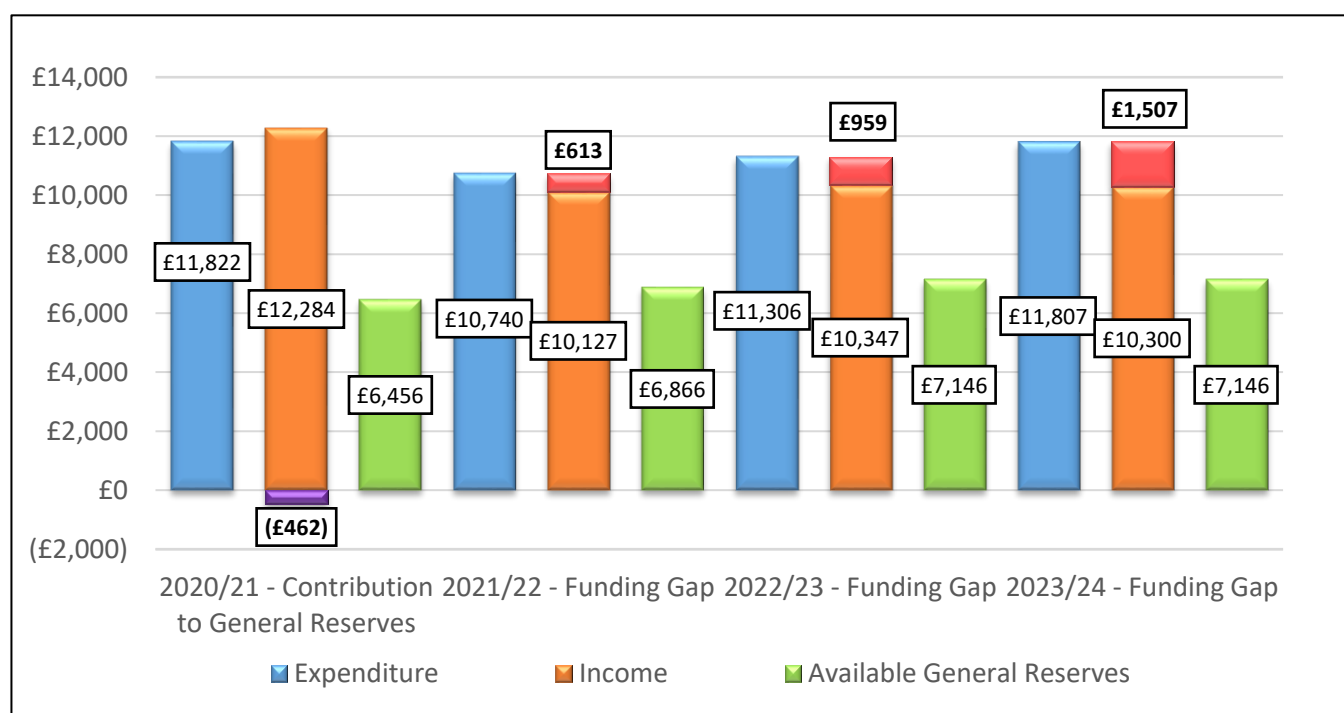
1. Executive Summary

The Medium Term Financial Strategy (MTFS)

- 1.1 The ability to deliver the outcomes set out in the **Strategic Plan** is dependent on the resources available in the MTFS. The MTFS is presented using the Strategic Priorities identified in the new draft Strategic Plan.
- 1.2 The Council has a statutory duty to set a balanced budget and to calculate the level of Council Tax for its area. The Chief Financial Officer (CFO) has a statutory duty to ensure the figures provided for estimating and financial planning are robust and will stand up to Audit scrutiny.
- 1.3 The Local Government Act 2003 places duties and requirements on the Authority on how it sets and monitors its budgets, including the CFO's report on the Robustness of the Budget and adequacy of Reserves and this report forms part of the MTFS.

The Revenue Budget

- 1.4 The Revenue Budget (in £000) with a transfer to general reserves in 2020/21 and Funding Gaps (shown in red in the graph below) in later years is shown in detail at **APPENDIX A** and in summary below:



- 1.5 The Council is legally required to balance the budget in the first year (2020/21) of the MTFS and to set out its proposals to balance the further financial years.

- 1.6 The MTFS proposes a transfer to General Reserves of **£462,000** plus **£1,171,000** of New Homes Bonus in excess of the 'cap' for 2020/21 and in later years a projected Funding Gap has been identified. The Council would have **£6,456,000** of general reserves available (after taking account of the Minimum Level of Reserves) after this contribution to assist with balancing the budget in future years, if needed.
- 1.7 The Council will need to make savings or achieve additional income to close the Funding Gap by 2023/24.

Treasury Management, the Capital Strategy and the Capital Programme

- 1.8 The Treasury Management Strategy Statement incorporates the Annual Investment Strategy and it covers the financing and investment strategy for the forthcoming financial year.
- 1.9 The purpose of this paper is, therefore, to review:
- The Capital Strategy and Capital Programme, outlined in **APPENDICES B & C**.
 - Minimum Revenue Provision Statement for 2020/21 (**APPENDIX D**).
 - Treasury Management Strategy Statement for 2020/21 (**APPENDIX E**).
 - Treasury Investments and their Limits (**APPENDIX E**).
 - The Investment Strategy Report for 2020/21 (**APPENDIX F**) as required under Statutory Guidance.
 - The Capital and Treasury Prudential Indicators 2019-24 in the financial implications section.
- 1.10 All treasury activity will comply with relevant statute, guidance and accounting standards.

The CFO's Report on the Robustness of the Budget and the Adequacy of Reserves

- 1.11 In accordance with the Local Government Act 2003 (Sections 25-27) and to comply with CIPFA Guidance on Local Authority Reserves and Balances, the CFO is required to formally report to Members on the robustness of the Budget and the adequacy of Reserves (**APPENDIX G**).

Longer Term Financial Planning

- 1.12 The MTFS covers a relatively short period of time (current financial year plus the next four years) and given the potentially significant changes to the Local Government financing regime, and the more commercial approach being adopted by the Council, it is prudent to begin producing financial plans that cover a longer financial planning horizon (**APPENDIX H**).

2. Recommendations

That Council approve:

- 2.1 The 2020/21 Revenue Budget, including the Amount to be met from Government Grants and Local Taxpayers of **£12,284,000** and a proposed level of Council Tax (the District Council element) for 2020/21 of **£180.07** (an increase of **£5.00** or **2.86%**) for a Band D equivalent property.
- 2.2 The MTFS 2019-24 Revenue Budgets set out in **APPENDIX A**.
- 2.3 The MTFS 2019-24 Capital Strategy and Capital Programme (**APPENDICES B & C**).
- 2.4 The Minimum Revenue Provision Statement for 2020/21, at **APPENDIX D**, which sets out the Council's policy of using the asset life method as the basis for making prudent provision for debt redemption.
- 2.5 Treasury Management Strategy Statement for 2020/21 including proposed limits (**APPENDIX E**).
- 2.6 The Investment Strategy Report (**APPENDIX F**) including the proposed limits for 2020/21.
- 2.7 The Capital and Treasury Prudential Indicators for 2019-24 in the financial implications section.
- 2.8 The Authorised Limit Prudential Indicator shown within the financial implications section.
- 2.9 The requirements and duties that the Local Government Act 2003 places on the Authority on how it sets and monitors its Budgets, including the CFO's report on the robustness of the Budget and adequacy of Reserves shown in **APPENDIX G**.

3. Background

MTFS Budget Principles and Assumptions

- 3.1. To assist in preparing the Medium Term Financial Strategy, in common with a number of Councils, a set of principles were established to guide the preparation and management of the MTFS.
- 3.2. Council, on 15 October 2019, approved the budget principles identified below:
- Council will consider the medium term outlook when setting the level of Council Tax to ensure that a sustainable budget position is maintained;
 - Council will prioritise funding for statutory and regulatory responsibilities to ensure these are delivered in a way that meets our legal requirements and customer needs;
 - Council will continue to seek continuous improvement to enable further savings, efficiencies and income gains and provide budgets that are appropriate to service needs;
 - Council will ensure that all growth in the staffing establishment will be fully understood through robust business cases in order to ensure our resources match service and customer needs. Growth will usually be allowed where costs are offset by external funding, savings or additional income.
 - Council will not add to other ongoing revenue budgets unless these are unavoidable costs or corresponding savings are identified elsewhere.
 - Council will use robust business cases to prioritise capital funding so that we have a sustainable Capital Programme that meets statutory responsibilities, benefits the Council's overall revenue budget position, and ensures that existing assets are properly maintained.
 - Council will maintain an overall level of revenue reserves that are appropriate for the overall level of risks that the organisation faces, in order to overcome any foreseeable financial impact.
- 3.3. Council also approved the following budget assumptions:

Key Assumptions	Financial Year				
	2019/20	2020/21	2021/22	2022/23	2023/24
Pay Award	2%	2%	2%	2%	2%
Employers National Insurance Rate (average)	9.26%	9.34%	9.44%	9.53%	9.64%
Employers Pension (%)	16.20%	16.20%	16.20%	16.20%	16.20%
Employers Pension (Actuary Past Service Element excluding transfers)	£777,270	£1,000,420	£1,102,060	£1,206,520	£1,316,520
Employers Pension (Other)	£103,820	£106,120	£109,300	£109,950	£110,400
Non contractual inflation	2%	2%	2%	2%	2%
Applicable fees and charges inflation	2%	2%	2%	2%	2%
Base Rate (for borrowing and investment)	0.75%	0.75%	0.75%	0.75%	0.75%

The Provisional Local Government Finance Settlement for 2020/21

- 3.4. The elements of the Provisional Finance Settlement for 2020/21 received on **20 December 2019**, relevant to this Council, have been confirmed subject to the final settlement and are included in the MTFS:
- **Council Tax** – As previously announced at Spending Round 2019, the council tax referendum limit will be 2% for local authorities. The provisional settlement confirmed districts will be allowed to apply the higher of the referendum limit or £5.
 - **New Homes Bonus** - The 2020/21 allocations will be paid with the legacy payments due from previous years (2017/18 to 2019/20). As previously announced, there will be no legacy payments for the 2020/21 in year allocations. The deadweight of 0.4% was maintained, with an additional £7m added from departmental resources (total funding of £907m). In addition, the New Homes Bonus regime will be reviewed, “It is not clear that the New Homes Bonus in its current form is focussed on incentivising homes where they are needed most. The government will consult on the future of the housing incentive in the spring. This will include moving to a new, more targeted approach that rewards local authorities where they are ambitious in delivering the homes we need, and which is aligned with other measures around planning performance.”
 - **Negative RSG** – The government has decided to eliminate the negative RSG in 2020/21.
 - **Business Rates Pilots** – No new business rates pilots were announced for 2020/21, with all areas (aside) from the original 2017/18 pilot areas reverting back to the 50% scheme.
- 3.5. The Provisional Settlement is in line with the assumptions used in the Draft MTFS presented to this Committee on 21 November 2019. The clarification of the majority of key income streams for **2020/21** mean that the level of uncertainty or risk allocated to 2020/21 has been reduced from **Medium** to **Low**.
- 3.6. However the financial benefits only impact on 2020/21 with the majority of key income streams (Business Rates, Fair Funding and New Homes Bonus) being reviewed from 2021/22. Therefore the level of uncertainty or risk from **2021/22** remains as **High**.

The Revenue Budget

Inflation

3.7. The inflationary impact compared to the approved Medium Term Financial Strategy is shown below:

	2019/20 £000	2020/21 £000	2021/22 £000	2022/23 £000	2023/24 £000
Inflation Changes	0	(3)	(2)	0	3

Budget Variations and Funding

3.8. The budget variations compared to the approved Medium Term Financial Strategy are shown below:

	2019/20 £000	2020/21 £000	2021/22 £000	2022/23 £000	2023/24 £000
<u>General Pressures</u>					
Money Matters 8 Months 2019/20	(340)				
Other General Budget Variations		11	4	64	86
Local Plan & Related Reviews				90	90
<u>Establishment Changes</u>					
Assistant Chief Executive Post		77	85	87	89
Environmental Protection Officer		24	25	25	26
Facilities Management		55	56	57	58
Property Service		108	111	114	116
Funding from Existing Budgets		(264)	(277)	(283)	(289)
Finance and Procurement Restructure		(18)	(19)	(19)	(19)
<u>Joint Waste Service (LDC Share) Pressures</u>					
Costs of Employment		136	138	141	144
Recycling Contract ends 2022				361	380
Costs of a new round due to growth				99	99
Property Growth in the Base Budget			(72)	(88)	(88)
Ongoing Budget Variations	(340)	129	51	648	692
New Homes Bonus to reserves (see below)		716	(316)	(706)	(796)
Business Rates Collection fund surplus		(75)			
Climate Change Initiatives		100			
Less : Dry Recycling Contract Reserve				(162)	
Other Budget Variations	0	741	(316)	(868)	(796)
Total Budget Variations	(340)	870	(265)	(220)	(104)

3.9. The funding changes compared to the approved Medium Term Financial Strategy are shown below:

	2019/20 £000	2020/21 £000	2021/22 £000	2022/23 £000	2023/24 £000
New Homes Bonus change (see above)		(716)	316	706	796
Council Tax – additional property growth		(109)	(131)	(191)	(276)
Retained Business Rates – no reset in 20/21		(830)			(78)
Negative RSG - eliminate for 2020/21		(463)			
Grant - Business Rates Cap	(18)	(86)			
Grant - Levy Account Surplus	(36)	(49)			
Grant - Family Annexe	(13)				
Grant - Returned New Homes Bonus			(51)	(74)	
Collection Fund - Council Tax	35	(40)			
Collection Fund - Business Rates		75			
Funding Changes	(32)	(2,218)	134	441	442

- 3.10. The changes to the Treasury Management budgets compared to the approved Medium Term Financial Strategy are shown below:

	2019/20 £000	2020/21 £000	2021/22 £000	2022/23 £000	2023/24 £000
Investment Income & Invest to Save		(97)	(97)	(97)	(97)
Treasury Management	0	(97)	(97)	(97)	(97)

Modelled Changes and their Impact on the Revenue Budget and the Funding Gap

- 3.11. A summary of the modelled changes to the Revenue Budget compared to the approved Medium Term Financial Strategy and their impact on the Revenue Budget Funding Gap are shown below:

	2019/20 £000	2020/21 £000	2021/22 £000	2022/23 £000	2023/24 £000
Inflation Changes	0	(3)	(2)	0	3
Budget Variations	(340)	870	(265)	(220)	(104)
Funding Changes	(32)	(2,218)	134	441	442
Revenue Implications of Capital Bids	0	229	(30)	(85)	19
Treasury Management	0	(97)	(97)	(97)	(97)
Sub Total Modelled Changes	(372)	(1,219)	(260)	39	263

	2019/20		2020/21 £000	2021/22 £000	2022/23 £000	2023/24 £000
	Original Budget £000	Revised Budget £000				
LEVEL OF UNCERTAINTY / RISK	LOW	LOW	LOW	HIGH	HIGH	HIGH
Approved Funding Gap	(149)	(741)	757	873	920	1,244
Modelled Changes	0	(372)	(1,219)	(260)	39	263
Funding Gap (transfer to General Reserves)	(149)	(1,113)	(462)	613	959	1,507

- 3.12. The Revenue Budget is shown in detail at **APPENDIX A** and in summary below:

	2019/20		2020/21 £000	2021/22 £000	2022/23 £000	2023/24 £000
	Original Budget £000	Revised Budget £000				
LEVEL OF UNCERTAINTY / RISK	LOW	LOW	LOW	HIGH	HIGH	HIGH
Enabling people	1,528	1,593	1,480	1,463	1,454	1,480
Shaping place	3,259	3,050	3,570	3,625	4,269	4,554
Developing prosperity	(1,079)	(1,105)	(1,234)	(2,039)	(2,811)	(3,451)
A good Council	6,186	5,929	6,301	6,411	6,585	6,865
Corporate Inc. New Homes Bonus Transfers	1,329	1,127	1,705	1,280	1,809	2,359
Revenue Expenditure	11,223	10,594	11,822	10,740	11,306	11,807
Revenue Funding	(11,372)	(11,707)	(12,284)	(10,127)	(10,347)	(10,300)
Funding Gap (transfer to General Reserves)	(149)	(1,113)	(462)	613	959	1,507

The Capital Strategy

- 3.13. The Capital Strategy is shown at **APPENDIX B** and sets out the Council's framework for managing the Capital Programme including:
- **Capital expenditure**, including the approval process, long-term financing strategy, asset management, maintenance requirements, planned disposals and funding restrictions.
 - **Debt and borrowing and treasury management**, including projections for the level of borrowing, capital financing requirement and liability benchmark, provision for the repayment of debt, the authorised limit and operational boundary for the coming year and the authority's approach to treasury management.
 - **Commercial activities**, including due diligence processes, the authority's risk appetite, proportionality in respect of overall resources, requirements for independent and expert advice and scrutiny arrangements.
 - **Other long-term liabilities**, such as financial guarantees.
 - **Knowledge and skills**, including a summary of that available to the authority and its link to the authority's risk appetite.
- 3.14. The key risks associated with the Capital Strategy are principally related to Investment in Property and its funding through borrowing. As the Council's Chief Financial Officer, I have assessed the current overall risk as a **yellow or material level of risk**.

The Capital Programme

- 3.15. Leadership Team with Cabinet Members were requested to submit capital bids for consideration in the MTFs. These Capital Bids are summarised below:

	2019/20 £000	2020/21 £000	2021/22 £000	2022/23 £000	2023/24 £000
<u>Bids submitted 21/11/2019</u>					
Vehicle Replacement Programme (score 80)			(210)		132
Property Planned Maintenance (score 72)	104	125	150	180	215
Disabled Facilities Grants (score 68)					44
New Financial Information System (score 65)		250			
ICT Hardware (score 59)		202	161	160	174
Coach Park - Acquisition (score 55)	50				
Coach Park - Works (score 55)	575	625			
<u>Bids - Existing Revenue or External Funding</u>					
Joint Waste Service Bin Purchase (score 84)	150	150	150	150	150
Energy Insulation Programme (score 68)		(10)			10
Home Repair Assistance Grants (score 60)		(15)			15
Total Bids	879	1,327	251	490	740

Usable Capital Receipts	(161)	(520)	(101)	(340)	(352)
Revenue Budget		(182)			(213)
Existing Revenue Budgets	(150)	(150)	(150)	(150)	(150)
External Funding – coach park works		(475)			(25)
Business Rates Pilot – coach park works	(568)				
Total Funding	(879)	(1,327)	(251)	(490)	(740)
Shortfall in Funding & Borrowing Need	0	0	0	0	0

3.16. The Capital Bids submitted and changes to the funding of the Capital Programme have revenue implications and these are shown below:

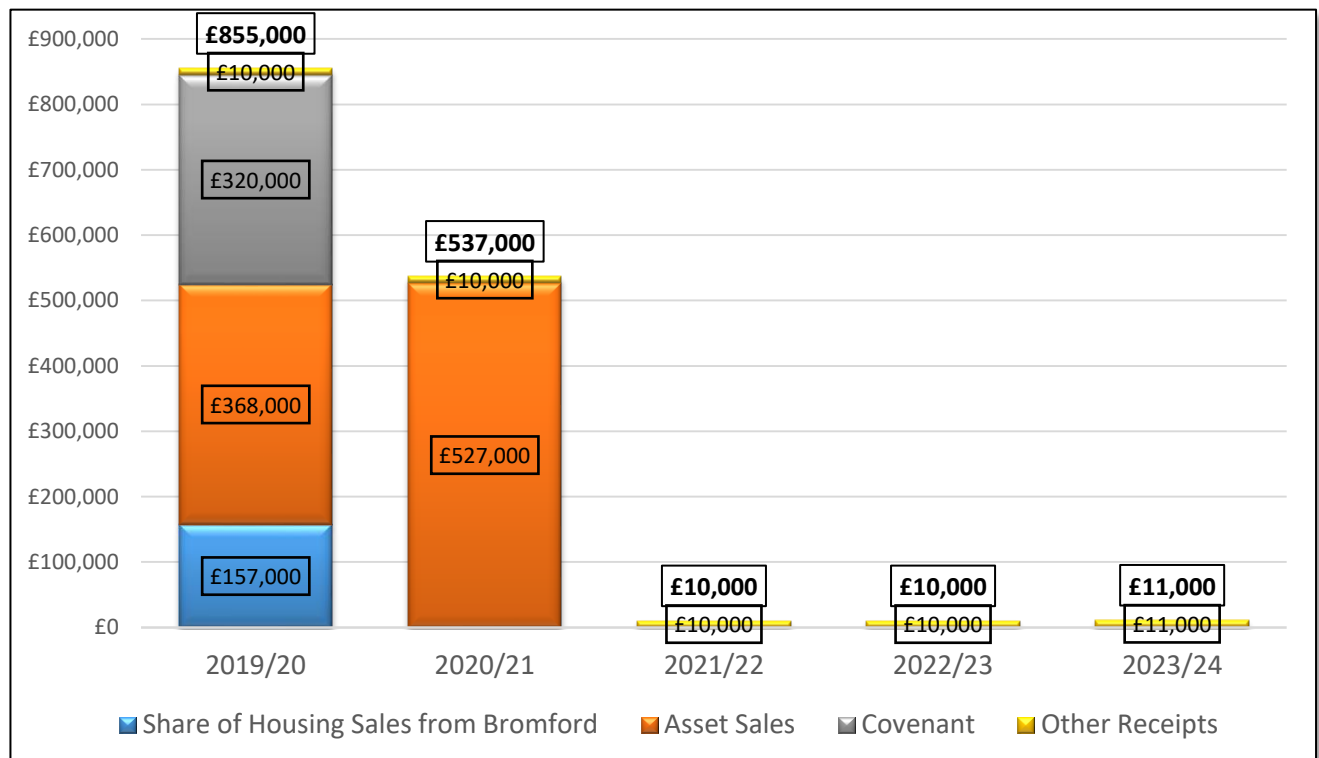
	2019/20 £000	2020/21 £000	2021/22 £000	2022/23 £000	2023/24 £000
Coach Park Operating Costs		50	50	50	50
IT Hardware		9	9	4	(38)
Oracle Cloud Solution Option		19	9	25	25
Capital Bids Revenue Implications	0	78	68	79	37
Revenue Budget		182			213
Investment in Property - Internal Borrowing		(31)	(98)	(164)	(231)
Revenue Implications of the Capital Programme	0	229	(30)	(85)	19

3.17. The Capital Programme is summarised below and is shown in detail at **APPENDIX C**:

	2019/20		2020/21 £000	2021/22 £000	2022/23 £000	2023/24 £000
	Original Budget £000	Revised Budget £000				
LEVEL OF UNCERTAINTY / RISK	LOW	LOW	LOW	HIGH	HIGH	HIGH
Enabling people	2,376	2,324	3,424	1,164	3,324	3,235
Shaping place	2,158	809	1,045	502	3,482	427
Developing prosperity	673	1,732	625	0	0	0
A good Council	6,411	10,794	12,657	11,970	12,015	389
Capital Expenditure	11,618	15,659	17,751	13,636	18,821	4,051
Capital Funding	(5,618)	(5,091)	(6,087)	(1,947)	(4,972)	(1,791)
Borrowing Need	6,000	10,568	11,664	11,689	13,849	2,260

Usable Capital Receipts	(1,618)	(2,259)	(1,394)	(890)	(341)	0
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3.18. The projected Capital Receipts included in the Medium Term Financial Strategy are shown at **APPENDIX B** and below:



Treasury Management

3.19. CIPFA has defined Treasury Management as :

“the management of the organisation’s investments and cash flows, its banking, money market and capital market transactions; the effective control of the risks associated with those activities; and the pursuit of optimum performance consistent with those risks.”

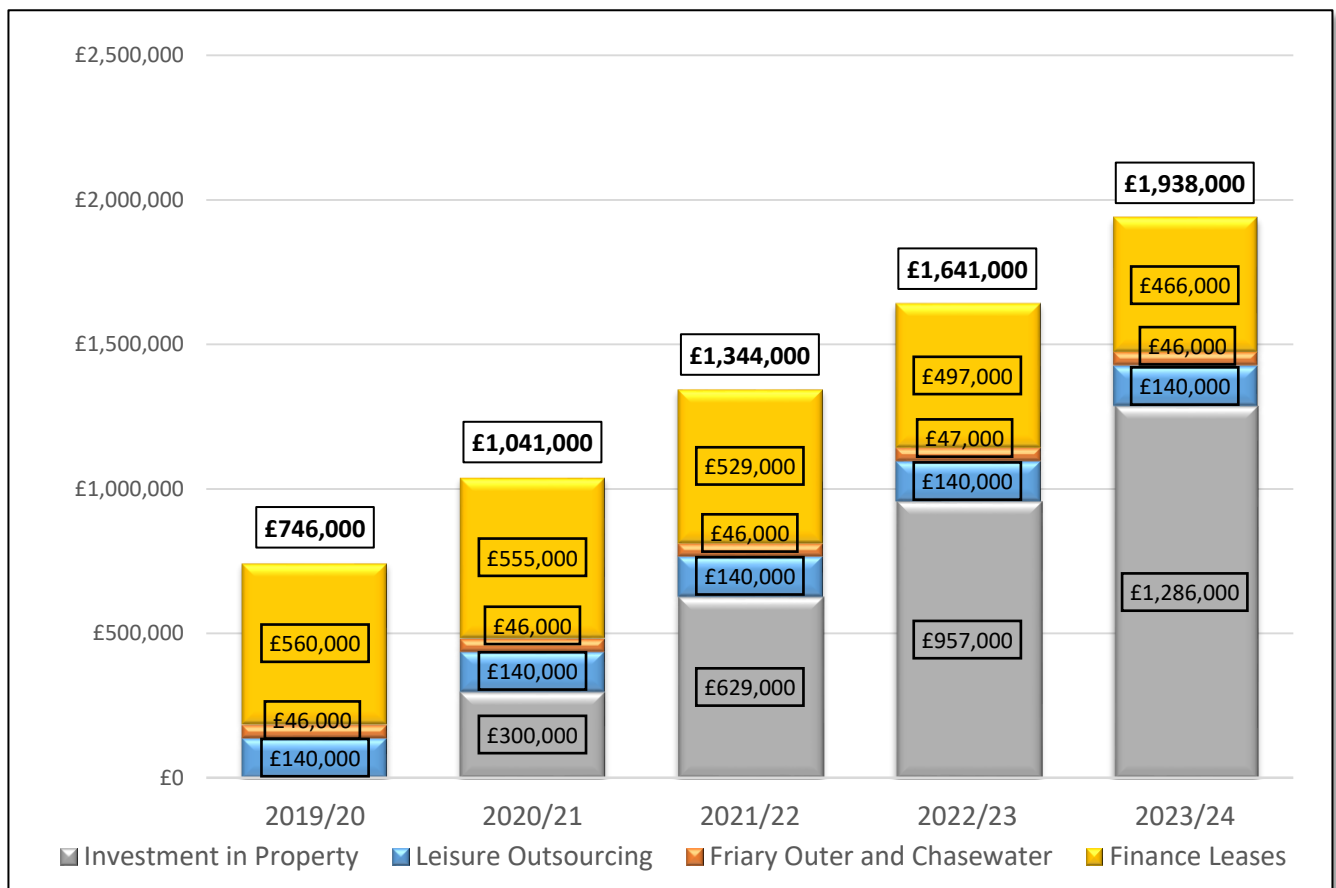
3.21 The Council is responsible for its treasury decisions and activity. No treasury management activity is without risk. The successful identification, monitoring and control of risk are an important and integral element of its treasury management activities. The main risks to the Council’s treasury activities are:

- Liquidity Risk (Inadequate cash resources)
- Market or Interest Rate Risk (Fluctuations in interest rate levels)
- Inflation Risk (Exposure to inflation)
- Credit and Counterparty Risk (Security of Investments)
- Refinancing Risk (Impact of debt maturing in future years)
- Legal and Regulatory Risk

3.22 The Strategy also takes into account the impact of the Council’s Revenue Budget and Capital Programme on the Balance Sheet position, the current and projected Treasury position, the Prudential Indicators and the outlook for interest rates.

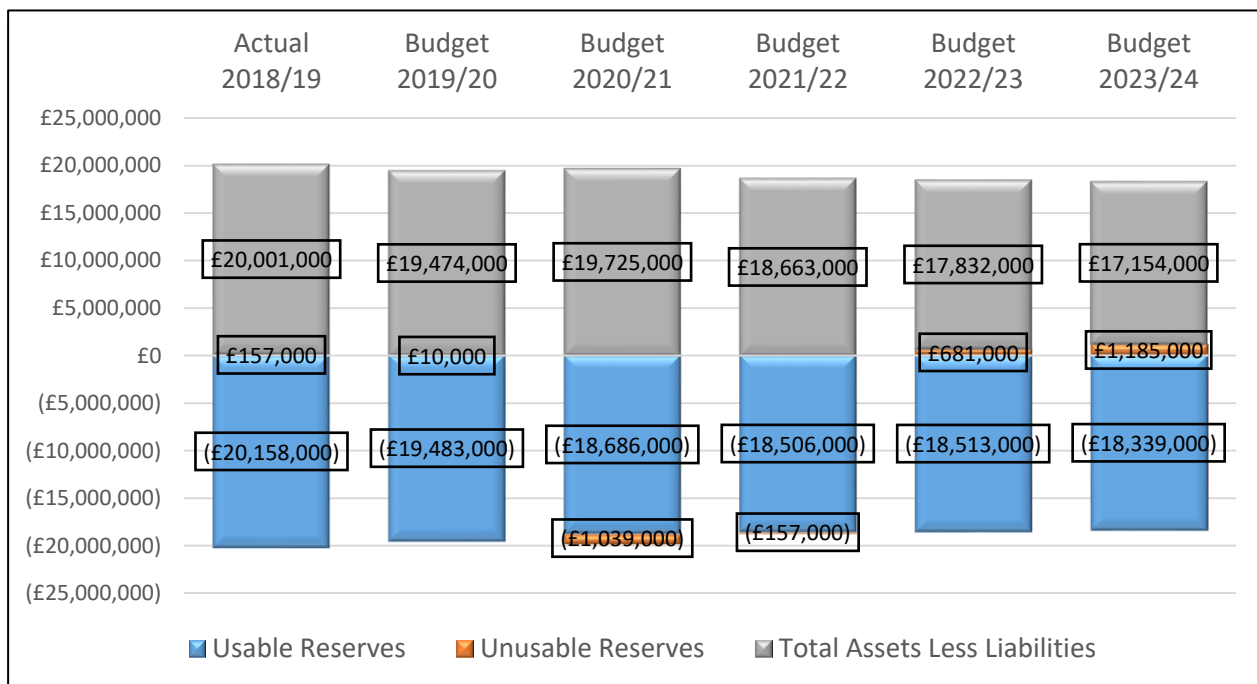
3.23 Minimum Revenue Provision Statement 2020/21

- The Council is required to make prudent provision for debt redemption (known as Minimum Revenue Provision (MRP)) and each year the Council must approve its MRP statement and this will include an allowance for finance leases that appear on the Council’s Balance Sheet.
- As in previous years, the Council proposes to base its MRP on the estimated life of the asset (**APPENDIX D**). The estimated MRP chargeable during the Medium Term Financial Strategy is shown below:



3.24 Balance Sheet Projections

- Integrated Revenue Budgets and a Capital Programme budgets are prepared. These budgets together with the actual Balance Sheet from the previous financial year are used to prepare Balance Sheet projections.
- These Balance Sheet projections (**APPENDIX E**) are significant in assessing the Council's Treasury Management Position in terms of borrowing requirement, investment levels and the Investment Strategy.
- The projected changes in the Balance Sheet over the Strategy period 2018/19 to 2023/24 are summarised below:



Total Assets less Liabilities (a reduction of £2,847,000):

1. **Non-Current Assets** – Non Current Assets will significantly increase with Investment in Property and the capital provision for a replacement Leisure Centre
2. **Borrowing and Leasing** – the capital investment in Non-Current Assets will partly be financed through an increase in external debt (borrowing and leases).
3. **Investments** – the value is projected to reduce due to the financing of the Capital Programme and an increase in the level of Internal Borrowing.
4. **Long term liability for pensions** – this value is projected to increase.

Unusable Reserves (a reduction of £1,028,000):

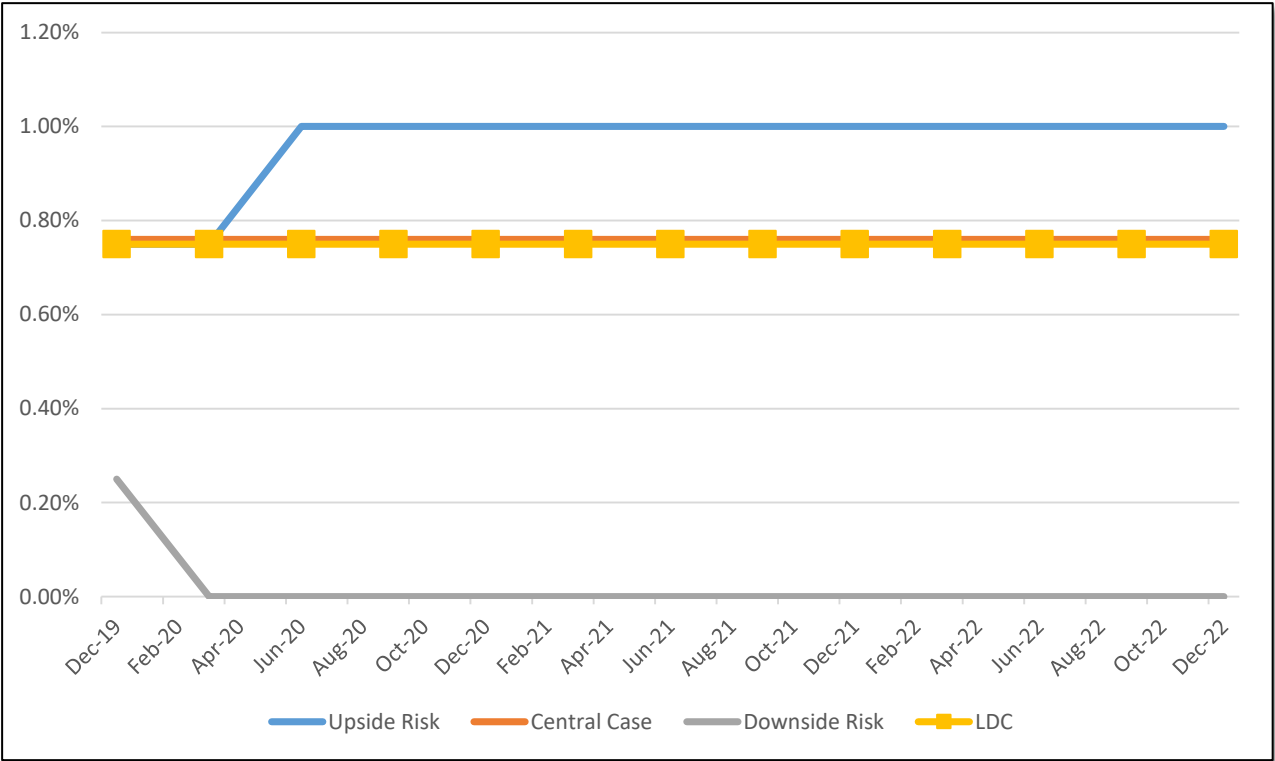
5. **Capital Funding** – this will increase as a result of the use of grants, contributions and capital receipts to fund capital investment.
6. **Pensions Reserve** – the negative value will increase to offset projected increases in the long term liability for pensions.

Usable Reserves (a reduction of £1,819,000):

7. **Earmarked Reserves** – these will reduce as they are used to fund both revenue expenditure and the Capital Programme.
8. **General Reserve** – there will be an increase as a result of the contributions from 2019/20 and 2020/21 together with the transfer of projected New Homes Bonus in excess of the 'cap' up to 2022/23.

3.25 Treasury Management Advice and the Expected Movement in Interest Rates

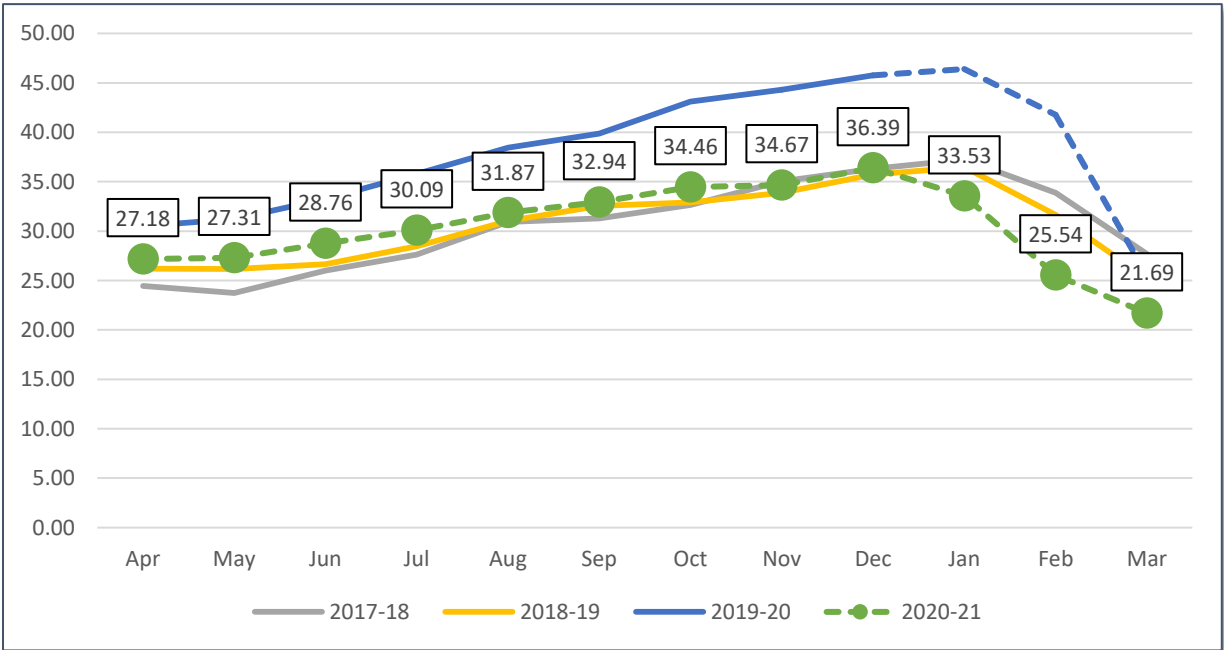
- The Official Bank Rate outlook provided by the Council’s Treasury Advisor, together with the Council’s assumption where interest rates remain at the current level of **0.75%** is shown below:



- The Council assumptions has been used as the basis for preparation of the investment income and borrowing budgets for 2020/21 and future years.

3.26 Cash Flow Forecast

- Treasury Management includes the management of the Council’s cash flows as a key responsibility. The cash flow forecast takes account of the income the Council receives including Housing Benefits Grant, Council Tax and Business Rate income and expenditure such as payments to precepting bodies, employee costs and Housing Benefit Payments.
- The graph below shows average investment levels throughout the financial year with a significant reduction in February and March due to minimal Council Tax income being received.



- The planned monthly cash flow forecast for the 2020/21 financial year has been used to calculate the investment income budget. The key components of this calculation are the average level of investment balances and the rate or yield achieved.
- The Treasury Management estimates for 2020/21 for both investment income and borrowing are shown in the table below:

Treasury Management	2020/21	
	Approved Budget	
	Investment Income	Borrowing
Average Balance	£31.27m	£10.10m
Average Rate	1.27%	2.68%

Gross Investment Income	(£397,000)	
Property Fund Transfer to Reserves	£45,000	
DIF Transfer to Reserves	£15,000	
External Interest		£273,000
Internal Interest		£4,000
Minimum Revenue Provision (less Finance Leases)		£486,000
Net Treasury Position	(£337,000)	£763,000
	£426,000	

- The gross interest receipts have been estimated as **(£397,000)** (this equates to 13% of The Council's income from Retained Business Rates of **£3,020,000** in **2020/21**), transfers to the Property and Diversified Income Reserves of **£60,000** and therefore Net Investment income is **(£337,000)**.

3.27 Treasury Management Strategy Statement and the Annual Investment Strategy

- The Treasury Investments and their limits are shown in detail at **APPENDIX E** with proposed changes shown in red. The proposed changes for 2020/21 compared to those approved for 2019/20, principally to accommodate higher investment balances, are:
 1. **Approved Investment Counterparties and Limits** – Pooled Funds and Real Estate Investment Trusts. Recommended increase from **£2m per fund** to **£4m per fund** (based on Arlingclose advice of 10% of £42.3m¹).
 2. **Investment Limits** – Any Group of Funds under the same Management. Recommended increase from **£9m per manager** to **£11m per manager** (based on Arlingclose advice of 25% of £42.3m).
 3. **Investment Limits** – Money Market Funds. Recommended increase from **£12m in total** to **£21m in total** (based on Arlingclose advice of 50% of £42.3m).
 4. **Strategic Fund Investments** – the Council diversified its investment portfolio to include two Strategic Fund investments with CCLA totalling **£4m**. To further diversify the investment portfolio and achieve higher returns, further potential investment of up to **£4m** is planned.

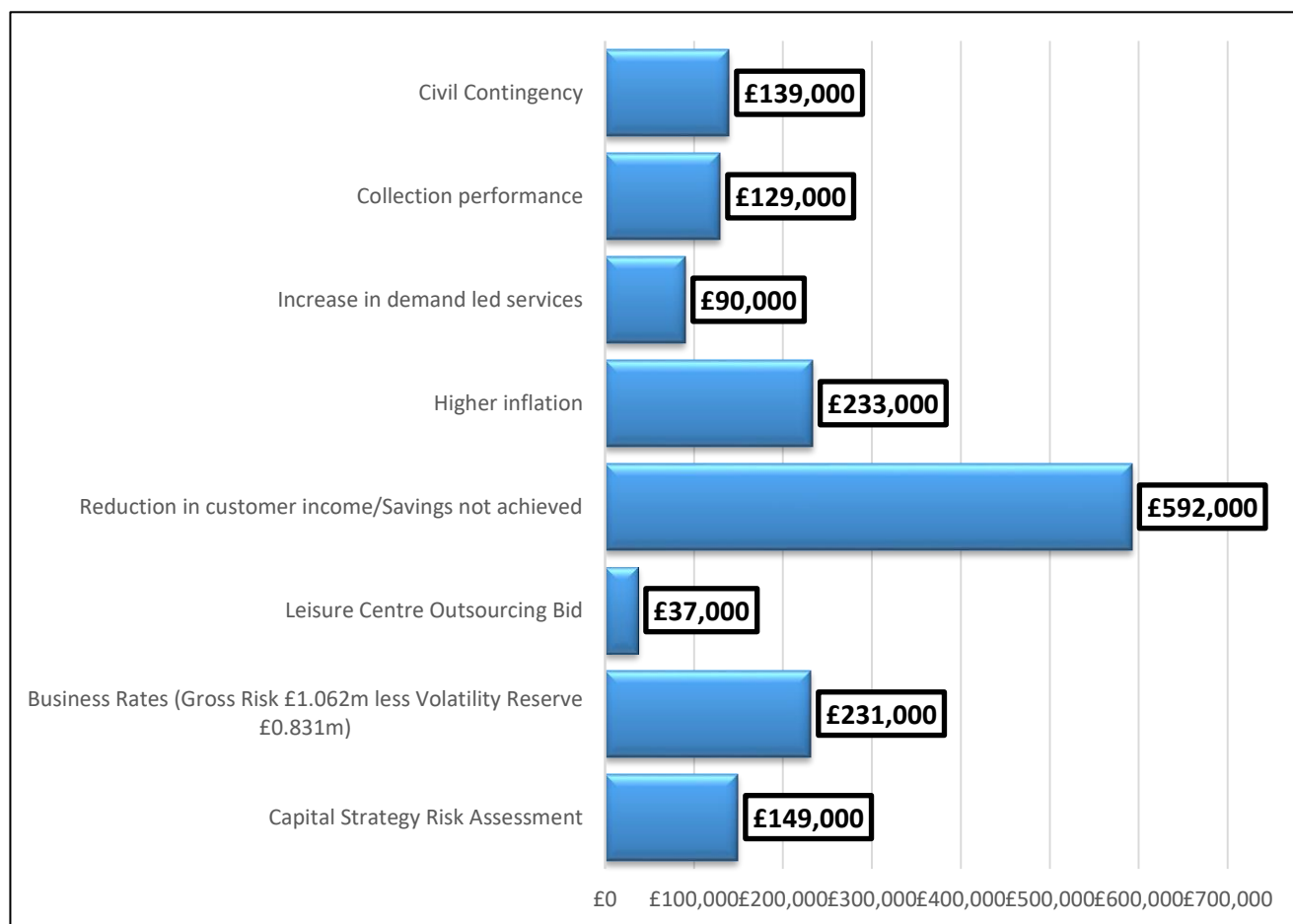
3.28 Investment Strategy Report for 2020/21

- This investment strategy for 2020/21 (**APPENDIX F**), meeting the requirements of statutory guidance issued by the government in January 2018, and focuses on how the Authority invests its money to support local public services and earns investment income from commercial investments.

¹ Highest projected balance in 2020/21 of £36m plus Internal Borrowing of £6.3m.

Opinion of CFO on the Adequacy of Reserves and the Robustness of the Estimates

- 3.29 The Chartered Institute of Finance and Accountancy (CIPFA) provided the first release of its Financial Resilience Index on 16 December 2019 (Lichfield DC's information compared to all District Councils and Nearest Neighbours is shown at **APPENDIX G**). The index shows this Council's position on a range of measures associated with financial risk. The selection of indicators has been informed by the extensive financial resilience work undertaken by CIPFA over the past four years, public consultation and technical stakeholder engagement.
- 3.30 My conclusion is that on the range of measures selected by CIPFA, we compare favourably with the majority at the lower end of the risk spectrum. However I must emphasise the Resilience Index is currently based on backward looking measures rather than the future financial challenges identified in forward looking Medium Term Financial Strategies.
- 3.31 It is therefore prudent for the Council to maintain an adequate 'working balance' or Minimum Level that is part of its general reserves. A risk assessment approach in line with Best Practice is used to determine the required Minimum Level and the level of general and earmarked reserves.
- 3.32 The main elements of the risk assessment are shown in detail at **APPENDIX G** and below:



- 3.33 The Chief Finance Officer (CFO) has been involved throughout the entire budget process, including revising the MTFs, input to the drafting of the budget, the ongoing financial monitoring and reporting process, evaluation of investments and savings, engagement with Members of the Cabinet and Overview and Scrutiny Committees, advising colleagues, the strategic choices activities, challenge and evaluation activities, and scrutiny of the budget.
- 3.34 I am of the opinion that for a Council of this size and with our recent record of prudent spending, effective Risk Management, robust budgeting and effective Budget monitoring and control, a General Minimum Reserve level of **£1,600,000** is adequate.

Projected General Reserves

- 3.35 The total projected level of general reserves categorised by the level of reserves available for use (including New Homes Bonus in excess of the “cap”) and the Minimum Level are shown below:

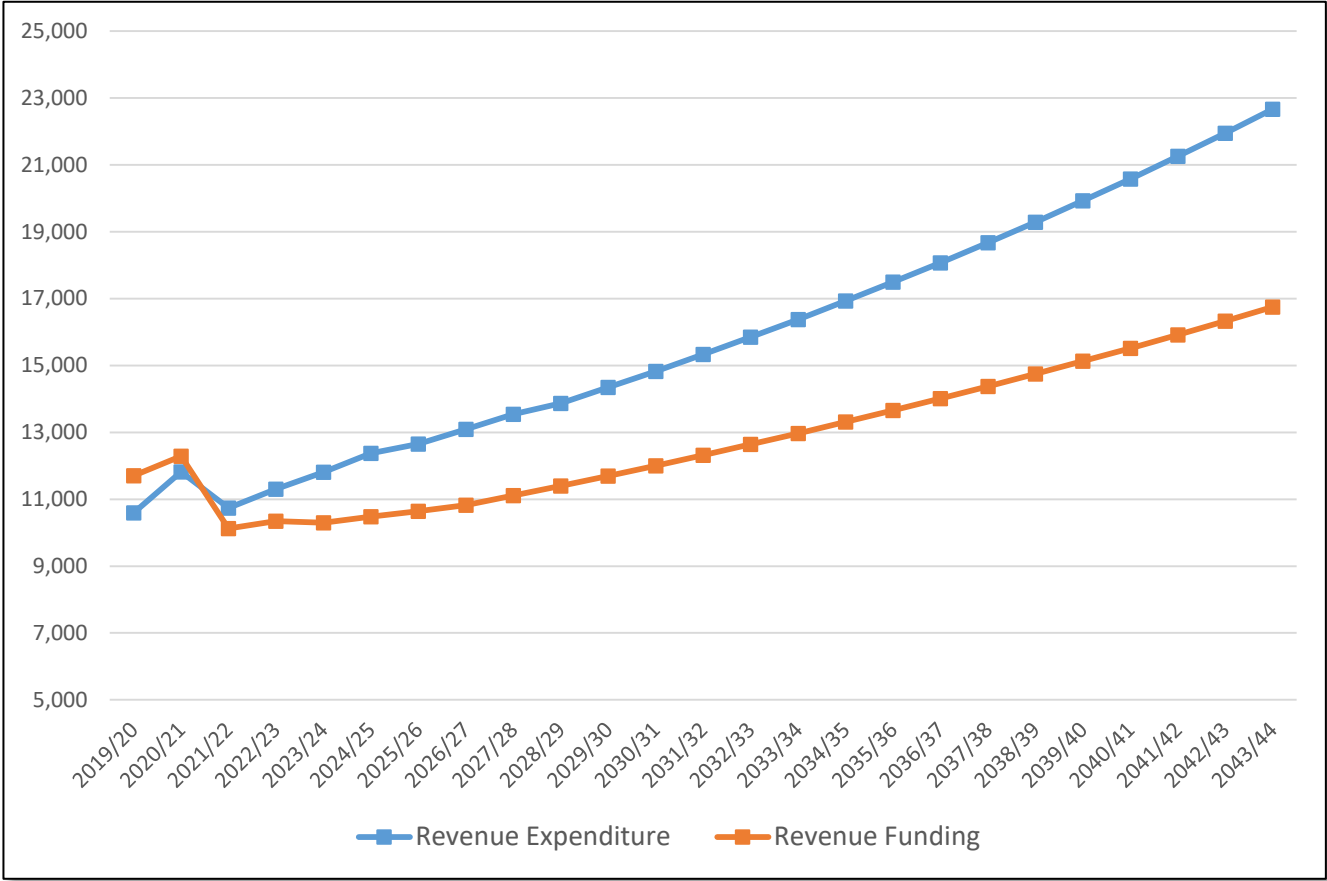
	2019/20		2020/21	2021/22	2022/23	2023/24
	Original Budget £000	Revised Budget £000	£000	£000	£000	£000
Available General Reserves Year Start	3,710	3,710	4,823	6,456	6,867	7,147
Contributions from Revenue Budget	39	1,003	462	0	0	0
New Homes Bonus in excess of the 'Cap'	110	110	1,171	411	280	0
Available General Reserves Year End	3,859	4,823	6,456	6,867	7,147	7,147
Minimum Level	1,600	1,600	1,600	1,600	1,600	1,600
Total Projected General Reserves	5,459	6,423	8,056	8,467	8,747	8,747

Available General Reserves assuming no Savings/income identified	4,823	6,456	6,253	5,575	4,068
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Longer Term Financial Planning

- 3.36 The MTFS covers a relatively short period of time (current financial year plus the next four years) and given the potential significant changes to the Local Government Financing Regime, and the more commercial approach being adopted by the Council, it is prudent to begin producing financial plans that cover a longer financial planning horizon such as 25 years.
- 3.37 The potential significant changes to the Local Government Financing Regime mean that whilst there is significant uncertainty beyond 2020/21, there is a benefit for the Council to understand the financial challenges that it could face in the medium to long term.
- 3.38 The following key assumptions have been utilised in producing the longer term financial plan:
- Annual core inflation of **2.5%** and funding increases by **2%**.
 - Residential growth based on **75%** of the Strategic Housing Land Availability Assessment (SHLAA) until 2024/25 and then the Local Housing Need (LHN) assessed figure of **331** per annum.
 - Council Tax increases of **£5** per annum until 2023/24 and then **1.99%** per annum.
 - Service delivery budgetary growth resulting from residential growth is included. The use of the LG Futures nearest neighbours highest Unit Cost for Waste and Council Tax collection of £53 per property in 2019/20 uprated by inflation to **£58** per property in 2024/25.
 - The Past Service element of Pensions increases by **£100,000** per annum from 2024/25 and is also increased annually by inflation of **2%**.
 - Retained Business Rates – a full reset in 2021/22 with the majority of growth above the baseline redistributed and phased resets between full resets. These resets mean growth will only be retained for relatively short periods of time. Therefore at this stage, a prudent annual allowance of **(£100,000)** retained growth is included from 2024/25 with annual inflation increases of **2%**.
 - Negative Revenue Support Grant – the principles used where funding is redistributed from relatively low need authorities that are relatively more able to fund the need through Council Tax, such as Lichfield District Council, are applied in the Fair Funding Review from 2021/22.
 - New Homes Bonus – legacy payments continue to 2022/23 and then the scheme is phased out.

3.39 The longer term financial plan is shown in detail at **APPENDIX H** and in the chart below:



3.40 The Council will need to identify initiatives (including Invest to Save projects) to close the projected funding gap from 2021/22 onwards that will be focussed around:

- **Transformation and a more commercial approach** – this is designed to manage the change that will be across LDC and its services in order to meet all of the changes following the fundamental review of Local Government Finances. This includes three strands; income, innovation and investment (the latter of which includes the capital strategy). The anticipated outcomes are identified at the scoping stage of each project and benefit realisation assessed post implementation. The investment in property is regularly reviewed and re-profiled as necessary to mitigate risk.
- **Growing the Business Rates and Council Tax base** – the Council will seek to maximise the growth of both of these in order to increase the income from these funding sources. This will enable the Council to become financially self-sufficient over the medium term.

Alternative Options	In the main, the options are focused on the level of resource allocated to Strategic Priorities and the level of Council Tax increase.
Consultation	<p>The Strategic Plan consultation including the Budget Consultation was undertaken from 16 December 2019 to Mid-January 2020. The report on the Strategic Plan on the agenda provides further details of the key themes including those relevant to the MTFS.</p> <p>Strategic (Overview and Scrutiny) Committee at its meeting on 28 January 2020 scrutinised the MTFS 2019-24 and the Chair will provide feedback to Cabinet as appropriate.</p> <p>Audit and Member Standards scrutinised the Treasury Management Strategy Statement 2020/21 at its meeting on 5 February 2020 and the chair will provide feedback to the Cabinet as appropriate.</p>

Prudential and Local Indicators (PIs)

The Prudential and Local Indicators are shown below:

Capital Strategy Indicators							
Prudential Indicators							
Indicators	2018/19 Actual	2019/20 Original	2019/20 Revised	2020/21 Original	2021/22 Original	2022/23 Original	2023/24 Original
Capital Investment							
Capital Expenditure (£m)	£4.910	£11.618	£15.659	£17.751	£13.636	£18.821	£4.051
Capital Financing Requirement (£m)	£4.987	£10.301	£14.809	£25.432	£35.777	£51.245	£51.567
Gross Debt and the Capital Financing Requirement							
Gross Debt	(£4.315)	(£9.598)	(£11.439)	(£19.091)	(£26.520)	(£36.993)	(£40.362)
Borrowing in Advance - Gross Debt in excess of the Capital Financing Requirement	No	No	No	No	No	No	No
Total Debt							
Authorised Limit (£m)	£3.991	£21.598	£23.473	£31.906	£40.515	£48.379	£51.933
Operational Boundary (£m)	£3.991	£13.006	£14.881	£23.088	£31.046	£38.755	£42.590
Proportion of Financing Costs to Net Revenue Stream (%)	5%	6%	4%	10%	17%	22%	27%

Local Indicators							
Indicators	2018/19 Actual	2019/20 Original	2019/20 Revised	2020/21 Original	2021/22 Original	2022/23 Original	2023/24 Original
Replacement of Debt Finance/MRP (£m)	(£0.709)	(£0.720)	(£0.746)	(£1.041)	(£1.344)	(£1.641)	(£1.938)
Capital Receipts (£m)	(£0.760)	(£1.056)	(£0.855)	(£0.537)	(£0.010)	(£0.010)	(£0.011)
Liability Benchmark (£m)	£14.168	£5.017	£3.938	(£11.249)	(£21.191)	(£32.672)	(£35.963)
Treasury Management Investments (£m)	£26.876	£23.689	£23.749	£16.769	£14.785	£11.013	£11.557

Treasury Management Indicators				
Prudential Indicators				
	Lower Limit	Upper Limit	As at 31/03/19	As at 31/12/19
Refinancing Rate Risk Indicator	0%	100%		
Under 12 months	0%	100%	7.24%	7.89%
12 months and within 24 months	0%	100%	7.32%	7.99%
24 months and within 5 years	0%	100%	22.49%	24.53%
5 years and within 10 years	0%	100%	36.43%	33.48%
10 years and within 20 years	0%	100%	23.06%	24.86%
20 years and within 30 years	0%	100%	3.46%	1.24%
30 years and within 40 years	0%	100%		
40 years and within 50 years	0%	100%		
50 years and above	0%	100%		

Indicators	2018/19 Actual	2019/20 Original	2019/20 Revised	2020/21 Original	2021/22 Original	2022/23 Original	2023/24 Original
Principal Sums invested for periods longer than a year (£m)	£2.000	£6.000	£6.000	£10.000	£10.000	£10.000	£10.000

Local Indicators							
Indicators	2018/19 Actual	2019/20 Original	2019/20 Revised	2020/21 Original	2021/22 Original	2022/23 Original	2023/24 Original
	£m	£m	£m	£m	£m	£m	£m
Balance Sheet Summary and Forecast							
Borrowing Capital Financing Requirement	£3.312	£9.152	£13.694	£24.871	£35.745	£48.450	£49.238
Internal (over) Borrowing	£0.672	£0.703	£3.370	£6.340	£9.256	£14.252	£11.205
Investments (or New Borrowing)	(£26.519)	(£23.689)	(£23.748)	(£16.093)	(£14.109)	(£10.337)	(£10.881)
Liability Benchmark	(£14.168)	(£5.017)	(£3.938)	£11.249	£21.191	£32.672	£35.963

	Target
Security Portfolio average credit rating	A-
Liquidity Temporary Borrowing	£0.000
Total Cash Available within 100 days (maximum)	90%

Contribution to the Delivery of the Strategic Plan

The report directly links to overall performance and especially the delivery of the Strategic Plan.

Equality, Diversity and Human Rights Implications

These areas are addressed as part of the specific areas of activity prior to being included in the Strategic Plan.

Crime & Safety Issues

These areas are addressed as part of the specific areas of activity prior to being included in the Strategic Plan.

GDPR/Privacy Impact Assessment

There are no specific implications related to the Medium Term Financial Strategy

	Risk Description	How We Manage It	Severity of Risk (RYG)
A	Council Tax is not set by the Statutory Date of 11 March 2020 .	Full Council set with reference to when major preceptors and Parishes have approved their Council Tax Requirements.	Green - Tolerable
B	Planned Capital Receipts are not received.	The budget for capital receipts will be monitored as part of the Council's normal budget monitoring procedures.	Green - Tolerable
C	Non achievement of The Council's key Council priorities.	Close monitoring of performance and expenditure; maximising the potential of efficiency gains; early identification of any unexpected impact on costs including Central Government Policy changes, movement in the markets and changes in the economic climate.	Green - Tolerable
D	The Check, Challenge and Appeal Business Rates Appeals and more frequent revaluations.	To closely monitor the level of appeals. An allowance of 4.7% (in line with the MHCLG Allowance) for appeals has been included in the Business Rate Estimates.	Yellow - Material
E	The review of the New Homes Bonus regime in 2021/22.	Not all of the projected New Homes Bonus is included as core funding in the Base Budget. In 2021/22 £500,000 is included and this is then being reduced by £100,000 per annum.	Yellow - Material
F	The increased Localisation of Business Rates and the Fair Funding Review in 2021/2022.	To assess the implications of proposed changes and respond to consultations to attempt to influence the policy direction in the Council's favour.	Red - Severe
G	The affordability and risk associated with the Capital Strategy.	An estates management team has been recruited to provide professional expertise and advice in relation to investment in property and to continue to take a prudent approach to budgeting.	Yellow - Material

Background documents

- CIPFA Code of Practice for Treasury Management in the Public Services
- The Prudential Code for Capital Finance in Local Authorities
- Money Matters: Medium Term Financial Strategy (Revenue and Capital) 2018-23 – Cabinet 12 February 2019
- Allocation of Strategic Community Infrastructure Levy (CIL) Funding – Cabinet 12 March 2019
- Multi Storey Car Park – Cabinet 12 March 2019
- Money Matters: 2018/19 Review of Financial Performance against the Financial Strategy – Cabinet 13 June 2019.
- Jigsaw Funding Agreement – Cabinet 9 July 2019
- Money Matters: 2019/20 Review of Financial Performance against the Financial Strategy – Cabinet 10 September 2019
- Birmingham Road Site Enabling Works – Cabinet 10 September 2019
- Friary Grange Leisure Centre – Cabinet 7 October 2019
- Medium Term Financial Strategy 2019-24 – Cabinet 8 October 2019
- St Stephen's School allocation of Section 106 – Cabinet Member Decision 24 October 2019
- Community Lottery – Cabinet 12 November 2019
- Money Matters: 2019/20 Review of Financial Performance against the Financial Strategy – Cabinet 3 December 2019
- Money Matters: Calculation of Business Rates 2020/21, Council Tax Base for 2020/21 and the projected Collection Fund Surplus / Deficit for 2019/20 – Cabinet 3 December 2019
- Money Matters: 2019/20 Review of Financial Performance against the Financial Strategy – Cabinet 11 February 2020
- Capital Bids

Relevant web links

Revenue Budget 2019/20 to 2023/24 (£000)

	2019/20 Original Budget	2019/20 Revised Budget	2020/21	2021/22	2022/23	2023/24
LEVEL OF UNCERTAINTY / RISK	LOW	LOW	LOW	HIGH	HIGH	HIGH
Enabling people	1,528	1,593	1,480	1,463	1,454	1,480
Shaping place	3,259	3,050	3,570	3,625	4,269	4,554
Developing prosperity	(1,079)	(1,105)	(1,234)	(2,039)	(2,811)	(3,451)
A good council	6,186	5,930	6,302	6,410	6,585	6,864
Revenue Implications of Capital Programme	0	0	229	(30)	(85)	19
Corporate Expenditure	1,329	1,127	305	899	1,614	2,340
Total Expenditure	11,223	10,595	10,651	10,329	11,026	11,807
Retained Business Rates Baseline Funding	(2,083)	(2,083)	(2,117)	(1,691)	(1,720)	(1,749)
Retained Business Rates Growth Allowance	(443)	(746)	(903)	(89)	(116)	(123)
Business Rates Cap	(68)	(86)	(85)	0	0	0
Business Rates Pilot	(568)	(568)	0	0	0	0
Levy Account Surplus/ Other Grants	0	(49)	(49)	(51)	(74)	0
New Homes Bonus - Base Budget	(700)	(700)	(600)	(500)	(400)	(300)
New Homes Bonus - to Earmarked Reserve	(468)	(468)	0	0	0	0
New Homes Bonus - to General Reserve	(110)	(110)	(1,171)	(411)	(280)	0
Collection Fund (Surplus)/Deficit	(277)	(242)	(330)	(35)	(35)	(35)
Council Tax	(6,655)	(6,655)	(7,029)	(7,350)	(7,722)	(8,093)
Total Funding	(11,371)	(11,708)	(12,284)	(10,127)	(10,347)	(10,300)
Transfer to general reserves	39	1,004	0	0	0	0
New Homes Bonus to general reserves	110	110	1,171	411	280	0
Funding Gap (transfer to general reserves)	0	0	(462)	613	959	1,507
Council Tax Base	38,011	38,011	39,032	39,717	40,627	41,487
Band D Council Tax (assumes maximum £5)	175.07	175.07	180.07	185.07	190.07	195.07

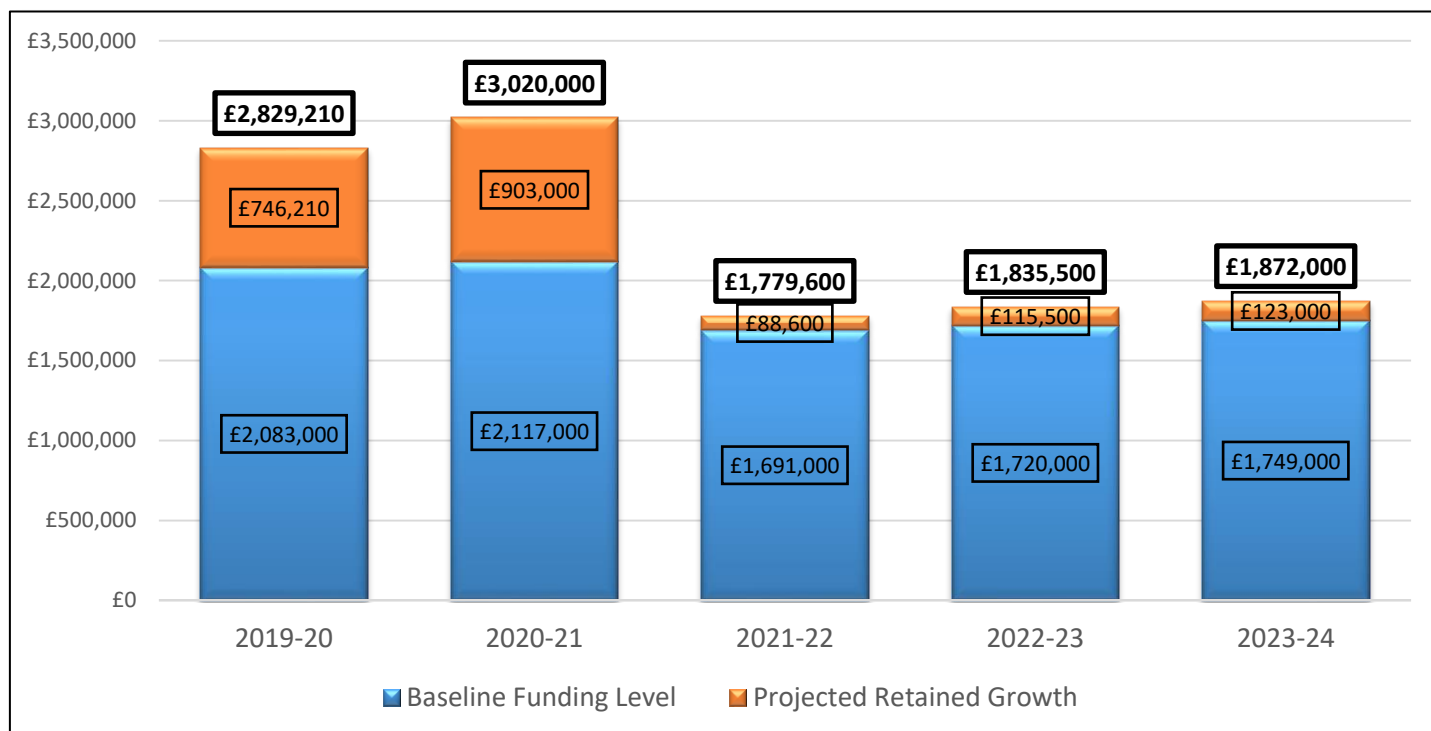
Reconciliation of Original Funding Gap to MTFS Funding Gap

	2019/20	2020/21	2021/22	2022/23	2023/24
ORIGINAL FUNDING GAP/ (Transfer to general reserves)	(£149)	£842	£917	£1,012	£1,339
<u>Budget Monitoring in 2019/20</u>					
2018/19 Money Matters	(10)	(10)	(10)	(10)	(10)
3 Month's Money Matters	(489)	(10)	(10)	(10)	(10)
6 Month's Money Matters	(66)	0	0	0	0
8 Month's Money Matters	(373)	0	0	0	0
Cabinet and Council Reports	(27)	(64)	(23)	(71)	(74)
Approved Funding Gap/ (Transfer to general reserves)	(1,114)	757	874	921	1,244
<u>Modelled Changes</u>					
Inflation		(3)	(2)	(0)	3
Budget Variations – includes changes to NHB transfers		870	(266)	(221)	(105)
Revenue Implications of the Capital Programme		229	(30)	(85)	19
Net Treasury		(97)	(97)	(97)	(97)
Retained Business Rates / Negative RSG		(1,293)	(0)	(1)	(78)
Business Rates Cap		(85)	0	0	0
Council Tax		(109)	(131)	(191)	(276)
New Homes Bonus – income changes offset by transfers to general reserves		(716)	265	632	796
Levy Account Surplus		(49)	0	0	0
Business Rates Collection Fund		75	0	0	0
Council Tax Collection Fund		(40)	0	0	0
MTFS FUNDING GAP / (Transfer to general reserves)	(£1,114)	(£462)	£613	£959	£1,507

Revenue Budget key Revenue Streams

Retained Business Rates

The budgets for Retained Business Rates income, with Business Retention reform and the Fair Funding Review presenting significant risks to the assumptions made from 2021/22, are:



The change in retained Business Rates compared to the Approved Medium Term Financial Strategy is shown below:

	2019-20	2020-21	2021-22	2022-23	2023-24
Approved MTFS (assumed Fair Funding and 75% Business Rates from 2020/21)	£2,829,210	£1,726,700	£1,779,600	£1,835,500	£1,794,490
Draft MTFS (assumes Fair Funding and 75% Business Rates from 2021/22)	£2,829,210	£3,020,000	£1,779,600	£1,835,500	£1,872,000
Change	-	£1,293,300	-	-	£77,510

The Council has access to sector expert's financial models and these can be used to identify alternative scenarios (using various parameters such as the level of need funded by Council Tax income, how Council Tax is split in two tier areas and whether car parking income is included) to the one identified in the graph above following the Fair Funding Review:

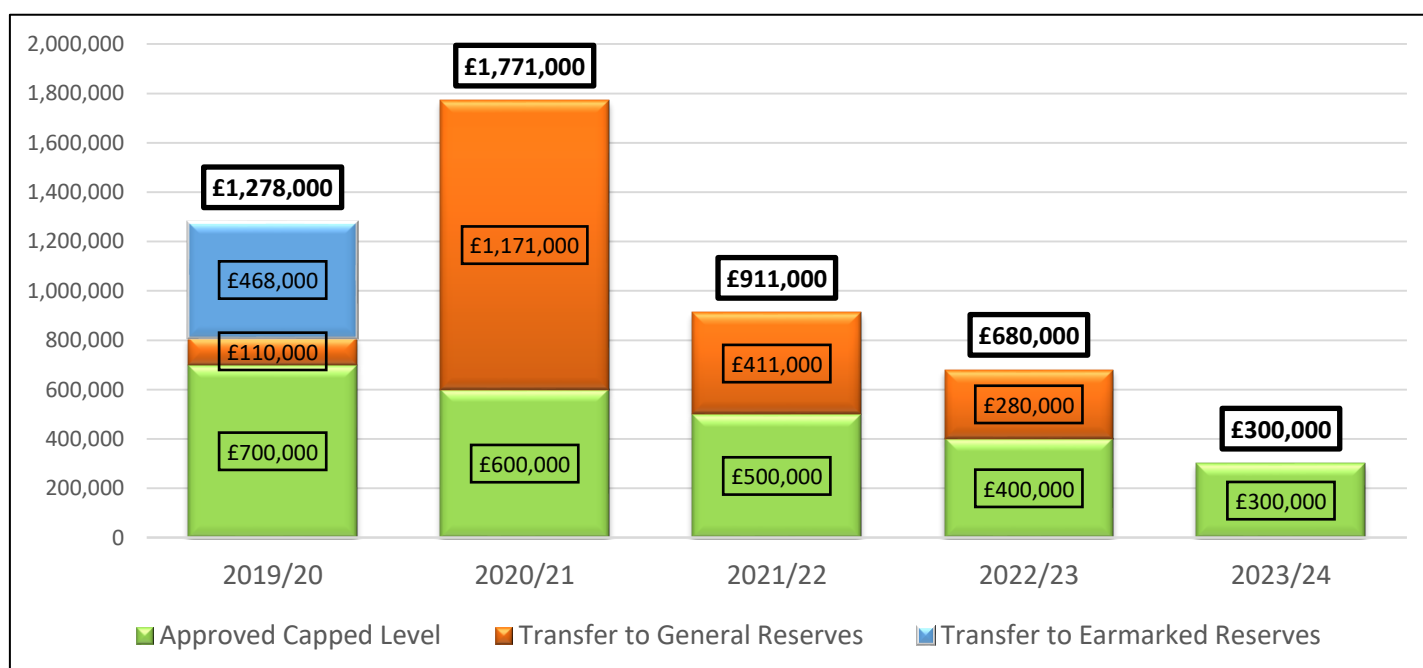
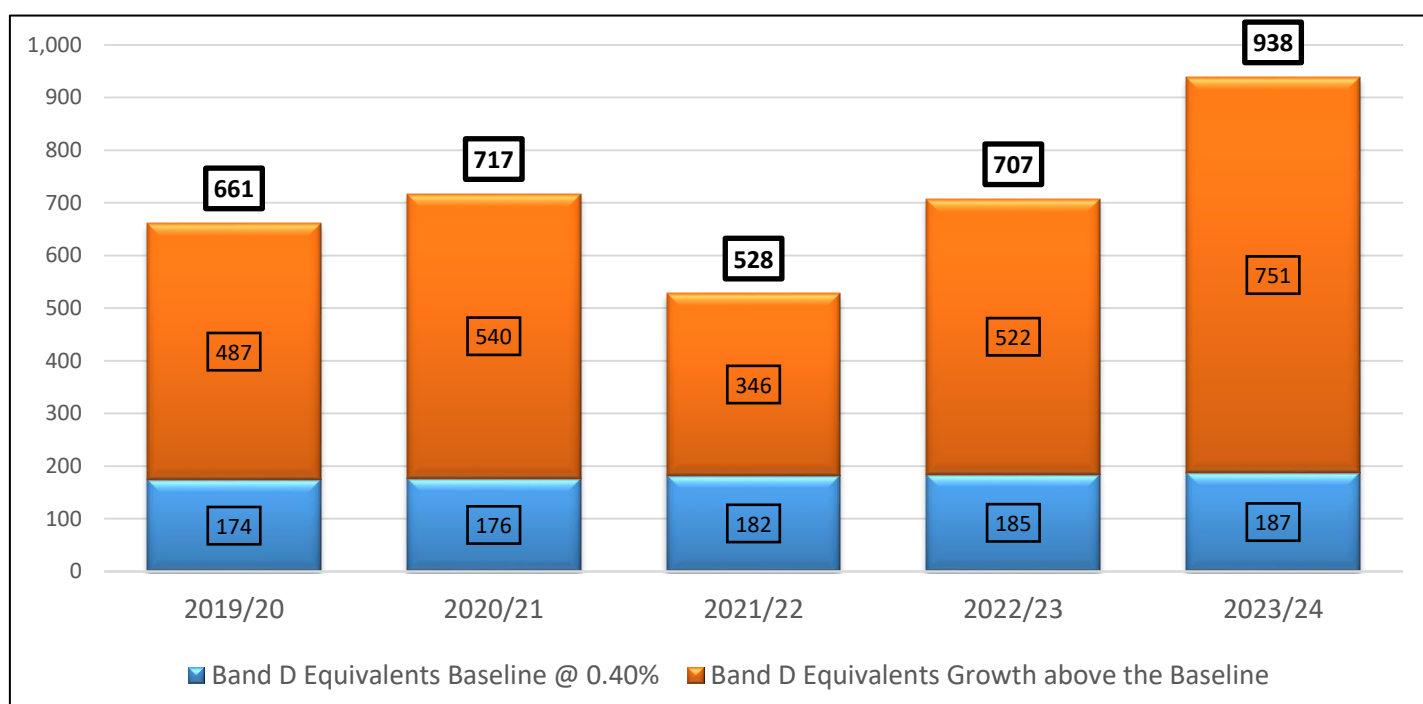
Fair Funding Review Scenarios 2021/22					
Need Funded by Council Tax	Council Tax Tier Split			Car Park Income	
	Upper	Lower	Fire	Excluding	Including
Baseline Funding Level Budget				£1,691,000	

75%	83.9%	12.8%	3.3%	£1,620,000	£1,024,000
100%	83.9%	12.8%	3.3%	£1,247,000	£657,000
75%	83.8%	12.9%	3.3%	£1,576,000	£980,000
100%	83.8%	12.9%	3.3%	£1,189,000	£600,000
75%	83.2%	11.9%	4.8%	£2,014,000	£1,416,000
100%	83.2%	11.9%	4.8%	£1,768,000	£1,176,000

At present, the Medium Term Financial Strategy does not include any allowance for managing the transition from the current Local Government Finance system to the new Local Government Finance System.

New Homes Bonus

The budgets for housing supply and New Homes Bonus, with the review from 2021/22 presenting a material risk, are:



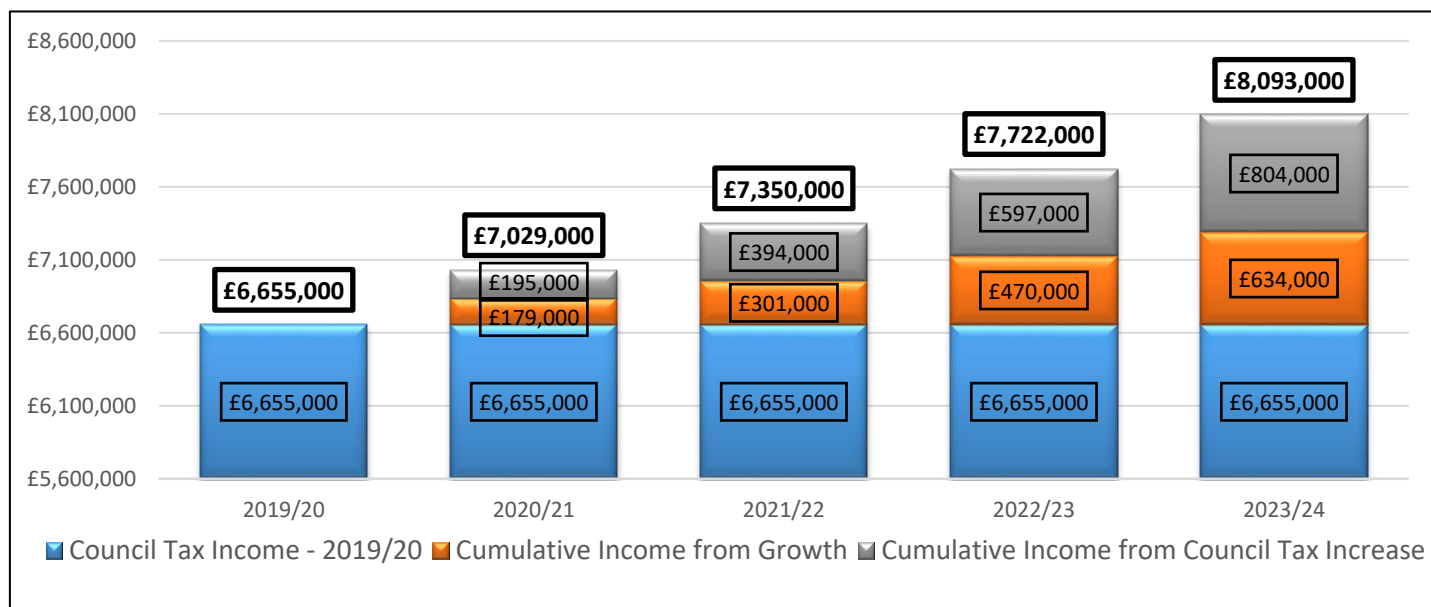
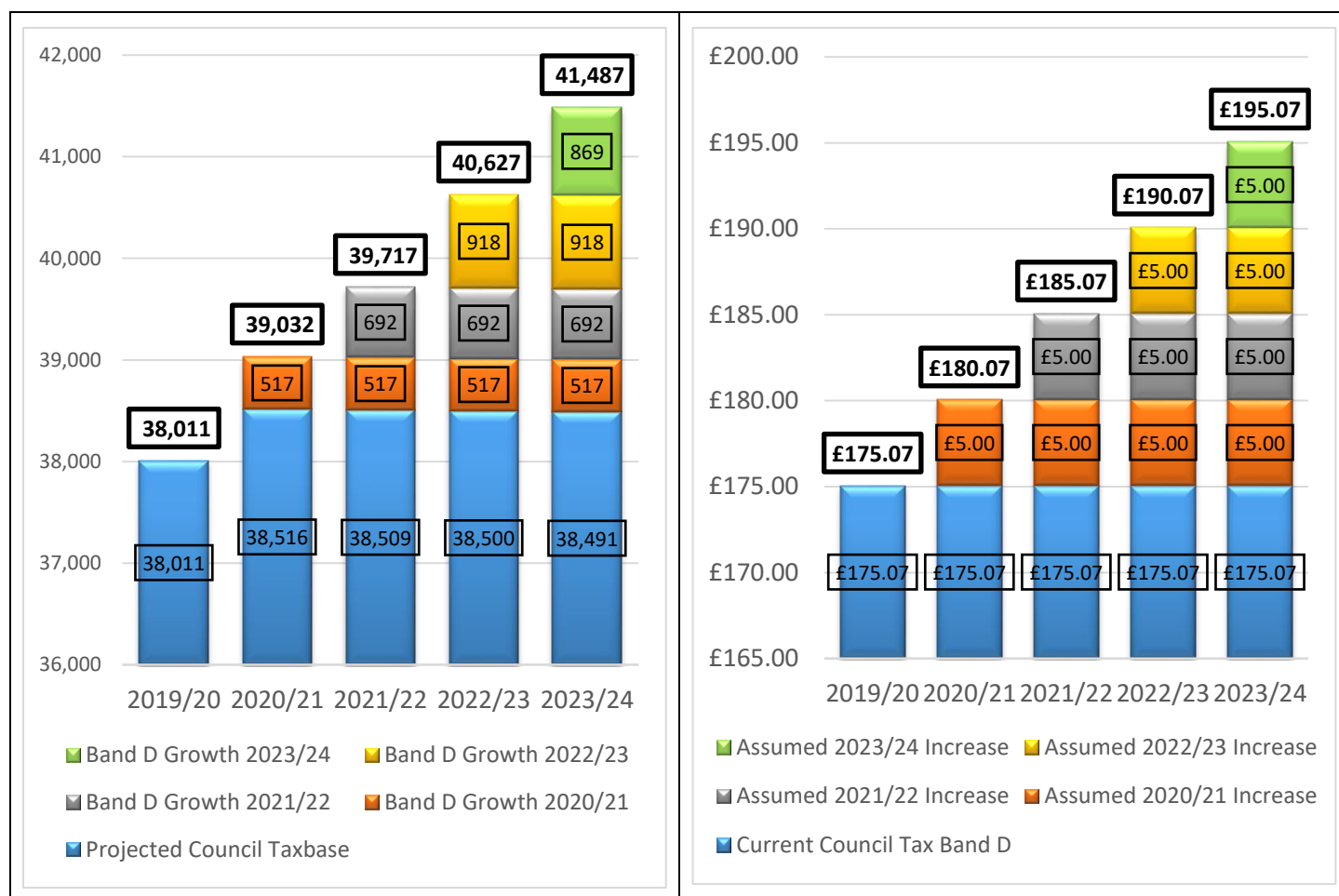
The change in New Homes Bonus income compared to the Approved Medium Term Financial Strategy is shown below:

Capped Level	2019/20	2020/21	2021/22	2022/23	2023/24
Approved MTFS	£700,000	£600,000	£500,000	£400,000	£300,000
Draft MTFS	£700,000	£600,000	£500,000	£400,000	£300,000
Change	-	-	-	-	-

Total amount of New Homes Bonus	2019/20	2020/21	2021/22	2022/23	2023/24
Approved MTFS	£1,278,000	£1,055,000	£1,227,000	£1,386,000	£1,096,000
Draft MTFS	£1,278,000	£1,771,000	£911,000	£680,000	£300,000
Change	-	£716,000	(£316,000)	(£706,000)	(£796,000)

Council Tax

The Approved Budgets for Council Tax base (with a modelled £5 increase to Council Tax Band D) and income are:



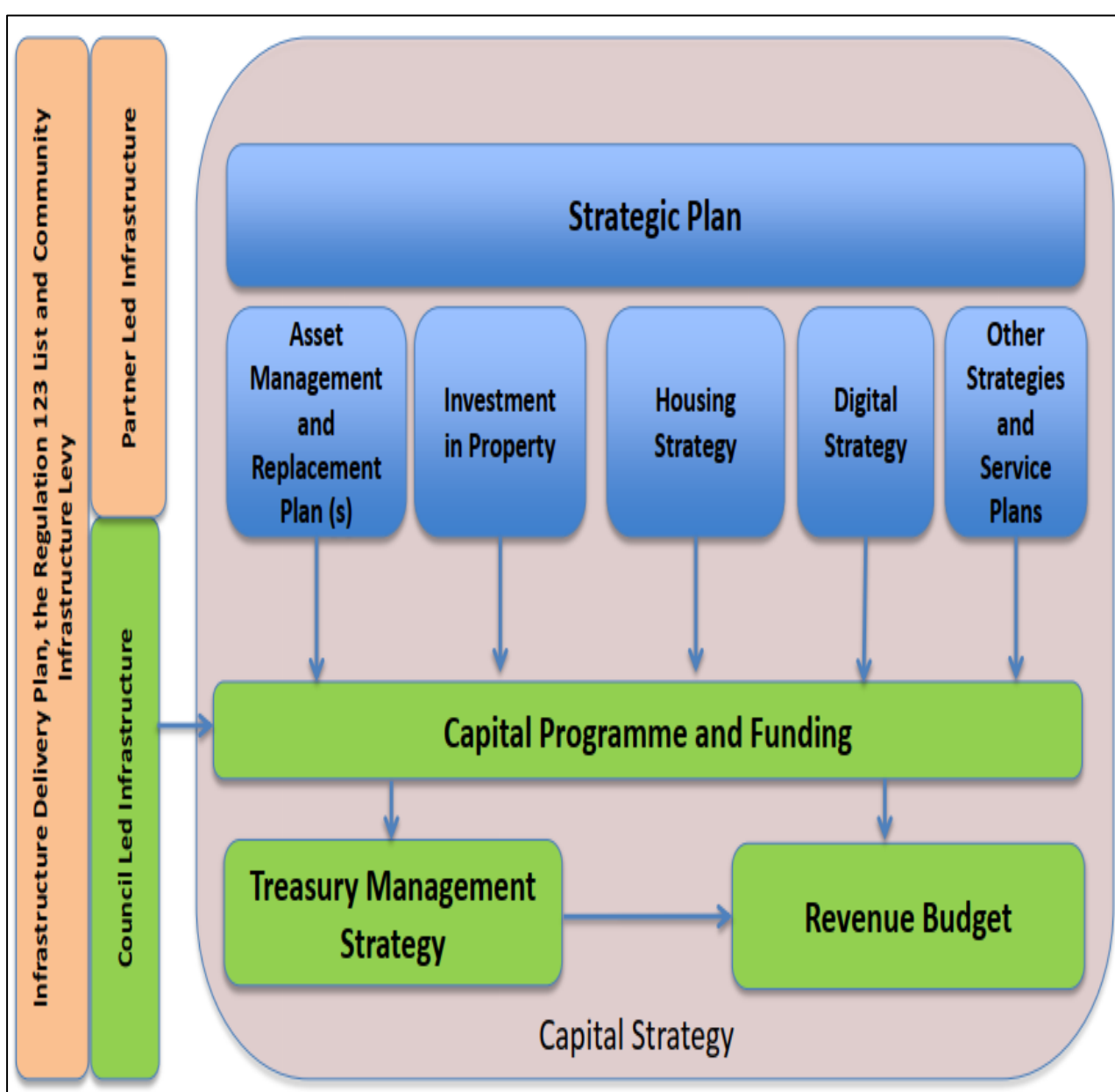
The change in Council Tax income compared to the Approved Medium Term Financial Strategy is shown below:

	2019/20	2020/21	2021/22	2022/23	2023/24
Approved MTFS	£6,655,000	£6,920,000	£7,219,000	£7,531,000	£7,817,000
MTFS	£6,655,000	£7,029,000	£7,350,000	£7,722,000	£8,093,000
Change	-	£109,000	£131,000	£191,000	£276,000

Capital Strategy

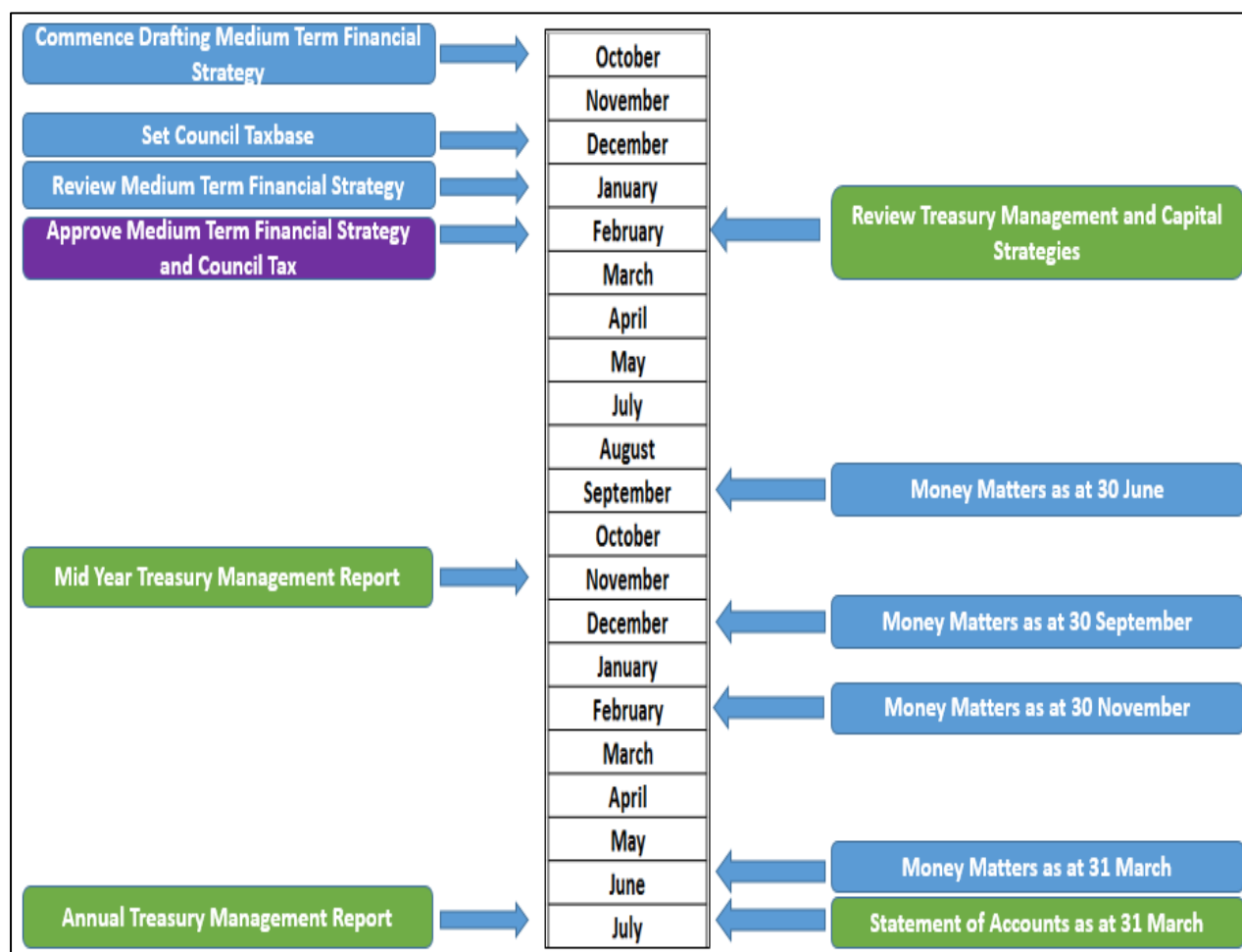
1. Introduction

- 1.1. The Prudential Code requires the completion of a Capital Strategy that is approved by Full Council.
- 1.2. The Capital Strategy provides a high level overview of how capital expenditure, capital financing and treasury management activity contribute to the provision of services along with an overview of how associated risk is managed and the implications for future financial sustainability.
- 1.3. It forms part of the Councils integrated revenue, capital and balance sheet planning. The Council already undertakes elements of the new requirements although some areas, such as Asset Management Planning, need further development.
- 1.4. The Prudential Code now requires all of this information to be brought together in a single place as shown below:



2. The Capital Programme

2.1. The financial planning process and its Governance (Blue is Cabinet and Strategic (Overview and Scrutiny) Committee, Green is Audit and Member Standards and Purple is Council) is shown below:



The Capital Programme Process

- 2.2. As the Council becomes more commercial and Asset Management Plans are developed, it is probable that capital needs will be identified that exceed resources available thus necessitating a more transparent and robust process to inform Members during the development of the MTFs.
- 2.3. This process has been designed to ensure consistency, objectivity, equity and transparency to the prioritisation and allocation of capital funding, while ensuring we get maximum value for money.
- 2.4. A summary of the new process is identified below:
- Service identifies a budget requirement and consults with the Finance and Procurement Team.
 - Service requests funding by completing and submitting a funding bid form.
 - Service completes a funding bid financial profile form and submits this with their bid.
 - Service completes a funding bid assessment form and submits this with their bid.
 - The Finance and Procurement Team reviews all bids and assessments and requests clarification where required.
 - The Finance and Procurement Team reviews bids using the assessment criteria and submits a report to Leadership Team.

APPENDIX B

- Leadership Team review all bids and recommend changes before recommending the allocation of funding either through a Cabinet Report or through the MTFs.
- Finance and Procurement monitor funding allocations and spend, reporting to Leadership Team as part of Money Matters Reports.
- Service completes work / project outlined within the bid and undertakes a review (i.e. post-project review) within 6 months of work being completed, providing this to Finance and Procurement to include in a report to Leadership Team.

Planning Obligations - Section 106 and Community Infrastructure Levy (CIL)

- 2.5. As part of the planning process planning obligations, including the Community Infrastructure Levy, are received from new developments. The vast majority is spent directly on infrastructure works or will be spent in line with the Infrastructure Delivery Plan (IDP).
- 2.6. There is however an element of contributions, which afford an element of discretion on how they are allocated. These contributions towards social and community facilities are linked to the development proposed.
- 2.7. Whilst some of these financial contributions are very specific in terms of the projects on which they must be spent, a proportion is to be allocated towards appropriate social and community schemes that result in time from the proposed development.
- 2.8. The Council's Capital Programme includes a number of projects that are to be funded by Section 106 and will begin to include projects funded by CIL; this is a significant source of funding and there is a significant level of interest from the community in relation to the allocation of sums to projects.
- 2.9. The **Capital Programme** and its **funding** by Strategic Priority is summarised below:

Strategic Priority	2019/20 £000	2020/21 £000	2021/22 £000	2022/23 £000	2023/24 £000	Total £000	Corporate £000
Enabling People	2,324	3,424	1,164	3,324	3,235	13,471	396
Shaping Place	809	1,045	502	3,482	427	6,265	273
Developing Prosperity	1,732	625	0	0	0	2,357	471
A Good Council	10,794	12,657	11,970	12,015	389	47,825	2,682
Grand Total	15,659	17,751	13,636	18,821	4,051	69,918	3,822

Funding Source	2019/20 £000	2020/21 £000	2021/22 £000	2022/23 £000	2023/24 £000	Total £000
Capital Receipts	547	1,402	514	559	352	3,374
Capital Receipts - Statue	53	0	0	0	0	53
Revenue - Corporate	0	182	0	0	213	395
Corporate Council Funding	600	1,584	514	559	565	3,822
Grant	1,266	2,343	931	931	931	6,402
Section 106	673	865	25	0	0	1,563
CIL	221	79	0	0	0	300
Reserves	1,946	1,066	327	72	145	3,556
Revenue (Joint Waste Service)	150	150	150	150	150	750
Sinking Fund	235	0	0	0	0	235
Leases	0	0	0	3,260	0	3,260
Total	5,091	6,087	1,947	4,972	1,791	19,888
Borrowing Need	10,568	11,664	11,689	13,849	2,260	50,030
Funding Total	15,659	17,751	13,636	18,821	4,051	69,918

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2.10. The Revenue implications are shown below:

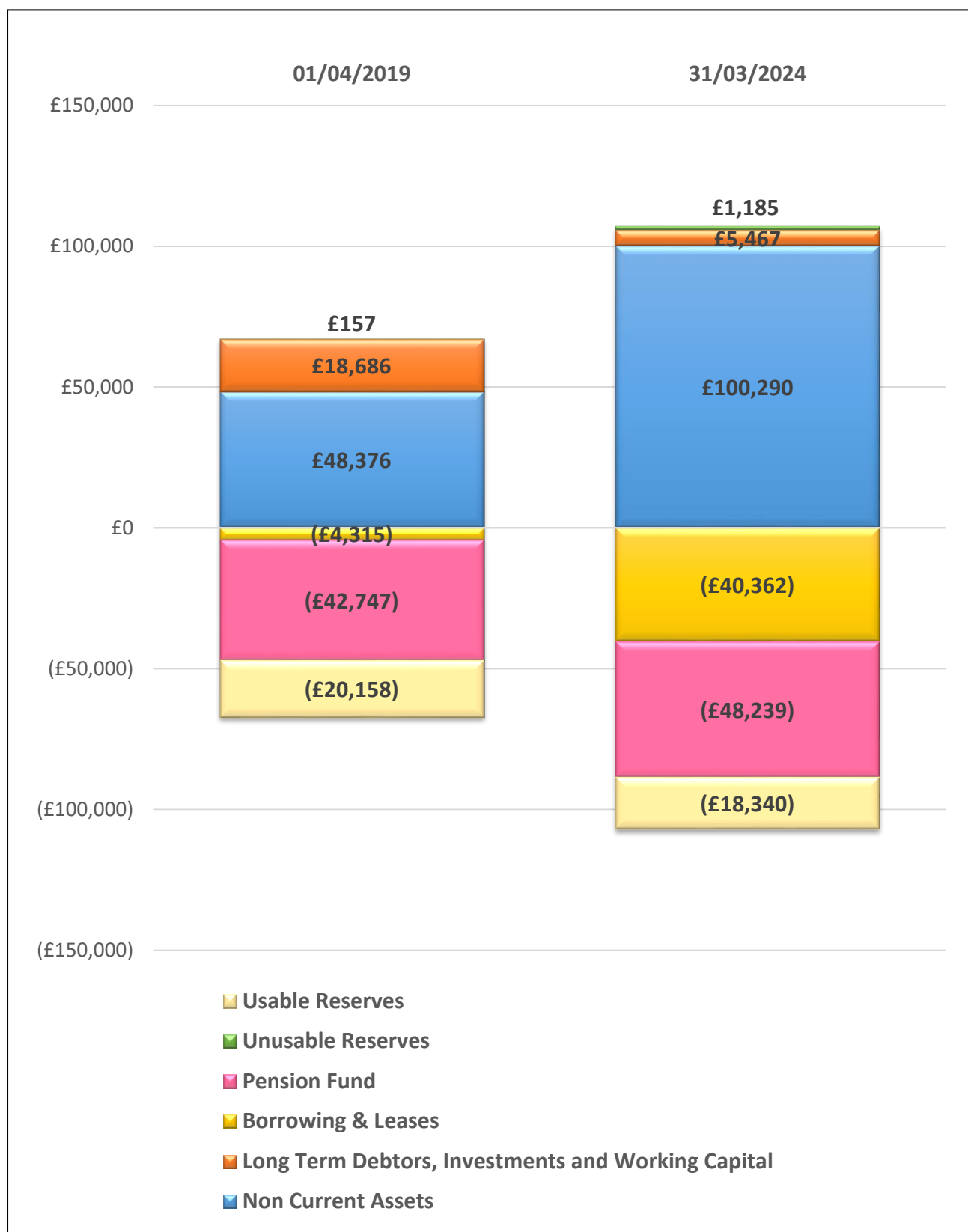
Revenue Implications	2019/20 £000	2020/21 £000	2021/22 £000	2022/23 £000	2023/24 £000	Total £000
<u>Approved Budgets</u>						
Investment in Property	0	(56)	(180)	(303)	(427)	(966)
Interest on Loan to the LA Company	0	(4)	(18)	(22)	(22)	(66)
Leisure Outsourcing	(57)	(58)	(61)	(63)	(63)	(302)
Friary Grange - Refurbishment	33	135	135	135	135	573
Digital Strategy	50	(30)	(100)	(150)	(150)	(380)
Approved Budget	26	(13)	(224)	(403)	(527)	(1,141)
<u>Capital Programme</u>						
Revenue Implications of Bids	0	78	68	79	37	262
Property - Internal Borrowing	0	(31)	(98)	(164)	(231)	(524)
Revenue Budget	0	182	0	0	213	395
Changes to Approved Budget	0	229	(30)	(85)	19	133
Capital Programme	26	216	(254)	(488)	(508)	(1,008)

2.11. Capital Programme are shown in the table below:

Capital Receipts	2019/20 £000	2020/21 £000	2021/22 £000	2022/23 £000	2023/24 £000	Total £000
Opening Balance	(2,004)	(2,259)	(1,394)	(890)	(341)	(2,004)
Guardian House Covenant	(320)					(320)
Sale of Beacon Cottage	(368)					(368)
Sale of land at Netherstowe and Leyfields		(527)				(527)
Right to Buy Receipts	(157)					(157)
Other Receipts	(10)	(10)	(10)	(10)	(11)	(51)
Utilised in Year	600	1,402	514	559	352	3,427
Closing Balance	(2,259)	(1,394)	(890)	(341)	0	0

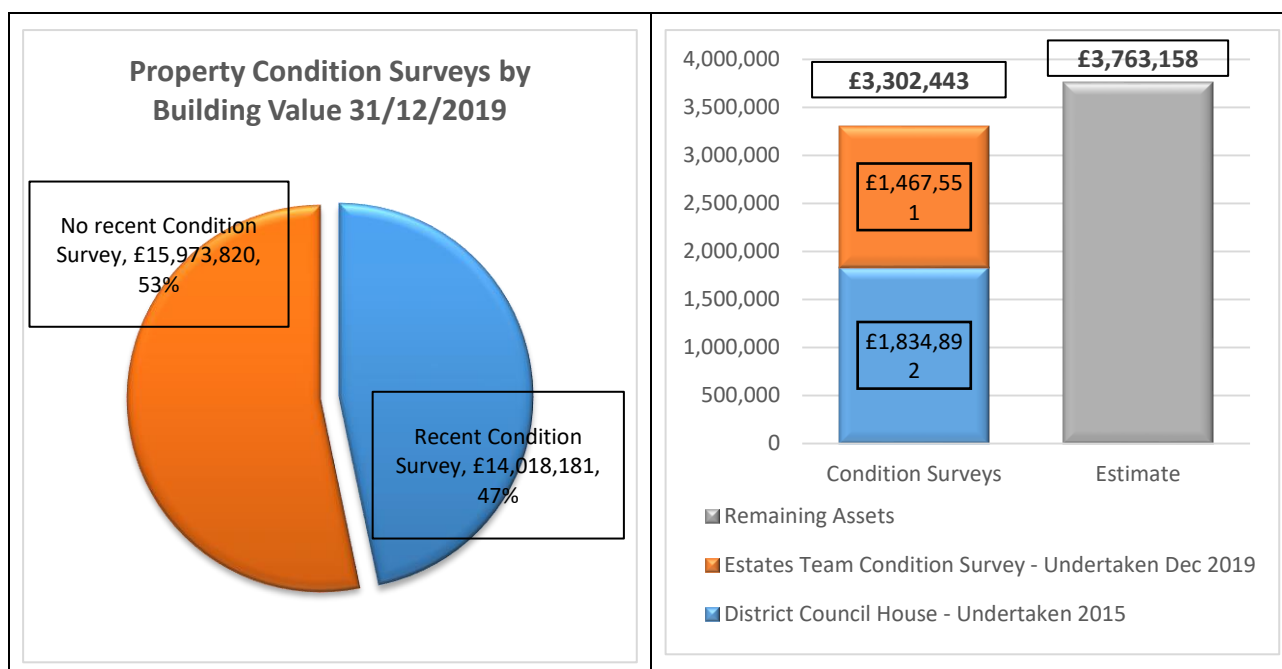
3. The Balance Sheet (in £000s)

- 3.1. The Capital Programme and its funding will significantly impact on the Council's Balance Sheet through investment in property funded by borrowing:

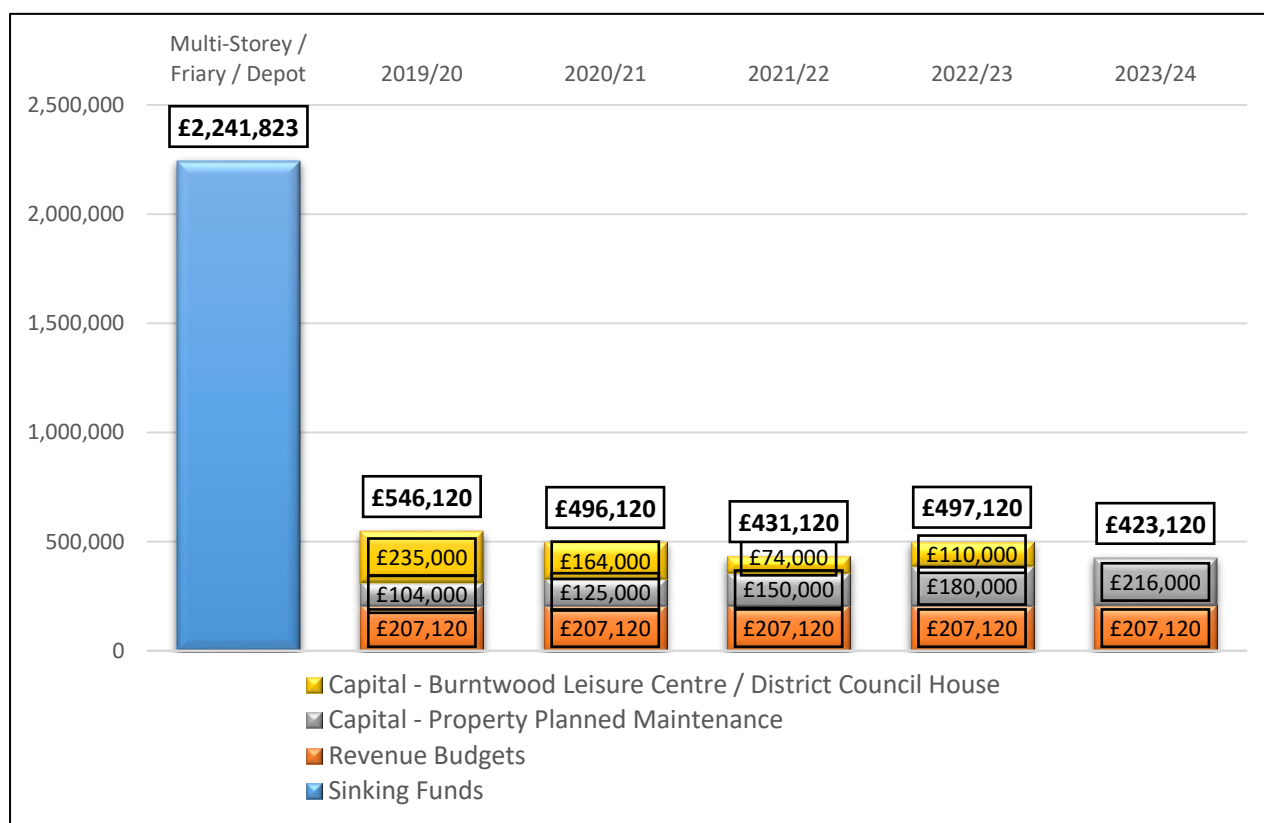


4. Asset Management Planning

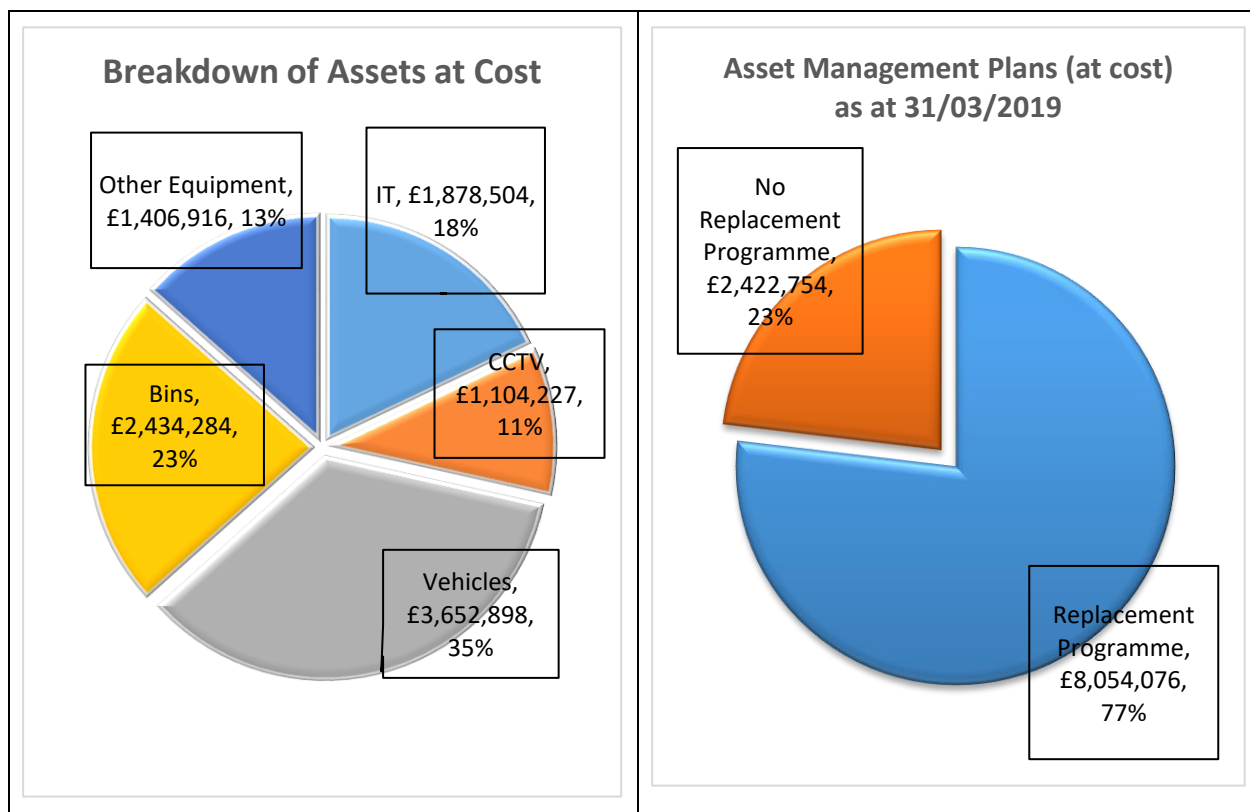
- 4.1. The Estates Team is currently in the process of undertaking Property Condition Surveys for Property Assets owned by the Council.
- 4.2. Property assets with recent Property Condition Surveys and the backlog maintenance identified plus a projection for all property assets is shown below:



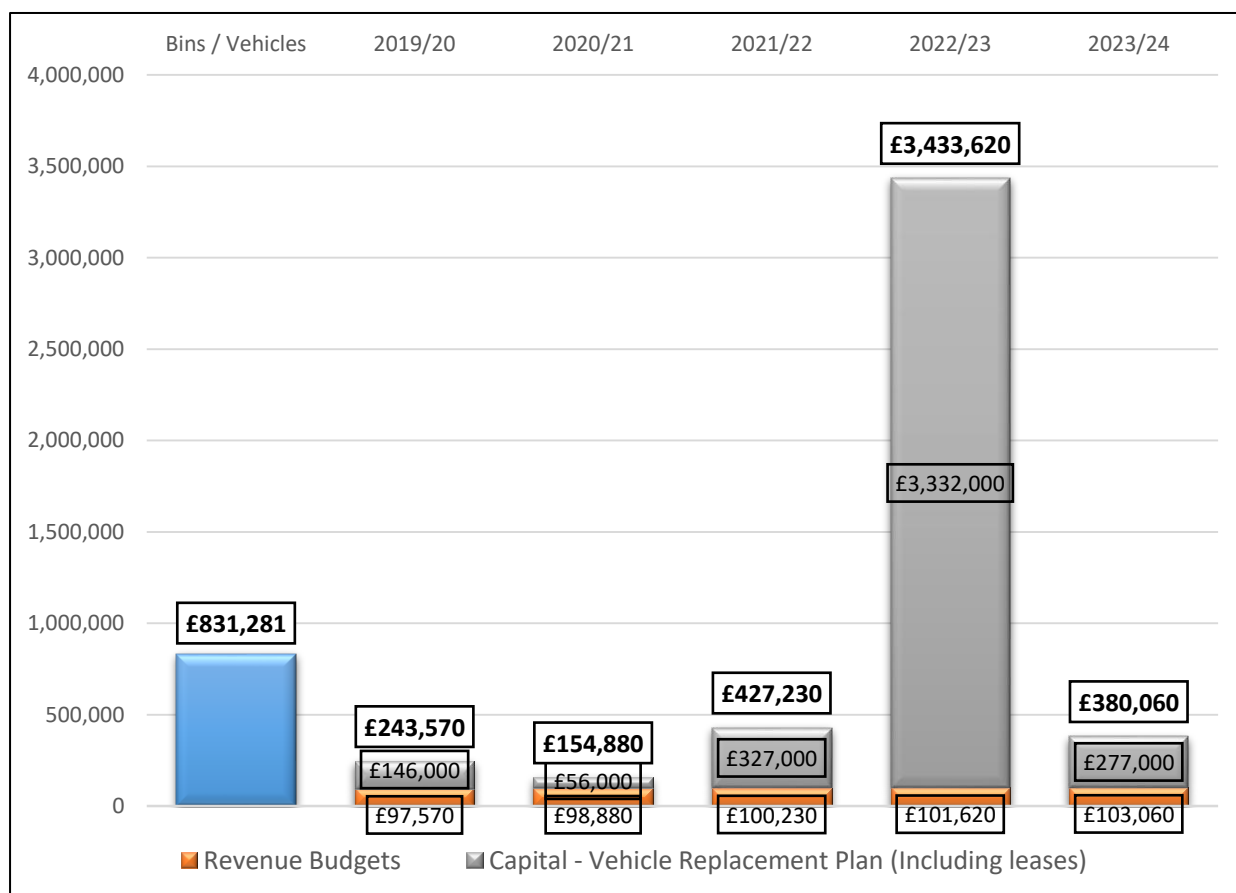
- 4.3. The resources identified for enhancement and maintenance of property assets are:



4.4. The Asset Management Plans in place for vehicles, plant and equipment assets are:



4.5. The resources identified for replacement and maintenance of vehicles, plant and equipment are:



5. Investment in Property

- 5.1. The Council is committed to investing in land and property to shape places, enable regeneration, enhance communities, grow the economy, meet local housing needs and thereby deliver its strategic objectives whilst also providing opportunities to realise an ongoing source of income. For this reason, the council approved an investment fund of £45m to invest in land and property assets across the district.
- 5.2. The Council must give due consideration to the drivers for investment (below), along with the guidance from CIPFA and the Ministry of Housing, Communities and Local Government. The latter is a clear steer to look at investments as listed below, where yield is the last consideration after security and liquidity, so that a focus on the potential return on investment does not hamper the need for appropriate due diligence and assessment of risk.
1. **Security** – ensure capital sums are largely protected from loss.
 2. **Liquidity** – ensure money is available when required to meet ongoing needs.
 3. **Yield** – ensure there is a viable and sustainable return on investment.
- 5.3. To ensure the maximum number of benefits are achieved, that public perception is considered and that management cost are optimised, the following principles have been selected by the Council to govern any decisions made on property investment;
- **Diversified** – property investment will be diversified to broaden the portfolio and so reduce the risk, with a focus given to particular groups, such as housing and offices, when justification is clear and evidenced.
 - **Local** – property will be within the District of Lichfield, or within the functional economic geography. It should be close enough to allow it to be effectively managed and maintained, as well as being appealing to tenants or purchasers now and in the future.
 - **Profitable** – property investment will provide a return on investment, either through lettings or sales. The yield on the property should exceed the ongoing costs for management, maintenance and borrowing, while considering the full costs of acquisition or development (e.g. Stamp Duty, legal fees, external valuations and structural surveys). To ensure these principles are considered in each case any decision to invest will be supported by the introduction of an assessment methodology, considering the key aspects of the property, such as; location, tenancy strength, tenure, lease length, repairing terms and size. This could be done through an assessment matrix, which would provide a level of assurance and objectivity to decision making.
 - **Prudent** – property investment will be appropriately risk assessed. Where acquisition is being considered, the current tenancy should offer some security in relation to the length of tenure, strength of the covenant and ongoing viability of the tenant. Where development is being considered, likely tenancies and pre-lets would need to be leveraged to support any financial assessment.
 - **Sustainable** – property investment decisions will support the council to reduce the impact it has on the environment. Property acquisitions will consider the environmental impact of either the property or the nature of the businesses who will utilise it. In addition, when undertaking development the council will seek to adopt sustainable forms of construction wherever feasible and practicable.

- **Strategic** – property investment should be for the long-term and be regularly rebalanced to support our strategic priorities as well as being acceptable to our community.

5.4. Investment, including property acquisitions and development, always attracts a level of risk and higher returns are often associated with higher risks. This is one of the reasons for every decision to be appropriately risk assessed, while the overall portfolio should be adequately managed to reduce the risk attached to it.

5.5. Risk will come from a number of factors, including;

- **Customer** – reputational damage from resident perception of investment.
- **Economic** – periods of rental decline or lack of income, the costs of maintaining the property and falls in property values in a recessionary environment, certain property market segments or certain geographical areas becoming less attractive than others
- **Legislative** – changes to ownership, investment or borrowing legislation.
- **Political** – changes to national government or local priorities
- **Tenant** - in the form of default/insolvency, resulting in loss of rental income and voids

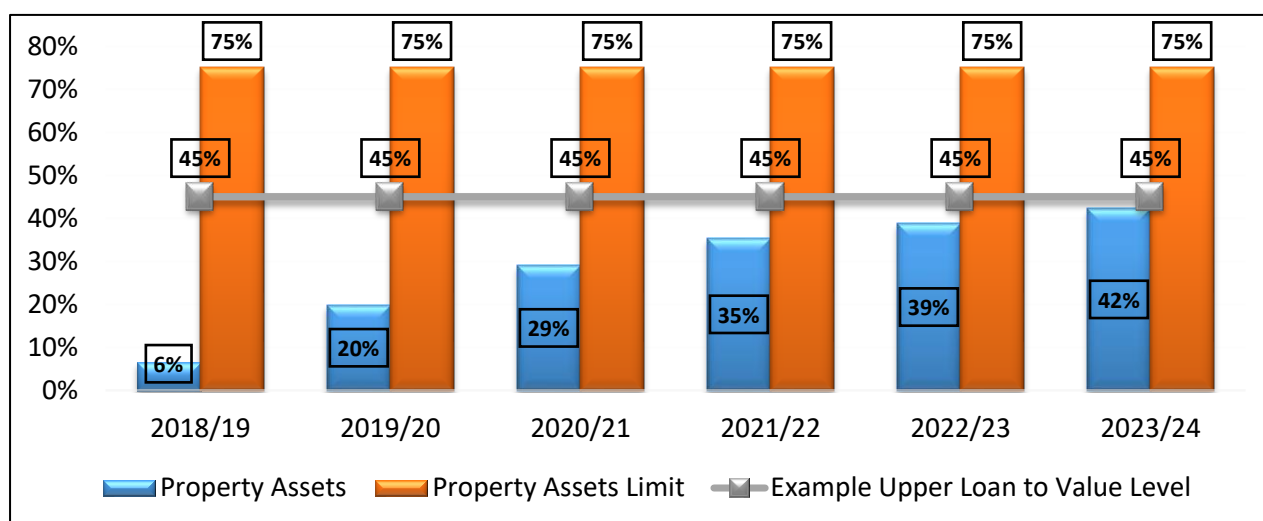
5.6. Ongoing risk, will be managed through standard risk management policies and procedures, ensuring appropriate transparency and challenge.

5.7. Investment in property will predominantly be funded through borrowing, however other funding routes will be considered where it would support the affordability of the investment being proposed and the non-financial benefits it would offer.

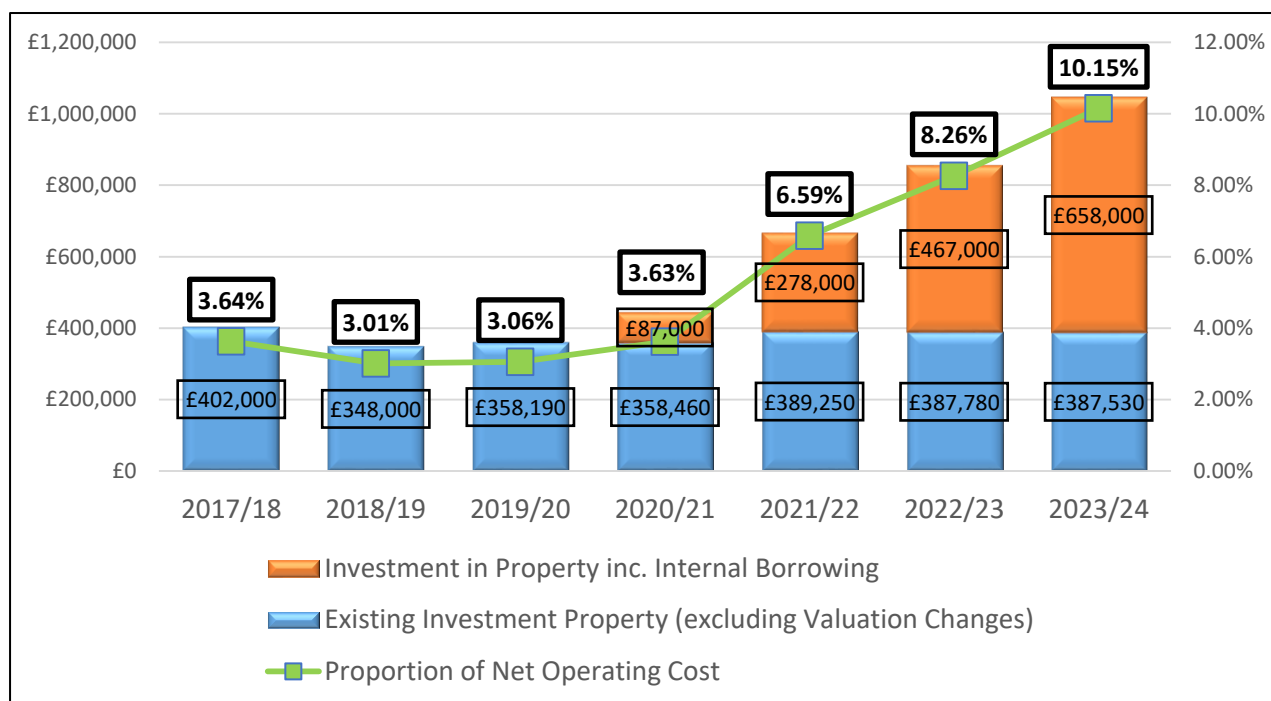
5.8. The level of property value funded by borrowing is known as gearing and in the private sector is measured as the loan to value (LTV) ratio. The private sector will set a maximum loan to value range for property typically **35% to 45%** to manage the risk that the loans outstanding are unable to adapt to changing asset strategy or property value. This will be evident in a recession where typically property values reduce and loans therefore can exceed property value (known as negative equity).

5.9. A negative equity scenario can make it difficult to rebalance the portfolio through disposals due to the existing loan repayments that will still need to be paid whilst income is no longer received.

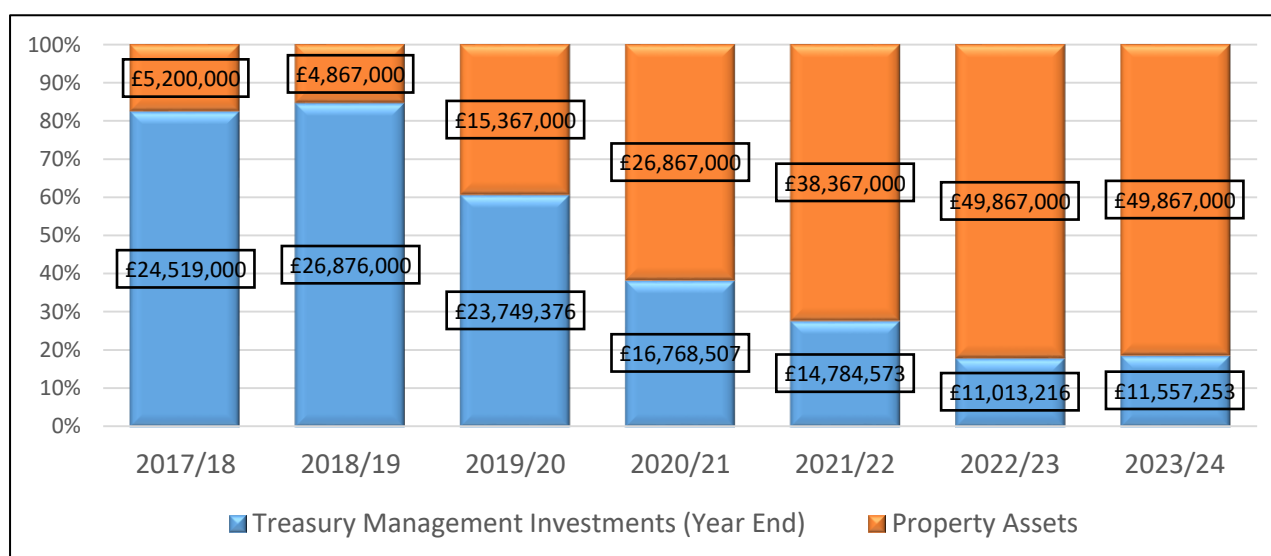
5.10. The projected gearing ratio and an example upper loan to value limit from a property investment company is shown below:



5.11. The Revenue Budget supported by income (including the savings from Internal Borrowing) is:



5.12. The ratio of Treasury Management Investments to relevant Property Investments is shown below:



5.13. The Council has a joint venture partnership with PSP for property, established in 2016/17, and Lichfield Housing Limited (a Local Authority Trading Company) was incorporated in September 2019 with an aim to deliver development and housing ambitions.

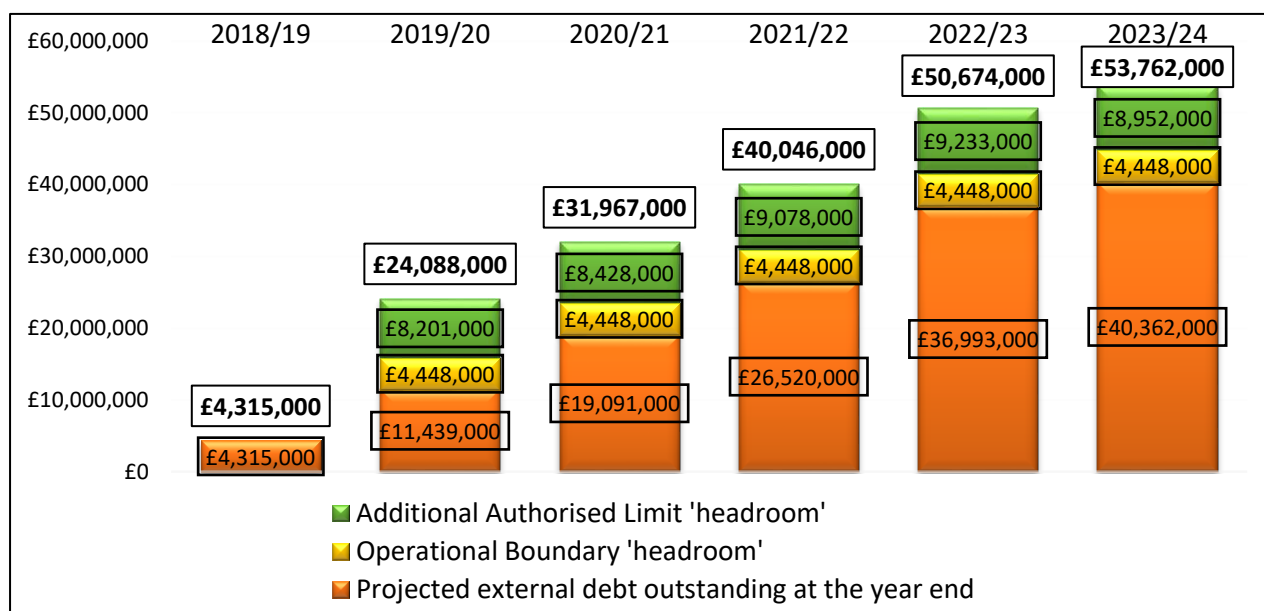
5.14. The Capital Programme includes an equity investment of **£225,000** in 2019/20 and a loan of up to **£675,000** in 2020/21 for a period of **5 years** to facilitate housing development.

5.15. The loan to the Company will produce an income stream at **4%** from the company and the loan repayment will be treated as a capital receipt in 2024/25 in the Medium Term Financial Strategy. At present, no dividend income is assumed to be received from the Company.

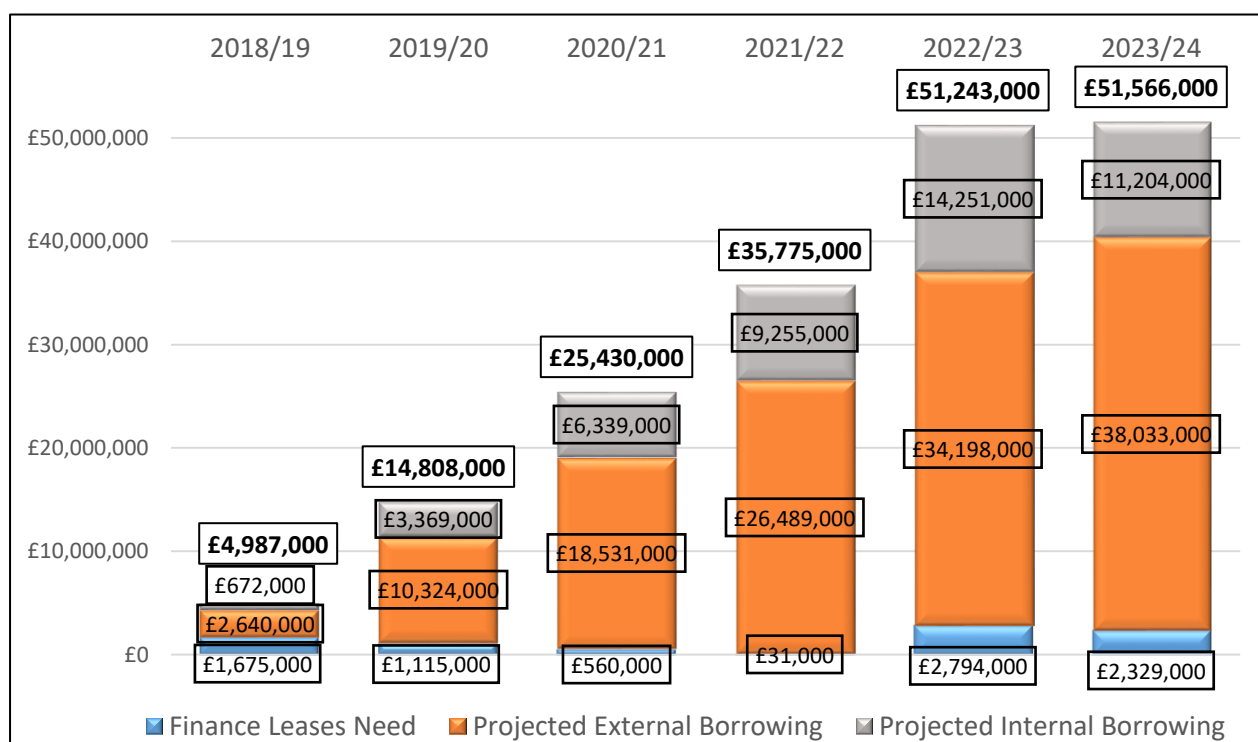
5.16. The investment rate of return (net of all costs) is forecast to be **9.38%** for 2020/21.

6. Debt Management

- 6.1. At 31 March 2019 the Council had a relatively low level of debt outstanding of **£4.315m**. The Investment in Property and the renewal of the waste fleet will mean external debt is projected to increase to **£40.362m** by 31 March 2024.
- 6.2. The Council is managing its debt through setting Prudential Indicators, related to the statutory maximum, known as the **Authorised Limit** and **Operational Boundary** as shown below:

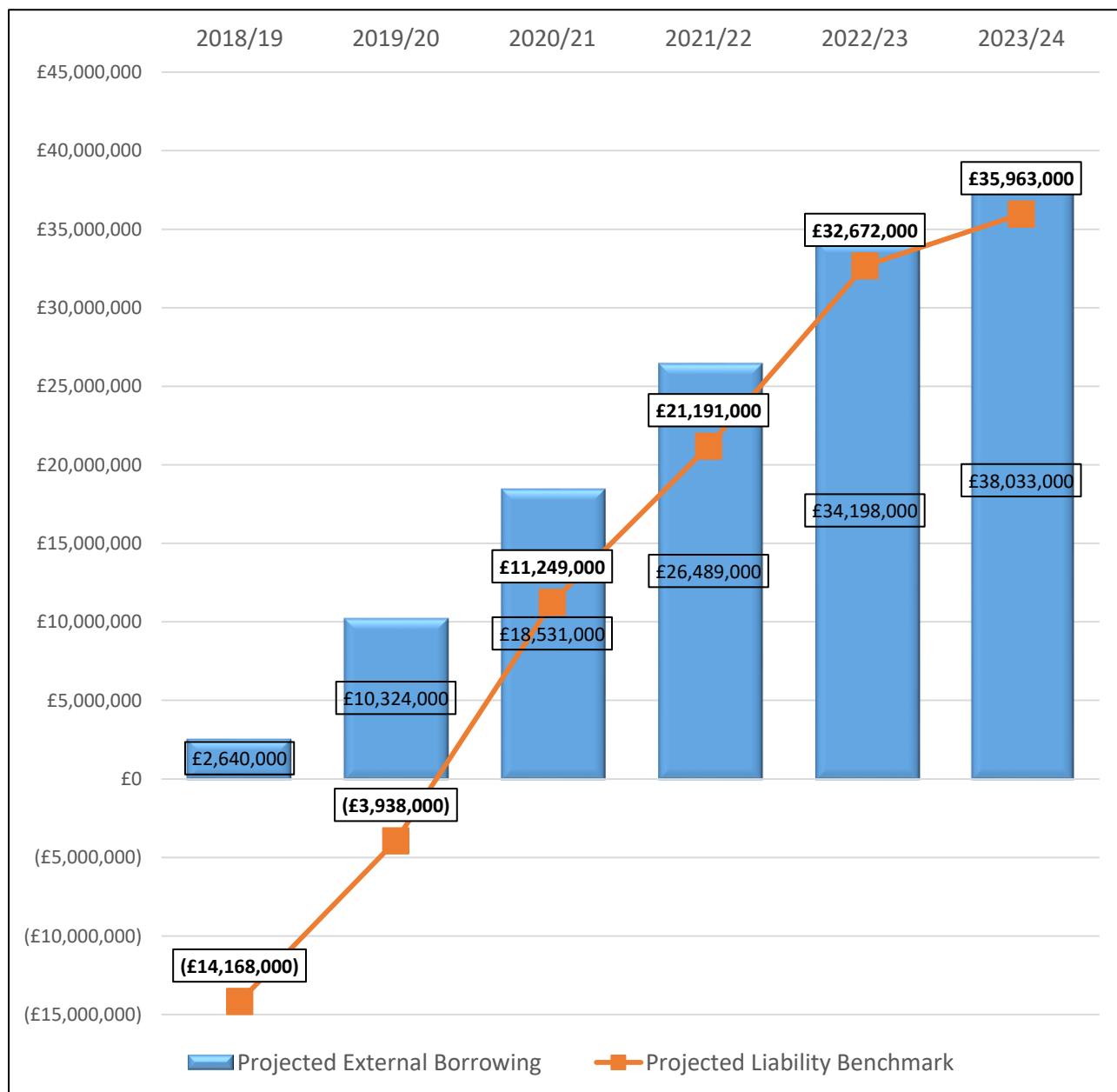


- 6.3. The projected **Capital Financing Requirement** or borrowing need (the total for each column), **external debt** (finance leases and external borrowing) and **internal borrowing** is shown below:



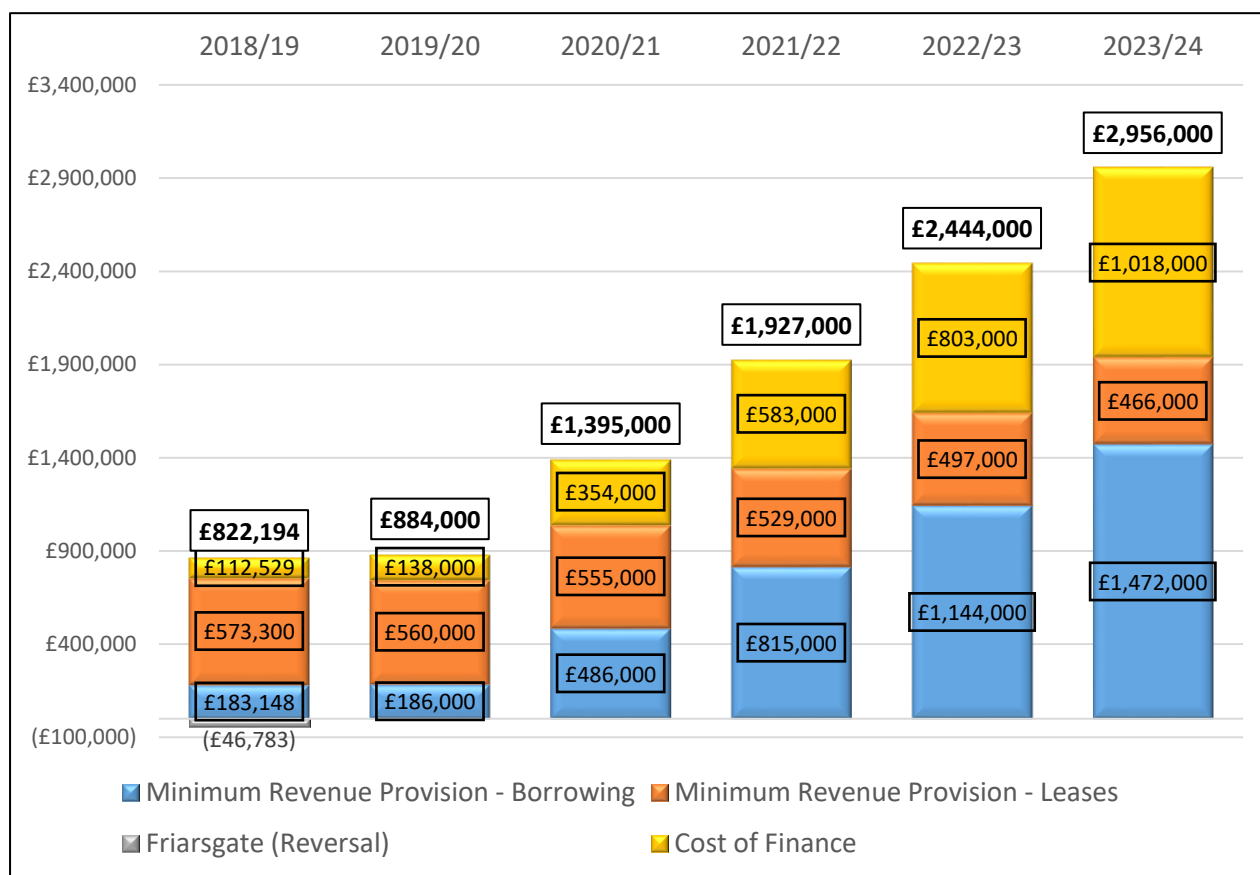
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- 6.4. The **liability benchmark** is the lowest risk level of external borrowing by keeping cash and investment balances to a minimum level of **£10m** at each year end to maintain liquidity but minimise credit risk.
- 6.5. The projected level of external borrowing, together with the projected liability benchmark in the Medium Term Financial Strategy, is shown in the chart below:

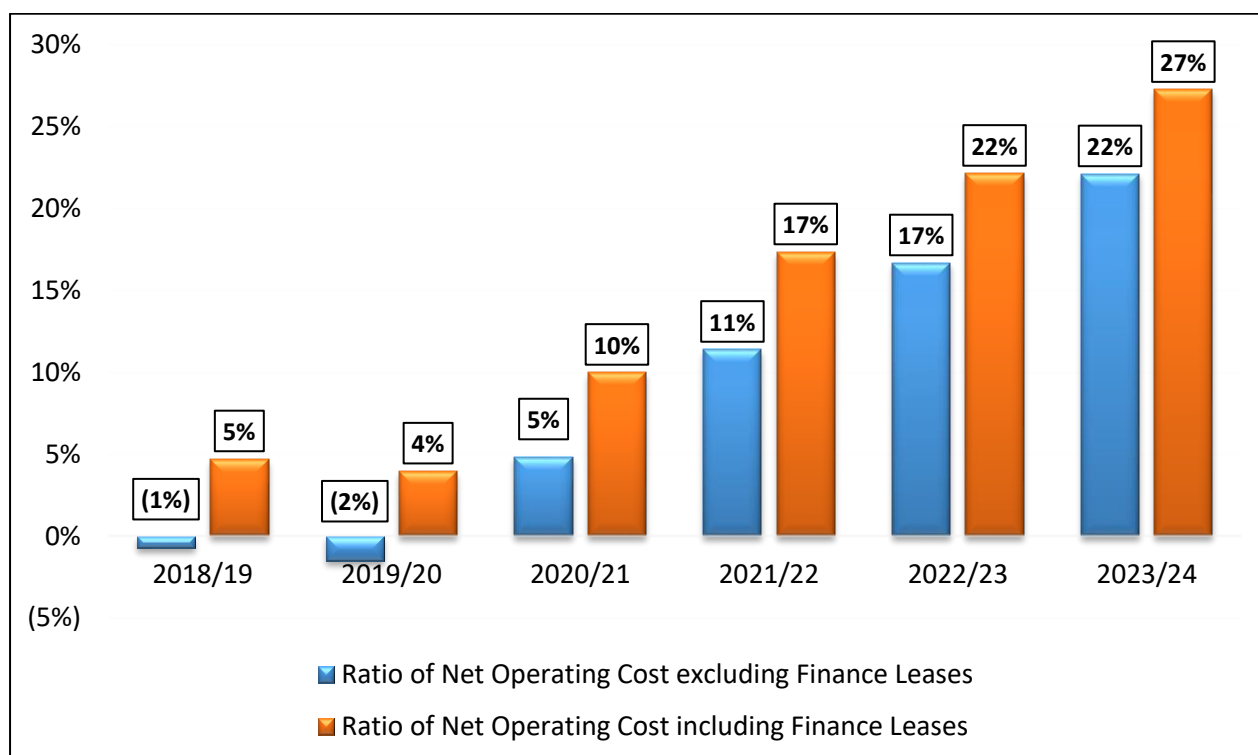


- 6.6. The chart above indicates that, based on current Balance Sheet projections and funding **£11m** of Investment in Property through Internal Borrowing, the Council's projected External Borrowing from 2022/23 will be closer to the liability benchmark.

6.7. The level of debt determines the cost of debt servicing (Minimum Revenue Provision which is similar to depreciation with asset cost divided by assessed asset life plus the cost of finance):



6.8. The proportion of the net budget allocated to financing costs (net of investment income) is below:



7. Financial Guarantees

- 7.1. In addition to the debt projections shown above, in relation to external borrowing and finance leases, the Council also acts as a guarantor for an admitted body that delivers services on behalf of the Council.
- 7.2. In the event that it is probable that these guarantees will be required a financial provision would be created to mitigate the risk. The guarantees identified in the Statement of Accounts under the Contingent Liabilities note are:
 - **The Lichfield Garrick** – the guarantee relates to the pensions of transferred employees and at 31 March 2019 the risk of default was assessed as less than **1%** and therefore the financial risk to the Council is **£4,250**.
 - **Freedom Leisure** - the guarantee relates to the pensions of transferred employees and at 31 March 2019 the risk of default was assessed as less than **1%** and therefore the financial risk to the Council is **£85,750**. Freedom Leisure have been admitted to the Pension Fund using a 'pass through' agreement where the Council bears all market related risks such as investment returns. The Pension Fund actuary assessed a market related bond to manage these risks to be **£677,000**. The Council agreed to the creation of an earmarked reserve, projected to total **£267,080** (£33,390 at 31 March 2019) at the end of the ten year contract period, from the leisure outsourcing savings with any additional sum to be provided by General Reserves.
- 7.3. These guarantees are assessed throughout the year, in terms of the financial viability of the organisations for which the guarantee is provided, to determine whether a financial provision will need to be created.

8. The Authority's Risk Appetite, Knowledge and Skills

- 8.1. The Council's risk appetite, along with the majority of Local Government, is increasing due to the need to offset funding reductions from Central Government with income from alternative and commercial sources.
- 8.2. The Council employs professionally qualified and experienced staff in senior positions with responsibility for making capital expenditure, borrowing and investment decisions. For example, the Head of Finance and Procurement is a qualified accountant with 30 years' experience, the Council has recruited a new Estates Team to optimise the management of existing property and support the future investment in land and property. The Council pays for junior staff to study towards relevant professional qualifications including CIPFA and the Association of Accounting Technicians.
- 8.3. Where Council staff do not have the knowledge and skills required, use is made of external advisers and consultants that are specialists in their field. The Council currently employs Arlingclose Limited as treasury management advisers and has access to property professionals through the Estates Team and the PSP joint venture. This approach is more cost effective than employing such staff directly, and ensures that the Council has access to knowledge and skills commensurate with its risk appetite.
- 8.4. The Council does not plan to utilise the flexible use of capital receipts for transformation projects.

9. Prudential and Local Indicators

9.1. The Prudential and Local Indicators in relation to the Capital Strategy are shown below:

Prudential Indicators							
Indicators	2018/19 Actual	2019/20 Original	2019/20 Revised	2020/21 Original	2021/22 Original	2022/23 Original	2023/24 Original
Capital Investment							
Capital Expenditure (£m)	£4.910	£11.618	£15.659	£17.751	£13.636	£18.821	£4.051
Capital Financing Requirement (£m)	£4.987	£10.301	£14.809	£25.432	£35.777	£51.245	£51.567
Gross Debt and the Capital Financing Requirement							
Gross Debt	(£4.315)	(£9.598)	(£11.439)	(£19.091)	(£26.520)	(£36.993)	(£40.362)
Borrowing in Advance - Gross Debt in excess of the Capital Financing Requirement	No	No	No	No	No	No	No
Total Debt							
Authorised Limit (£m)	£3.991	£21.598	£23.473	£31.906	£40.515	£48.379	£51.933
Operational Boundary (£m)	£3.991	£13.006	£14.881	£23.088	£31.046	£38.755	£42.590
Proportion of Financing Costs to Net Revenue Stream (%)	5%	6%	4%	10%	17%	22%	27%

Local Indicators							
Indicators	2018/19 Actual	2019/20 Original	2019/20 Revised	2020/21 Original	2021/22 Original	2022/23 Original	2023/24 Original
Replacement of Debt Finance or MRP (£m)	(£0.709)	(£0.720)	(£0.746)	(£1.041)	(£1.344)	(£1.641)	(£1.938)
Capital Receipts (£m)	(£0.760)	(£1.056)	(£0.855)	(£0.537)	(£0.010)	(£0.010)	(£0.011)
Liability Benchmark (£m)	£14.168	£5.017	£3.938	(£11.249)	(£21.191)	(£32.672)	(£35.963)
Treasury Management Investments (£m)	£26.876	£23.689	£23.749	£16.769	£14.785	£11.013	£11.557

10. Chief Finance Officer Assessment of the Capital Strategy

10.1. The key risks associated with the Capital Strategy are principally related to the Investment in Property and its funding given this is planned to be funded through borrowing. I have assessed the current overall risk as **81** out of **144** based on the following factors:

	Likelihood	Impact	2020/21	2019/20
Minimum			0	0
Capital Strategy				
Slippage Occurs in the Capital Spend	4	2	8	8
Planned Capital Receipts are not received	3	4	12	12
Actual Cash flows differ from planned Cash flows	2	2	4	4
Investment in Property				
Slippage Occurs in the Capital Spend	4	2	8	8
Change of Government policy including regulatory change	3	4	12	8
The form of exit from the EU adversely impacts on the UK economy including the Property Market and Borrowing Costs	3	4	12	12
There is a cyclical 'downturn' in the wider markets	3	3	9	9
Insufficient expertise to Invest in Property	1	4	4	12
Inability to acquire or dispose of assets due to good opportunities not being identified	3	4	12	12
Assessed Level of Risk			81	85
Maximum			144	144

Capital Programme

Project	Capital Programme (R=>500k, A=250k to 500k and G=<250k)						
	2019/20 £000	2020/21 £000	2021/22 £000	2022/23 £000	2023/24 £000	Total £000	Corporate
Leisure Review: Capital Investment	30	0	0	0	0	30	0
Play Equipment at Hill Ridware Village Hall	30	0	0	0	0	30	0
New Build Parish Office/Community Hub	0	92	0	0	0	92	0
Fradley Village Heating & CCTV	5	0	0	0	0	5	0
Fradley Youth & Community Centre Cladding	15	0	0	0	0	15	0
Armitage with Handsacre Village Hall heating	5	0	0	0	0	5	0
Armitage with Handsacre Village Hall storage	0	6	0	0	0	6	0
Improvement of Armitage War Memorial	0	120	0	0	0	120	0
Replacement of canopy and artificial grass	13	0	0	0	0	13	0
Burntwood LC CHP Unit	235	0	0	0	0	235	0
Westgate Practice Refurbishment	120	0	0	0	0	120	0
King Edwards VI School	101	0	0	0	0	101	0
Friary Grange - Short Term Refurbishment	174	521	0	0	0	695	0
Replacement Leisure Centre	38	164	189	2,349	2,260	5,000	0
St. Stephen's School, Fradley	22	0	0	0	0	22	0
Accessible Homes (Disabled Facilities Grants)	1,200	1,698	950	950	950	5,748	396
Home Repair Assistance Grants	28	15	15	15	15	88	0
Decent Homes Standard	0	172	0	0	0	172	0
Energy Insulation Programme	38	10	10	10	10	78	0
DCLG Monies	0	212	0	0	0	212	0
Unallocated S106 Affordable Housing Monies	270	414	0	0	0	684	0
Enabling People Total	2,324	3,424	1,164	3,324	3,235	13,471	396
Darnford Park (S106)	0	13	0	0	0	13	0
Canal Towpath (Brereton & Ravenhill)	211	0	0	0	0	211	0
Loan to Council Dev Co.	0	675	0	0	0	675	116
Lichfield St Johns Community Link (CIL)	0	35	0	0	0	35	0
Staffordshire Countryside Explorer (CIL)	0	44	0	0	0	44	0
Equity in Council Dev Co.	225	0	0	0	0	225	0
Vehicle Replacement Programme (Waste)	0	0	0	3,190	75	3,265	75
Vehicle Replacement Programme (Other)	146	56	327	142	202	873	57
Bin Purchase	150	150	150	150	150	750	0
Shortbutts Park, Lichfield	23	0	0	0	0	23	20
Env. Improvements - Upper St John St	7	0	0	0	0	7	0
Stowe Pool Improvements	0	50	0	0	0	50	5
The Leomansley Area Improvement Project	3	0	0	0	0	3	0
Cannock Chase SAC	44	22	25	0	0	91	0
Shaping Place Total	809	1,045	502	3,482	427	6,265	273
Multi Storey Car Park Refurbishment Project	300	0	0	0	0	300	0
Birmingham Road Site - Coach Park	861	625	0	0	0	1,486	418
Birmingham Road Site - Short Term Use	473	0	0	0	0	473	0
Car Parks Variable Message Signing	32	0	0	0	0	32	0
Old Mining College - Refurbish access	13	0	0	0	0	13	0
Erasmus Darwin Lunar Legacy (Lichfield Art)	3	0	0	0	0	3	3
St. Chads Sculpture (Lichfield City Art Fund)	50	0	0	0	0	50	50
Developing Prosperity Total	1,732	625	0	0	0	2,357	471
Investment in Property	10,500	11,500	11,500	11,500	0	45,000	0
Property Planned Maintenance	104	125	150	180	215	774	774

Project	Capital Programme (R=>500k, A=250k to 500k and G=<250k)						
	2019/20 £000	2020/21 £000	2021/22 £000	2022/23 £000	2023/24 £000	Total £000	Corporate
Depot Sinking Fund	0	11	0	0	0	11	11
New Financial Information System	0	250	0	0	0	250	250
IT Infrastructure	105	55	35	15	0	210	210
IT Cloud	25	100	0	0	0	125	125
IT Innovation	60	250	50	50	0	410	305
IT Hardware	0	202	161	160	174	697	697
District Council House Repair Programme	0	164	74	110	0	348	310
A Good Council Total	10,794	12,657	11,970	12,015	389	47,825	2,682
Capital Programme	15,659	17,751	13,636	18,821	4,051	69,918	3,822

Funding Source	Capital Programme					
	2019/20 £000	2020/21 £000	2021/22 £000	2022/23 £000	2023/24 £000	Total £000
Capital Receipts	547	1,402	514	559	352	3,374
Capital Receipts - Statue	53	0	0	0	0	53
Revenue - Corporate	0	182	0	0	213	395
Corporate Council Funding	600	1,584	514	559	565	3,822
Grant	1,266	2,343	931	931	931	6,402
Section 106	673	865	25	0	0	1,563
CIL	221	79	0	0	0	300
Reserves	1,946	1,066	327	72	145	3,556
Revenue (Joint Waste Service)	150	150	150	150	150	750
Sinking Fund	235	0	0	0	0	235
Leases	0	0	0	3,260	0	3,260
Total	5,091	6,087	1,947	4,972	1,791	19,888
Borrowing Need	10,568	11,664	11,689	13,849	2,260	50,030
Funding Total	15,659	17,751	13,636	18,821	4,051	69,918

Reconciliation of Original Capital Programme to this Capital Programme

	Cabinet or Decision Date	2019/20 £000	2020/21 £000	2021/22 £000	2022/23 £000	2023/24 £000	Total £000
Original Budget Council 19/02/2019		11,618	14,909	14,466	17,250	0	58,243
<u>Approved Changes</u>							
Allocation of Community Infrastructure Levy	12/03/2019	255	45				300
Multi Storey Car Park Refurbishment	12/03/2019	300					300
Slippage from 2018/19	13/06/2019	819					819
Quarter 1 Money Matters	10/09/2019	(805)	333				(472)
Birmingham Road Enabling Works	10/09/2019	120					120
St. Stephen's School (£106)	24/10/2019	22					22
Quarter 2 Money Matters	03/12/2019	(1,664)	1,664				0
8 Months Money Matters	11/02/2020	4,183	(1,109)	(1,500)	(1,500)		74
<u>Friary Grange Leisure Centre</u>							
Replacement Facility	07/10/2019	38	164	189	2,349	2,260	5,000
Short Term Refurbishment	07/10/2019	174	521				695
<u>Capital Bids Received - 21/11/2019</u>							
Vehicle Replacement Programme (score 80)	Medium Term Financial Strategy	(280)	(103)	20	232	277	146
Property Planned Maintenance (score 72)		104	125	150	180	215	774
Disabled Facilities Grants (score 68)						950	950
New Financial Information System (score 65)			250				250
ICT Hardware (score 59)			202	161	160	174	697
Coach Park - Acquisition (score 55)		50					50
Coach Park - Works (score 55)		575	625				1,200
<u>Capital Bids fully funded by Revenue or External</u>							
Joint Waste Service Bin Purchase (score 84)		150	150	150	150	150	750
Energy Insulation Programme (score 68)			(10)			10	0
Home Repair Assistance Grants (score 60)			(15)			15	0
Capital Programme		15,659	17,751	13,636	18,821	4,051	69,918

Minimum Revenue Provision Statement 2020/21

Where the Authority finances capital expenditure by debt, it must put aside resources to repay that debt in later years. The amount charged to the revenue budget for the repayment of debt is known as Minimum Revenue Provision (MRP). Although there has been no statutory minimum since 2008. The Local Government Act 2003 requires this Authority to have regard to the Ministry of Housing, Communities and Local Government's (MHCLG) guidance on MRP most recently issued in 2018.

The broad aim of the MHCLG Guidance is to ensure that debt is repaid over the period that is reasonably commensurate with that over which the capital expenditure provides benefits.

The MHCLG Guidance requires the Authority to approve an annual MRP Statement each year, and recommends a number of options for calculating a prudent amount of MRP.

- For capital expenditure incurred after 1 April 2008 where no financial support is provided by the Government through the Finance Settlement, MRP will be determined by charging the expenditure over the expected useful life of the relevant asset in equal instalments. MRP on purchases of **freehold land** will be charged over a maximum of **50 years**. MRP on expenditure not related to assets but that has been **capitalised by regulation or direction** (Revenue Expenditure Funded by Capital under Statute or REFCUS) will be charged over a maximum of **20 years**.
- For assets acquired by **finance leases**, MRP will be determined as being equal to the **element of the charge that is used to reduce the Balance Sheet liability**.
- For **capital expenditure loans to third parties that are repaid** in annual or more frequent instalments of principal, the Council will make **nil MRP**, but instead apply the capital receipts arising to reduce the Capital Financing Requirement or Borrowing Need. In years where there is no principal repayment, MRP will be charged in accordance with the MRP policy for the assets funded by the loan, including where appropriate delaying the MRP until the year after the assets become operational.

Treasury Management

Introduction

Treasury management is the management of the Authority's cash flows, borrowing and investments, and the associated risks. The Authority has invested and is planning to borrow substantial sums of money and is therefore exposed to financial risks including the loss of invested funds and the revenue effect of changing interest rates. The successful identification, monitoring and control of financial risks are therefore central to the Authority's prudent financial management.

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

Investments held for service purposes or for commercial profit are considered in a different report, the Investment Strategy.

As part of the MTFs, we prepare integrated Revenue Budgets and a Capital Programme. These budgets, together with the actual Balance Sheet from the previous financial year, are used to also prepare Balance Sheet projections. These Balance Sheet Projections are shown on the next page.

These Balance Sheet projections are significant in assessing the Council's Treasury Management Position in terms of borrowing requirement (including comparison to a **Liability Benchmark** explained below), investment levels and our Investment Policy and Strategy.

A Liability benchmark compares the Council's actual borrowing against an alternative strategy, a liability benchmark has been calculated showing the lowest risk level of borrowing. This assumes the same forecasts as used in the Balance Sheet projections, but that cash and investment balances are kept to a minimum level (**£10m**) to maintain sufficient liquidity but minimise credit risk through the use of Internal Borrowing.

CIPFA's *Prudential Code for Capital Finance in Local Authorities* recommends that the Authority's total debt should be lower than its highest forecast Capital Financing Requirement (CFR) or Borrowing Need over the next three years. The table shows that the Authority expects to comply with this recommendation.

	2018/19 £000	2019/20 £000	2020/21 £000	2021/22 £000	2022/23 £000	2023/24 £000
Capital Financing Requirement (Borrowing)	£3,312	£13,694	£24,872	£35,746	£48,451	£49,238
Capital Financing Requirement (Finance Leases)	£1,675	£1,115	£560	£31	£2,794	£2,329
Total	£4,987	£14,809	£25,432	£35,777	£51,245	£51,567

External Borrowing	(£2,640)	(£10,324)	(£18,531)	(£26,489)	(£34,198)	(£38,033)
Finance Leases	(£1,675)	(£1,115)	(£560)	(£31)	(£2,794)	(£2,329)
Total	(£4,315)	(£11,439)	(£19,091)	(£26,520)	(£36,993)	(£40,362)

Liability Benchmark	£14,168	£3,938	(£11,249)	(£21,191)	(£32,672)	(£35,963)
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Balance Sheet Projections 2019-24

	Type	2018/19 Actual £000s	2019/20 Budget £000s	2020/21 Budget £000s	2021/22 Budget £000s	2022/23 Budget £000s	2023/24 Budget £000s	2019/24 Change £000s
Non-Current Assets	ASSET	48,376	59,743	72,087	82,938	98,999	100,290	40,547
Equity Investment in Local Authority Company	ASSET	0	225	225	225	225	225	0
Long Term Debtors	CRED	288	288	288	288	288	288	0
Long Term Investment (Company Loan)	LOAN	0	0	675	675	675	675	675
Investments	INV	26,808	23,681	16,701	14,717	10,945	11,489	(12,192)
Borrowing	BOLE	(2,640)	(10,324)	(18,531)	(26,489)	(34,198)	(38,033)	(27,710)
Finance Leases	BOLE	(1,675)	(1,115)	(561)	(32)	(2,795)	(2,329)	(1,213)
Working Capital	CRED	(8,409)	(8,095)	(7,212)	(7,212)	(7,212)	(7,212)	883
Pensions	CRED	(42,747)	(44,930)	(43,948)	(46,448)	(49,096)	(48,239)	(3,309)
TOTAL ASSETS LESS LIABILITIES		20,001²	19,474	19,725	18,663	17,832	17,154	(2,319)

<u>Unusable Reserves</u>								
Revaluation Reserve	REV	(9,419)	(9,419)	(9,419)	(9,419)	(9,419)	(9,419)	0
Capital Adjustment Account	CAP	(33,970)	(35,741)	(38,137)	(38,643)	(39,236)	(40,205)	(4,464)
Deferred Credits	CRED	(47)	(47)	(47)	(47)	(47)	(47)	0
Pension Scheme	CRED	43,621	44,930	46,278	47,666	49,096	50,569	5,639
Benefits Payable During Employment Adjustment Account	CRED	219	219	219	219	219	219	0
Collection Fund	CRED	(315)	0	0	0	0	0	0
Available for Sale Financial Instruments Reserve	CRED	68	68	68	68	68	68	0
<u>Usable Reserves</u>								
Unapplied Grants and Contributions	UGER	(2,220)	(1,817)	(994)	(969)	(944)	(919)	898
Usable Capital Receipts	UGER	(2,004)	(2,259)	(1,394)	(890)	(341)	0	2,259
Burntwood Leisure Centre Sinking Fund	UGER	(236)	0	0	0	0	0	0
Earmarked Reserves - Unrestricted	UGER	(6,591)	(5,321)	(4,352)	(4,082)	(4,175)	(4,191)	1,130
Earmarked Reserves - Restricted	UGER	(3,798)	(3,663)	(3,891)	(4,099)	(4,306)	(4,483)	(819)
General Fund Balance	GEN	(5,310)	(6,423)	(8,056)	(8,467)	(8,747)	(8,747)	(2,324)
TOTAL EQUITY		(20,001)	(19,474)	(19,725)	(18,663)	(17,832)	(17,154)	2,319

Reserves Available to cover Investment Losses	(11,901)	(11,744)	(12,408)	(12,549)	(12,922)	(12,938)	(1,194)
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<u>Summary</u>								
Capital Funding	CAP	(33,970)	(35,741)	(38,137)	(38,643)	(39,236)	(40,205)	(4,464)
Revaluation Reserve	REV	(9,419)	(9,419)	(9,419)	(9,419)	(9,419)	(9,419)	0
Borrowing and Leasing	BOLE	(4,315)	(11,439)	(19,091)	(26,520)	(36,993)	(40,362)	(28,923)
Non-Current Assets	ASSET	48,376	59,968	72,312	83,163	99,224	100,515	40,547
Investments	INV	26,876	23,749	16,769	14,785	11,013	11,557	(12,192)
Unapplied Grants & Earmarked Reserves	UGER	(14,848)	(13,060)	(10,630)	(10,039)	(9,766)	(9,592)	3,468
General Reserve	GEN	(5,310)	(6,423)	(8,056)	(8,467)	(8,747)	(8,747)	(2,324)
Long Term Debtors	DEBT	288	288	288	288	288	288	0
Long Term Investment (Company Loan)	LOAN	0	0	675	675	675	675	675
Working Capital & Pensions	CRED	(7,678)	(7,923)	(4,710)	(5,822)	(7,040)	(4,710)	3,213
Total		0	0	0	0	0	0	0
Internal Borrowing		672	3,369	6,339	9,255	14,251	11,204	7,835

<u>Liability Benchmark</u>								
Capital Financing Requirement (Borrowing)		3,312	13,468	24,645	35,519	48,224	49,012	35,545
Working Capital		(7,322)	(7,923)	(4,710)	(5,822)	(7,040)	(4,710)	3,213
Usable Reserves		(20,158)	(19,483)	(18,686)	(18,506)	(18,513)	(18,339)	1,144
Minimum Level of Investments		10,000	10,000	10,000	10,000	10,000	10,000	0
Total		(14,168)	(3,938)	11,249	21,191	32,672	35,963	39,902

² The Mid Year Treasury Management Report to Committee on 14 November 2019 showed Total Assets less Liabilities and Total Equity of £21.350m which was the figure prior to Statement of Accounts External Audit adjustments related to Pension valuations of £1.349m

Borrowing Strategy

The Authority currently projects **£10.324 million** of loans at 31 March 2020, an increase of **£7.684 million** on the previous year, as part of its strategy for funding previous years' capital programmes. The balance sheet forecast above and the Capital Programme shows that the Authority expects to borrow up to **£11.664 million** in 2020/21.

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

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

By doing so, the Authority is able to reduce net borrowing costs (despite foregone investment income) and reduce overall treasury risk. The benefits of internal borrowing will be monitored regularly against the potential for incurring additional costs by deferring borrowing into future years when long-term borrowing rates are forecast to rise modestly. Arlingclose will assist the Authority with this 'cost of carry' and breakeven analysis. Its output may determine whether the Authority borrows additional sums at long-term fixed rates in 2020/21 with a view to keeping future interest costs low, even if this causes additional cost in the short-term.

The Authority has previously raised all of its long-term borrowing from the PWLB but the government increased PWLB rates by 1% in October 2019 making it now a relatively expensive option. The Authority will now look to borrow any long-term loans from other sources including banks, pensions and local authorities, and will investigate the possibility of issuing bonds and similar instruments, in order to lower interest costs and reduce over-reliance on one source of funding in line with the CIPFA Code.

Alternatively, the Authority may arrange forward starting loans during 2019/20, where the interest rate is fixed in advance, but the cash is received in later years. This would enable certainty of cost to be achieved without suffering a cost of carry in the intervening period.

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

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

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

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

- leasing
- hire purchase
- sale and leaseback

The Authority has previously raised all of its long-term borrowing from the Public Works Loans Board (PWLB) but it continues to investigate other sources of finance, such as local authority loans and bank loans that may be available at more favourable rates.

Municipal Bonds Agency: UK Municipal Bonds Agency plc was established in 2014 by the Local Government Association as an alternative to the PWLB. It plans to issue bonds on the capital markets and lend the proceeds to local authorities. This will be a more complicated source of finance than the PWLB for two reasons: borrowing authorities will be required to provide bond investors with a guarantee to refund their investment in the event that the agency is unable to for any reason; and there will be a lead time of several months between committing to borrow and knowing the interest rate payable. Any decision to borrow from the Agency will therefore be the subject of a separate report to full Council.

Short-term and variable rate loans: These loans leave the Authority exposed to the risk of short-term interest rate rises and are therefore subject to the interest rate exposure limits in the treasury management indicators.

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

Investment Strategy

The Authority holds significant invested funds, representing income received in advance of expenditure plus balances and reserves held. In 2020/21, the Authority's investment balance is projected to range between **£21.69 million** and **£36.39 million**.

Objectives: The CIPFA Code requires the Authority to invest its funds prudently, and to have regard to the security and liquidity of its investments before seeking the highest rate of return, or yield. The Authority's objective when investing money is to strike an appropriate balance between risk and return, minimising the risk of incurring losses from defaults and the risk of receiving unsuitably low investment income. Where balances are expected to be invested for more than one year, the Authority will aim to achieve a total return that is equal or higher than the prevailing rate of inflation, in order to maintain the spending power of the sum invested.

Negative interest rates: If the UK enters into a recession in 2020/21, there is a small chance that the Bank of England could set its Bank Rate at or below zero, which is likely to feed through to negative interest rates on all low risk, short-term investment options. This situation already exists in many other European countries. In this event, security will be measured as receiving the contractually agreed amount at maturity, even though this may be less than the amount originally invested.

Strategy: Given the increasing risk and very low returns from short-term unsecured bank investments, the Authority aims to further diversify into more secure and/or higher yielding asset classes during 2020/21. This is especially the case for the estimated **£12 million** that is available for longer-term investment. The majority of the Authority's surplus cash is currently invested in short-term unsecured bank deposits, certificates of deposit and money market funds. This diversification will represent a continuation of the new strategy adopted in the last few years.

Business models: Under the new IFRS 9 standard, the accounting for certain investments depends on the Authority's "business model" for managing them. The Authority aims to achieve value from its internally managed treasury investments by a business model of collecting the contractual cash flows and therefore, where other criteria are also met, these investments will continue to be accounted for at amortised cost.

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

Approved investment counterparties and limits

Credit rating	Banks unsecured	Banks secured	Government	Corporates	Registered Providers
UK Govt	n/a	n/a	£ Unlimited 50 years	n/a	n/a
AAA	£1m 5 years	£1m 20 years	£2m 50 years	£1m 20 years	£1m 20 years
AA+	£1m 5 years	£1m 10 years	£2m 25 years	£1m 10 years	£1m 10 years
AA	£1m 4 years	£1m 5 years	£2m 15 years	£1m 5 years	£1m 10 years
AA-	£1m 3 years	£1m 4 years	£2m 10 years	£1m 4 years	£1m 10 years
A+	£1m 2 years	£1m 3 years	£2m 5 years	£1m 3 years	£1m 5 years
A	£1m 13 months	£1m 2 years	£2m 5 years	£1m 2 years	£1m 5 years
A-	£1m 6 months	£1m 13 months	£2m 5 years	£1m 13 months	£1m 5 years
None	£0.5m 6 months	n/a	£2m 25 years	£50,000 5 years	£0.5m 5 years
Pooled funds and real estate investment trusts		£4m per fund (previously £2m) Arlingclose recommendation is 10% of maximum investments for the year projected to be £36m plus internal borrowing of £6.3m = £42.3m.			
UK Domiciled Pooled Funds		£5m per fund			

This table must be read in conjunction with the notes below

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

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

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

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

Corporates: Loans, bonds and commercial paper issued by companies other than banks and registered providers. These investments are not subject to bail-in, but are exposed to the risk of the company going insolvent. Loans to unrated companies will only be made either following an external credit assessment or to a maximum of **£250,000** per company as part of a diversified pool in order to spread the risk widely.

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

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

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

Real estate investment trusts (REIT): Shares in companies that invest mainly in real estate and pay the majority of their rental income to investors in a similar manner to pooled property funds. As with property funds, REITs offer enhanced returns over the longer term, but are more volatile especially as the share price reflects changing demand for the shares as well as changes in the value of the underlying properties. Investments in REIT shares cannot be withdrawn but can be sold on the stock market to another investor.

Operational bank accounts: The Authority may incur operational exposures, for example through current accounts, collection accounts and merchant acquiring services, to any UK bank with credit ratings no lower than BBB- and with assets greater than £25 billion. These are not classed as investments, but are still subject to the risk of a bank bail-in, and balances will therefore be kept below **£500,000** per bank. The Bank of England has stated that in the event of failure, banks with assets greater than £25 billion are more likely to be bailed-in than made insolvent, increasing the chance of the Authority maintaining operational continuity.

Risk assessment and credit ratings: Credit ratings are obtained and monitored by the Authority's treasury advisers, who will notify changes in ratings as they occur. Where an entity has its credit rating downgraded so that it fails to meet the approved investment criteria then:

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

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

Other information on the security of investments: The Authority understands that credit ratings are good, but not perfect, predictors of investment default. Full regard will therefore be given to other available information on the credit quality of the organisations in which it invests, including credit default swap prices, financial statements, information on potential government support, reports in the quality financial press and analysis and advice from the Authority's treasury management adviser. No investments will be made with an organisation if there are substantive doubts about its credit quality, even though it may otherwise meet the above criteria.

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

APPENDIX E

Investment limits: The Authority's revenue reserves available to cover investment losses are forecast to be **£11.218 million** on 31st March 2020. In order that no more than **10%** of available reserves will be put at risk in the case of a single default, the maximum that will be lent to any one organisation (other than the UK Government, other Local Authorities and Pooled Funds) will be **£1 million**. A group of banks under the same ownership will be treated as a single organisation for limit purposes. Limits will also be placed on fund managers, investments in brokers' nominee accounts, foreign countries and industry sectors as below. Investments in pooled funds and multilateral development banks do not count against the limit for any single foreign country, since the risk is diversified over many countries.

Investment limits

	Approved Cash limit	Recommended Cash Limit	Rationale for the Recommended Change
Any single organisation, except Pooled Funds , UK Central Government and UK Local Authorities	£1m each	£1m each	To reflect recommended increases in pooled fund limits.
UK Domiciled Pooled Funds	£5m each	£5m each	
UK Central Government	unlimited	unlimited	
UK Local Authorities	£2m each	£2m each	
Any group of organisations under the same ownership	£1m per group	£1m per group	
Any group of pooled funds under the same management	£9m per manager	£11m per manager	This needs to reflect the potential total investments with CCLA, Arlingclose recommendation is 25% of maximum investments for the year projected to be £36m plus internal borrowing of £6.3m = £42.3m.
Negotiable instruments held in a broker's nominee account	£12m per broker	£12m per broker	
Foreign countries	£2m per country	£2m per country	
Registered providers and registered social landlords	£5m in total	£5m in total	
Unsecured investments with building societies	£2m in total	£2m in total	
Loans to unrated corporates (excluding the Council's Company)	£2m in total	£2m in total	
Money market funds	£12m in total	£21m in total	Arlingclose recommendation is 50% of maximum investments for the year projected to be £36m plus internal borrowing of £6.3m = £42.3m.
Real estate investment trusts	£5m in total	£5m in total	

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

Related Matters

The CIPFA Code requires the Authority to include the following in its treasury management strategy.

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

The Authority will only use standalone financial derivatives (such as swaps, forwards, futures and options) where they can be clearly demonstrated to reduce the overall level of the financial risks that the Authority is exposed to. Additional risks presented, such as credit exposure to derivative counterparties, will be taken into account when determining the overall level of risk. Embedded derivatives, including those present in pooled funds and forward starting transactions, will not be subject to this policy, although the risks they present will be managed in line with the overall treasury risk management strategy.

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

In line with the CIPFA Code, the Authority will seek external advice and will consider that advice before entering into financial derivatives to ensure that it fully understands the implications.

Markets in Financial Instruments Directive: The Authority has opted up to **professional client status** with its providers of financial services, including advisers, banks, brokers and fund managers, allowing it access to a greater range of services but without the greater regulatory protections afforded to individuals and small companies. Given the size and range of the Authority's treasury management activities, the Head of Finance and Procurement believes this to be the most appropriate status.

Other Options Considered

The CIPFA Code does not prescribe any particular treasury management strategy for local authorities to adopt. The Head of Finance and Procurement, having consulted the Cabinet Member for Finance and Democratic Services, believes that the above strategy represents an appropriate balance between risk management and cost effectiveness. Some alternative strategies, with their financial and risk management implications, are listed below.

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

Investment Strategy Report 2020/21

Introduction

The Authority invests its money for three broad purposes:

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

This investment strategy is a new report, meeting the requirements of statutory guidance issued by the government in January 2018, and focuses on the second and third of these categories.

Treasury Management Investments

The Authority typically receives its income in cash (e.g. from taxes and grants) before it pays for its expenditure in cash (e.g. through payroll and invoices). It also holds reserves for future expenditure and collects local taxes on behalf of other local authorities and central government. These activities, plus the timing of borrowing decisions, lead to a cash surplus which is invested in accordance with guidance from the Chartered Institute of Public Finance and Accountancy. The balance of treasury management investments is expected to fluctuate between **£21.69 million** and **£36.39 million** during the 2020/21 financial year.

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

Further details: Full details of the Authority's policies and its plan for 2020/21 for treasury management investments are covered in a separate document in this report, the treasury management strategy.

Service Investments: Loans

Contribution: The Council lends money to its employees for car loans, inherited housing loans from Birmingham City Council, makes loans to individuals to reduce the risk of homelessness and will lend to its subsidiary to support the development of local housing.

Security: The main risk when making service loans is that the borrower will be unable to repay the principal lent and/or the interest due. In order to limit this risk, and ensure that total exposure to service loans remains proportionate to the size of the Authority, upper limits on the outstanding loans to each category of borrower have been set as follows:

Category of borrower	31.3.2019 actual			2019/20	2020/21
	Balance owing	Loss allowance	Net figure in accounts	Projection	Proposed Limit
Subsidiaries	£0	£0	£0	£0	£675,000
Employees – car loans	£3,927	£0	£3,927	£3,927	£100,000
Housing Loans - secured	£44,320	£0	£44,320	£44,320	£45,000
Housing Loans - unsecured	£2,771	£0	£2,771	£2,771	£3,000
Homelessness Loans	£21,848	(£18,006)	£3,842	£3,842	£50,000
TOTAL	£72,866	(£18,006)	£54,860	£54,860	£873,000

Accounting standards require the Authority to set aside loss allowance for loans, reflecting the likelihood of non-payment. The figures for loans in the Authority's statement of accounts from 2019/20 onwards will be shown net of this loss allowance. However, the Authority makes every reasonable effort to collect the full sum lent including placing charges on properties for housing loans (secured) and has appropriate credit control arrangements in place to recover overdue repayments.

Risk assessment: The most significant loan for a service purpose is the **£675,000** loan for **5 years** to the Council Development Company for the provision of housing. The Board of Directors of the Company will initially consist of Council employees and therefore the Council will be able to manage the repayment risk through project due diligence and the monitoring of selected projects.

Commercial Investments: Property

See the Capital Strategy at **APPENDIX B**.

Loan Commitments and Financial Guarantees

See the Capital Strategy at **APPENDIX B**.

Proportionality

See the Capital Strategy at **APPENDIX B**.

Borrowing in Advance of Need

Government guidance is that local authorities must not borrow more than or in advance of their needs purely in order to profit from the investment of the extra sums borrowed. The Authority has chosen not to follow this guidance and plans to borrow for this purpose to fund the approved Property Investment Strategy. The Authority's policies in investing the money borrowed, including management of the risks, for example, of not achieving the desired profit or borrowing costs will be managed as part of the Authority's overall management of its treasury risks.

Capacity, Skills and Culture

See the Capital Strategy at **APPENDIX B**.

Investment Indicators

The Authority has set the following quantitative indicators to allow elected members and the public to assess the Authority's total risk exposure as a result of its investment decisions.

Total risk exposure: The first indicator shows the Authority's total exposure to potential investment losses. This includes amounts the Authority is contractually committed to lend but have yet to be drawn down and guarantees the Authority has issued over third party loans.

Total Investment Exposure	31/03/2019 Actual £000	31/03/2020 Forecast £000	31/03/2021 Forecast £000	31/03/2022 Forecast £000	31/03/2023 Forecast £000	31/03/2024 Forecast £000
Treasury Management Investments	£26,876	£23,749	£16,769	£14,785	£11,013	£11,557
Commercial Investments: Property	£4,867	£15,367	£26,867	£38,367	£49,867	£49,867
TOTAL INVESTMENTS	£31,743	£39,116	£43,636	£53,152	£60,880	£61,424
Commitments to Lend	£0	£0	£675	£675	£675	£675
TOTAL EXPOSURE	£31,743	£39,116	£44,311	£53,827	£61,555	£62,099

How investments are funded: Government guidance is that these indicators should include how investments are funded. Since the Authority does not normally associate particular assets with particular liabilities, this guidance is difficult to comply with. However, the following investments could be described as being funded by borrowing. The remainder of the Authority's investments are funded by usable reserves and income received in advance of expenditure.

Investments funded by borrowing

Investments Funded by Borrowing (cumulative at year-end)	31/03/2019 Actual £000	31/03/2020 Forecast £000	31/03/2021 Forecast £000	31/03/2022 Forecast £000	31/03/2023 Forecast £000	31/03/2024 Forecast £000
Commercial Investments: Property	£0	£10,500	£22,000	£33,500	£45,000	£45,000
TOTAL FUNDED BY BORROWING	£0	£10,500	£22,000	£33,500	£45,000	£45,000

Rate of return received: This indicator shows the investment income received less the associated costs, including the cost of borrowing where appropriate, as a proportion of the sum initially invested. Note that due to the complex local government accounting framework, not all recorded gains and losses affect the revenue account in the year they are incurred.

Investment rate of return (net of all costs)

Investments Net Rate of Return	31/03/2019 Actual %	31/03/2020 Forecast %	31/03/2021 Forecast %	31/03/2022 Forecast %	31/03/2023 Forecast %	31/03/2024 Forecast %
Treasury Management Investments	0.90%	1.08%	1.27%	1.43%	1.64%	1.97%
<u>Commercial Investments</u>						
Property (excluding valuation changes)	8.30%	8.30%	8.30%	8.30%	8.30%	8.30%
Investment in Property	0.00%	0.00%	1.00%	1.00%	1.00%	1.00%
ALL INVESTMENTS	9.20%	9.38%	10.57%	10.73%	10.95%	11.27%

See the Capital Strategy at **APPENDIX B**.

CFO Report on Robustness of the Budget and Adequacy of Reserves – Supporting Information

Context

In accordance with the Local Government Act 2003 (Sections 25-27) and to comply with CIPFA Guidance on Local Authority Reserves and Balances, the CFO is required to formally report to Members on the robustness of the Budget and the adequacy of Reserves. The CFO is appropriately qualified under the terms of Section 113 of the Local Government Finance Act 1988.

Adequacy of Reserves

The CFO assesses and determines the appropriate level of Reserves and Provisions using a variety of mechanisms, including:

- Being significantly involved in the Budget setting process, the annual financial cycle and engaged in the strategic leadership of the organisation as a member of the Leadership Team including wider corporate roles beyond that of finance;
- Leading and writing on the annual revision of the MTFS;
- Challenging the budget at various stages of preparation, including the reasonableness of the key budget assumptions and sensitivities such as estimates for inflation and corporate financial pressures, realism of income targets and the extent to which known trends and liabilities are provided for:
 - Meetings with specific colleagues to examine particular areas or issues;
 - An in-depth review of the financial risks assessment;
 - Review of the movements, trends (including a comparison to the level at other Councils) and availability of contingency, provisions and earmarked reserves to meet unforeseen cost pressures in the context of future pressures and issues;
 - The use of professional experience and best professional judgement;
 - The use of appropriate professional, technical guidance and local frameworks;
 - Knowledge of the colleagues involved in the process, particularly finance professionals, including their degree of experience and qualifications;
 - Review of the strength of financial management and reporting arrangements, including internal control and governance arrangements. This is undertaken in consultation with relevant colleagues and Members of the Cabinet.

It is prudent for Councils to maintain an adequate 'working balance', that is part of General Reserves. A Risk Assessment approach is used to determine the required level of General Reserves and Provisions.

The Council's aim is to have a prudent level of General Reserves available for unforeseen financial risks. The Council projects available general reserves of **£4,824,000** at 31 March 2020. This is **39%** of the amount to be met from Government Grants and Local Taxpayers in 2020/21 of **£12,284,000**.

The minimum level of Reserves for 2020/21 onwards is **£1,600,000** and has been determined by Risk Assessment.

In recommending an adequate level of Reserves, the CFO considers and monitors the opportunity costs of maintaining particular levels of Reserves and Balances and compares these to the benefits accrued from having such Reserves. The opportunity cost of maintaining a specific level of Reserves is the 'lost' opportunity for example, of investing elsewhere to generate additional investment income, or using the funds to invest in service improvements.

In assessing this, it is important to consider that Reserves can only be used once and are therefore potentially only "one off" sources of funding. Therefore, any use of General Reserves above the lower minimum threshold is only ever used on one-off items of expenditure.

Expenditure - the level of Reserves is also determined by use of a comprehensive risk assessment to ensure they represent an appropriately robust "safety net" that adequately protects the Council against potential unbudgeted costs.

Use of General Revenue Reserves

The above assessment demonstrates that General Revenue Reserves are at an appropriate level as determined in accordance with the MTFS and the CFO's professional advice. The MTFS allows any Reserves above the level required by the Strategy to be used to fund one-off items of expenditure. No General Revenue Reserves below the minimum threshold are being used to support the 2020/21 budget and beyond.

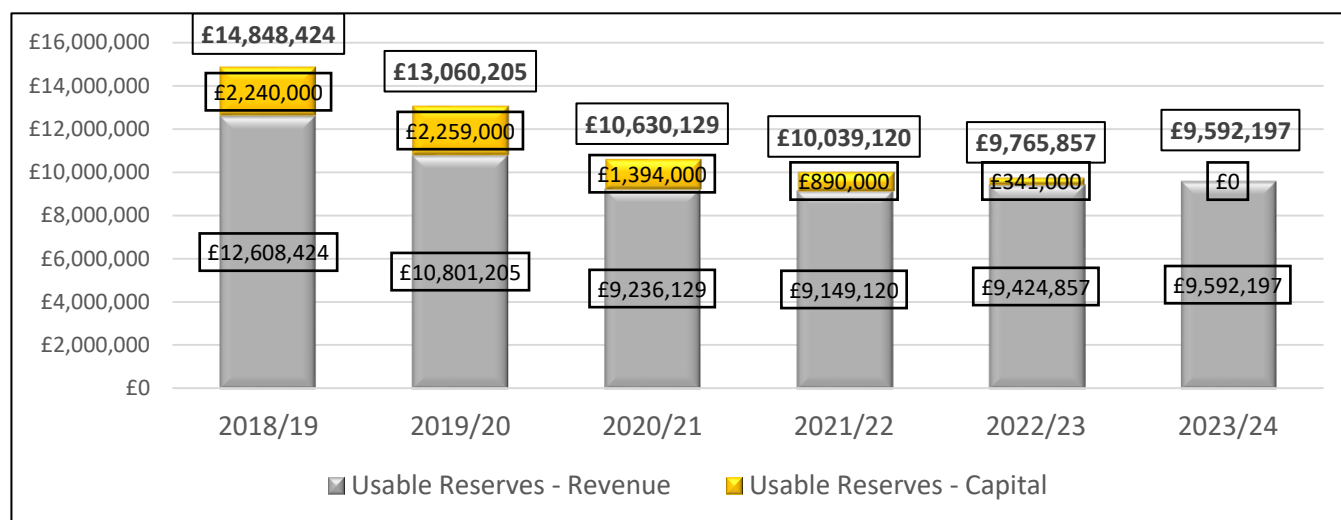
CIPFA provides guidance for determining the minimum level of Reserves. The Council uses the method based on risk assessment. The approach to the risk assessment of Reserves has taken into account CIPFA guidance (LAAP 99) (Guidance note on Local Authority Reserves and Balances).

The table below shows the financial risk assessment made for **2020/21**:

Explanation of Risk / Justification of Balances	Severity of Risk	2020/21 Reserve Amounts £	2019/20 Reserve Amounts £	Change £
Capital Strategy Risk Assessment	Material	£149,000	£117,000	£32,000
Business Rates (Gross Risk £1.062m less Volatility Reserve £0.831m)	Severe	£231,000	£599,000	(£368,000)
Leisure Centre Outsourcing Bid	Tolerable	£37,000	£36,000	£1,000
Reduction in customer income/Savings not achieved	Material	£592,000	£355,000	£237,000
Higher inflation	Material	£233,000	£155,000	£78,000
Increase in demand led services	Material	£90,000	£90,000	£0
Collection performance	Material	£129,000	£115,000	£14,000
Civil Contingency	Tolerable	£127,000	£127,000	£0
Other small risks	Tolerable	£12,000	£6,000	£6,000
		£1,600,000	£1,600,000	£0

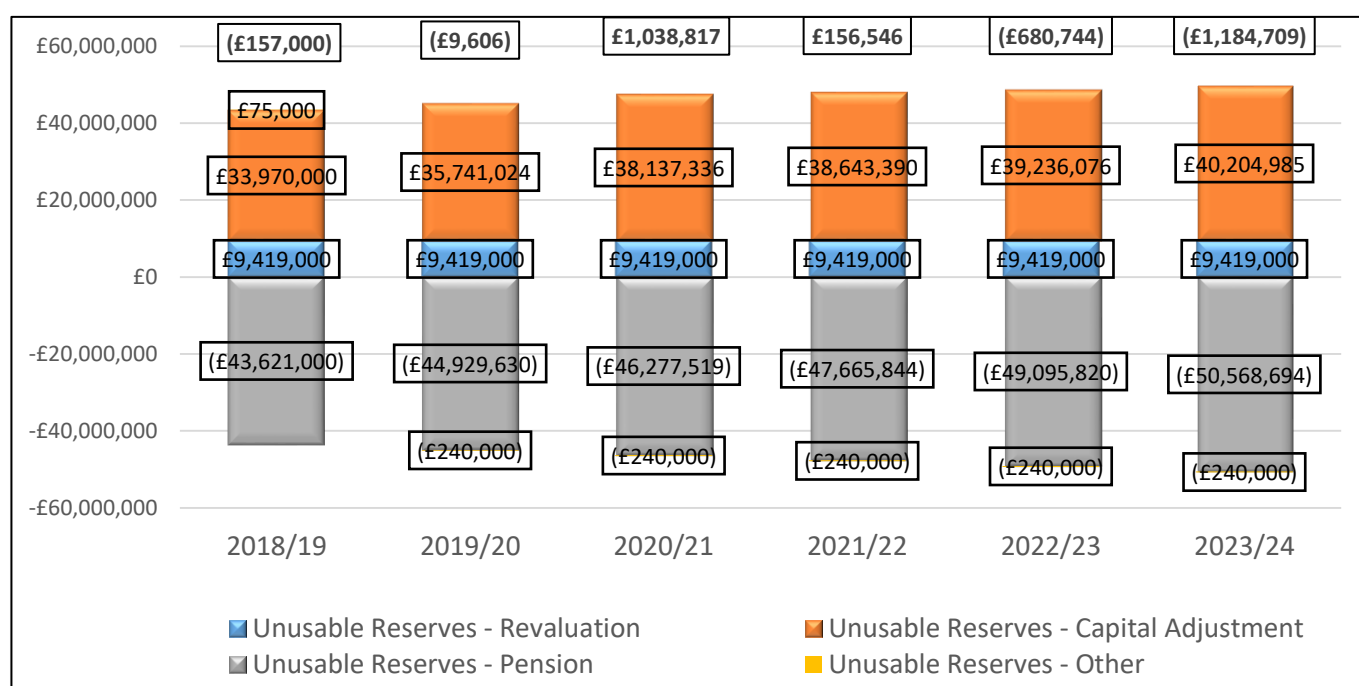
Other Reserves (in addition to General Reserves)

A review of the level of Earmarked Reserves has been undertaken as part of the annual Budget preparation. The projected levels are shown below – revised estimate transfer to general reserves:



Ongoing review of Earmarked Reserves takes place as part of the Money Matters Reports in line with the approved earmarked reserves policy to ensure we are only holding funds for known and essential purposes.

The Council also holds other Unusable Reserves that arise out of the interaction of legislation and proper accounting practice and the Balance Sheet projections are shown below:



The **CFO** has been involved throughout the entire budget process, including revising the MTFs, input to the drafting of the budget, the ongoing financial monitoring and reporting process, evaluation of investments and savings, engagement with Members of the Cabinet and Overview and Scrutiny Committees, advising colleagues, the strategic choices activities, challenge and evaluation activities, and scrutiny of the budget. The following sections of this statement outline particular activities and documents.

Process - a robust budget process has been used within the overall context of the MTFS.

Timetable - the process started in June 2019 and the draft budget was completed in December 2019 prior to the Provisional Financial Settlement for Local Government 2020/21. This enabled formal scrutiny of the budget making process in January 2020. The final budget is due to be set at Council on 18 February 2020, well within the statutory deadline.³

Member involvement and Scrutiny (including budget monitoring) - formal Member involvement has been extensive, particularly through the Cabinet in conjunction with Leadership Team, Strategic Overview & Scrutiny Committee and Audit and Member Standards Committee, which has fed upwards to Cabinet.

Consultation – In December 2019 to Mid-January 2020, we carried out a budget consultation to find out what people who live in the District think about the services we provide and their view on an acceptable level of Council Tax increase.

Challenge - there are various points of challenge at various stages of the Budget, meetings of Leadership Team, Cabinet and the Scrutiny process itself.

Localism Act - Right to approve or veto excessive Council Tax rises - The Secretary of State has determined a **2% or £5.00** (whichever is the higher) limit for Council Tax increases for 2020/21. If an Authority proposes to raise taxes above the limit they will have to hold a referendum to get approval for this from the local voters who will be asked to approve or veto the rises.

Ownership and accountability - the budget has progressed through various stages including review by management within services and Leadership Team. Budget holders were sent copies of budget estimate working papers for their respective areas of service responsibility.

Current financial position - the budget is a statement of financial intent, reflecting The Council's vision, plans and priorities. It also sets the financial spending parameters for each financial year and as such, the CFO assessment of the adequacy of Reserves, also includes the risk of services overspending and/or under-spending their budgets and the impact of this on the financial health of the Council and its level of Reserves. The current financial position has been reported throughout the year.

Key assumptions - The pay and prices used in the budget are derived from current intelligence, are considered appropriate and compare with those used by other Councils. Fees and charges have been reviewed and changes are reflected in the overall budget. The Capital Receipts to be used for the Capital Programme are based on estimates of both timing and value.

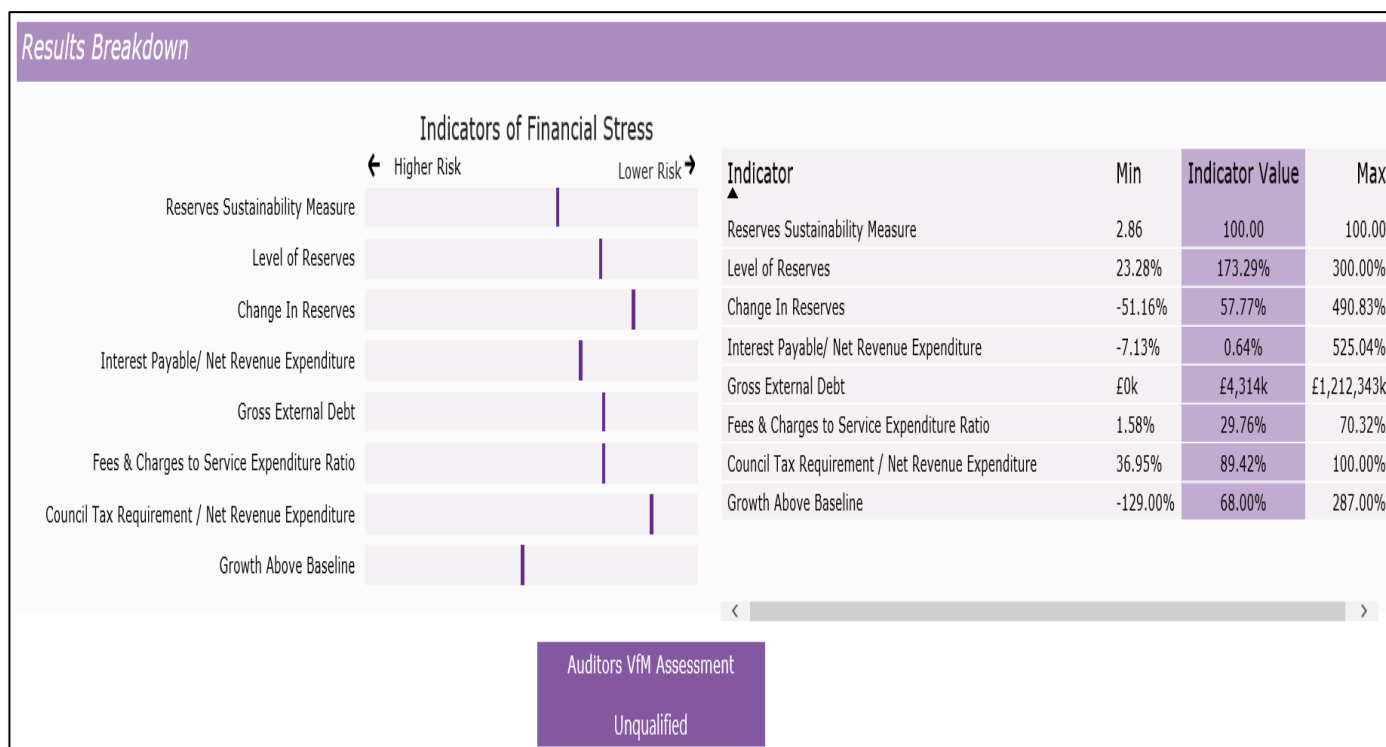
Financial risks – The Council continues to use an embedded good practice Risk Assessment approach both when setting the Budget and in validating estimated outturns. This continues for the 2019/20 outturn and 2020/21 plus Budget. The minimum level of General Reserves is considered to be adequate to cover all but the most unusual and serious combination of risks.

The CIPFA Resilience Index

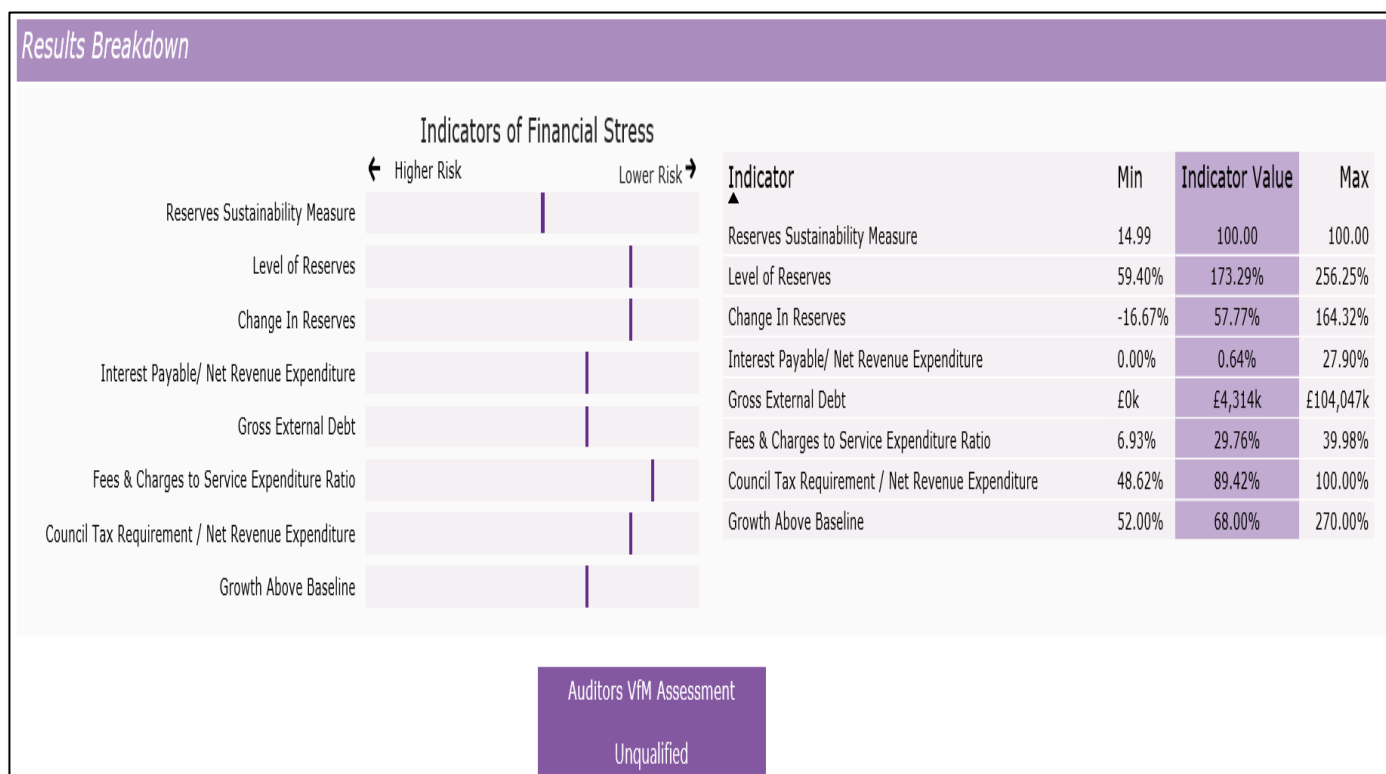
CIPFA published the first release of its Resilience Index in December 2019. The selection of indicators has been informed by the extensive financial resilience work undertaken by CIPFA over the past four years, public consultation and technical stakeholder engagement. The index shows this Council's position on a range of measures associated with financial risk with the results breakdown summarised below:

³ Statutory deadline date for setting Council Tax is by 11 March 2020.

District Councils



Nearest Neighbours



Summary - Opinion of CFO on the Adequacy of Reserves and the Robustness of the Estimates

I am of the opinion that for a Council of this size and with our recent record of prudent spending, effective Risk Management, robust budgeting and effective Budget monitoring and control, a General Minimum Reserve level of **£1,600,000** is adequate.

Revenue Budget – 25 Year Model (1 to 10 years, 15 years, 20 years and 25 years)

Key Assumptions													
Year	1	2	3	4	5	6	7	8	9	10	15	20	25
Council Tax Base	38,011	39,032	39,717	40,627	41,487	41,999	41,999	42,330	42,661	42,992	44,647	46,302	47,957
Projected Residential Growth - LHN							331	331	331	331	331	331	331
Projected Council Tax Base							42,330	42,661	42,992	43,323	44,978	46,633	48,288
Council Tax Band D	£175	£180	£185	£190	£195	£199	£203	£207	£211	£215	£238	£262	£289
Modelled Council Tax Increase	£5.00	£5.00	£5.00	£5.00	£5.00	1.99%	1.99%	1.99%	1.99%	1.99%	1.99%	1.99%	1.99%
LG Futures Property Based Unit Cost	£53	£54	£55	£56	£57	£58	£59	£61	£62	£63	£70	£77	£85
Core Budget Inflation Allowance						2.50%	2.50%	2.50%	2.50%	2.50%	2.50%	2.50%	2.50%
Funding and Pension Inflation Allowance						2.00%	2.00%	2.00%	2.00%	2.00%	2.00%	2.00%	2.00%

	Medium Term Financial Strategy					Additional Projections							
	2019/20	2020/21	2021/22	2022/23	2023/24	2024/25	2025/26	2026/27	2027/28	2028/29	2033/34	2038/39	2043/44
	£000	£000	£000	£000	£000	£000	£000	£000	£000	£000	£000	£000	£000
Year	1	2	3	4	5	6	7	8	9	10	15	20	25
Modelled Total Expenditure	10,934	10,823	11,134	11,708	11,986	11,807	12,374	12,657	13,094	13,542	15,847	18,673	21,950
<u>Inflation and Budget Variations</u>													
Provision for Pay and Other Inflation	0	(3)	(2)	0	3	295	300	317	325	336	393	464	545
Budget Pressure - Residential Growth						30	20	20	20	21	23	25	28
Budget Variations	(340)	870	(265)	(220)	(104)	(149)							
Revenue Implications of Capital Bids	0	229	(30)	(85)	19	(3)							
Sub Total	10,594	11,919	10,837	11,403	11,904	11,980	12,693	12,994	13,439	13,899	16,263	19,162	22,523
<u>Other Projections</u>													
Annual Increase in Past Service Pensions						100	102	104	106	108	120	132	146
Treasury Management	0	(97)	(97)	(97)	(97)					(136)			
MRP for Burntwood LC completed							(135)						
FGLC short term running costs end							(4)	(4)	(4)	(4)	(4)	(4)	(4)
Replacement for FGLC Debt Costs						294							
Total Modelled Expenditure	10,594	11,822	10,740	11,306	11,807	12,374	12,657	13,094	13,542	13,867	16,379	19,290	22,665

	Medium Term Financial Strategy					Additional Projections							
	2019/20 £000	2020/21 £000	2021/22 £000	2022/23 £000	2023/24 £000	2024/25 £000	2025/26 £000	2026/27 £000	2027/28 £000	2028/29 £000	2033/34 £000	2038/39 £000	2043/44 £000
<u>Retained Business Rates</u>													
Baseline Funding Level	(2,083)	(2,117)	(2,168)	(2,211)	(2,255)	(2,300)	(2,346)	(2,393)	(2,441)	(2,490)	(2,749)	(3,035)	(3,351)
Fair Funding - Negative RSG principles	0	0	477	491	506	516	526	537	548	559	617	681	752
Retained Growth - full & phased resets	(746)	(903)	(89)	(116)	(123)	(100)	(102)	(104)	(106)	(108)	(120)	(132)	(146)
<u>New Homes Bonus / Replacement</u>													
New Homes Bonus - total receipt	(1,278)	(1,771)	(911)	(680)									
New Homes Bonus - Replacement					(300)	(200)	(100)	0	0	0	0	0	0
<u>Council Tax and Other Funding</u>													
Collection Fund and one off funding	(945)	(464)	(86)	(109)	(35)	(35)	(35)	(35)	(35)	(35)	(35)	(35)	(35)
Council Tax	(6,655)	(7,029)	(7,350)	(7,722)	(8,093)	(8,356)	(8,589)	(8,829)	(9,074)	(9,326)	(10,685)	(12,225)	(13,969)
Total Modelled Funding	(11,707)	(12,284)	(10,127)	(10,347)	(10,300)	(10,475)	(10,646)	(10,824)	(11,108)	(11,400)	(12,972)	(14,746)	(16,749)

Modelled Funding Gap/(General Reserves)	(1,113)	(462)	613	959	1,507	1,899	2,011	2,270	2,434	2,467	3,407	4,544	5,917
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Memorandum Item	Legacy Payments				New Scheme			
New Homes Bonus - Base Budget	(700)	(600)	(500)	(400)	(300)	(200)	(100)	0

	Medium Term Financial Strategy					Additional Projections							
Available General Reserves Year Start	3,710	4,823	6,456	6,867	7,147	7,147	7,147	7,147	7,147	7,147	7,147	7,147	7,147
Contributions from Revenue Account	1,003	462											
New Homes Bonus in excess of the 'Cap'	110	1,171	411	280									
Available General Reserves Year End	4,823	6,456	6,867	7,147	7,147	7,147	7,147	7,147	7,147	7,147	7,147	7,147	7,147

Available General Reserves assuming no Savings/income identified	4,823	6,456	6,253	5,575	4,068	2,168	158
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COUNCIL TAX RESOLUTION 2020/21

1. PURPOSE OF REPORT

The purpose of this report is to enable the Council to calculate and set the Council Tax for 2020/21. The Formal Council Tax Resolution is at **Appendix A**.

2. BACKGROUND

The Localism Act 2011 made significant changes to the Local Government Finance Act 1992. It now requires the billing authority to calculate a Council Tax requirement for the year.

Since the meeting of the Cabinet the precept levels of other precepting bodies have been received. These are detailed below:

City, Town and Parish Councils

The City, Town and Parish Councils Precepts for 2020/21 are detailed in **Appendix C** and total **£1,997,578**. The increase in the average Band D Council Tax for City, Town and Parish Councils is **4.53%** and results in an average Band D Council Tax figure of **£51.18** for 2020/21.

Staffordshire County Council

Staffordshire County Council met on 13 February 2020 and set their precept at **£50,583,909.19** adjusted by a Collection Fund contribution of **£1,074,400** (a total payable of **£51,658,309.19**). This results in a Band D Council Tax of **£1,295.95**.

Staffordshire Commissioner – Police and Crime

The Staffordshire Commissioner – Police and Crime set their precept on 10 February 2020 at **£8,785,780.41** adjusted by a Collection Fund contribution of **£186,700** (a total amount payable of **£8,972,480.41**). This results in a Band D Council Tax of **£225.09**.

Staffordshire Commissioner – Fire and Rescue

The Staffordshire Commissioner – Fire and Rescue set their precept on 10 February 2020 at **£3,014,854.85** adjusted by a Collection Fund contribution of **£65,290** (a total amount payable of **£3,080,144.85**). This results in a Band D Council Tax of **£77.24**.

3. Recommendation

The recommendations are set out in the formal Council Tax Resolution at **Appendix A**.

If the formal Council Tax Resolution at **Appendix A** is approved, the total Band D Council Tax will be as follows¹:

	2019/20	2020/21	Increase	Increase
	£	£	£	%
Lichfield District Council	£175.07	£180.07	£5.00	2.86%
Staffordshire County Council	£1,246.23	£1,295.95	£49.72	3.99%
Staffordshire Commissioner - Police & Crime	£216.56	£225.09	£8.53	3.94%
Staffordshire Commissioner - Fire & Rescue	£75.73	£77.24	£1.51	1.99%
Sub Total	£1,713.59	£1,778.35	£64.76	3.78%
City, Town and Parish Councils (average)	£48.96	£51.18	£2.22	4.53%
Total	£1,762.55	£1,829.53	£66.98	3.80%

Authorisation of Officers to collect and recover Council Tax, National Non Domestic (Business) Rates and Business Improvement Districts (BIDS):

Mr A Thomas Head of Finance and Procurement (Section 151 Officer); Mrs P Leybourne, Head of Customer Services, Revenues and Benefits; Mrs N Begley, Income Manager; Miss J Irving, Senior Business Advisor; Miss Sarah Magill, Senior Business Advisor; Mr R Miller Senior Revenues Officer, or any other person specifically authorised by the Section 151 Officer, appointed by the said offices under Section 112 of the Local Government Act 1972, be hereby authorised:-

- a) To demand, collect and recover any Council Tax, National Non-Domestic Rate or Business Improvement District (BID) made by the Council under the Local Government Finance Acts 1988 and 1992;
- b) To demand, collect and recover any penalties under schedules 3 and 4 to the Local Government Acts 1988 and 1992;
- c) Under Section 223 of the Local Government Act 1972 and all other powers enabling them to prosecute and to appear on behalf of the Council at the hearing of legal proceedings in connection with the demand, collection and recovery of any Council Tax, National Non-Domestic Rate, Community Charge, Business Improvement Districts (BIDS) and General Rates made by the Council and/or any penalties imposed under the Local Government Finance Acts 1988 and 1992; and
- d) To make such amendments to the Council Tax and National Non-Domestic Rate as are authorised by the Local Government Finance Acts 1988 and 1992 and other legislation in force from time to time. Further, the Head of Finance and Procurement be authorised to impose penalties in accordance with Schedule 3 to the Local Government Act 1992, with regard to the supply of information for Council Tax purposes.

¹ The percentage increases are to two decimal places.

APPENDIX A

COUNCIL TAX RESOLUTION 2020/21

1. That the recommendations contained in the Medium Term Financial Strategy (Revenue and Capital) 2019/24 relating to the Revenue and Capital Estimates 2019/24 be approved.
2. That the Cabinet recommendation (Agenda Item 4 of 3 December 2019 refers) in respect of calculating the Council Tax Base 2020/21 as follows be approved:
 - a) for the whole Council area as **39,032.3** (Item T in the formula in Section 31B of the Local Government Finance Act 1992, as amended(the "Act"));and
 - b) for dwellings in those parts of its area which a Parish precept relates as in the attached **Appendix B.**
3. That, as a preliminary step the Council Tax requirement for the Council's own purposes for 2020/21 (excluding Parish precepts) is calculated as **£7,028,546 (39,032.3 x £180.07).**
4. That the following amounts be calculated for the year 2020/21 in accordance with Sections 30 and 36 of the Act:

a	being the aggregate amounts 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. (Gross expenditure including Parish precepts and special expenses)	£57,099,908
b	being the aggregate of the amounts which the Council estimates for the items, set out in Section 31A(3) of the Act. (Income)	£48,073,784
c	being the amount by which the aggregate at 4(a) above exceeds the aggregate at 4(b) above, calculated by the Council in accordance with Section 31A(4) of the Act as its Council Tax requirement for the year (item R in the formula in Section 31B of the Act). (Council Tax requirement for the year)	£9,026,124
d	being the amount at 4 (c) above (item R), all divided by item T(2(a) above), 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).	£231.25
e	being the aggregate of all special items (Parish precepts) referred to in Section 34(1) of the Act (as per attached Appendix C).	£1,997,578
f	being the amount at 4 (d) above less the results given by dividing the amount at 4 (e) above by item T (2(a) above), calculated by the Council, in accordance with section 34(2) of the Act, as the basic amount of its Council Tax for the year for dwellings in those parts of its area to which no Parish Precept relates.	£180.07

5. That it be noted that for the year 2020/21 Staffordshire County Council, The Staffordshire Commissioner – Police and Crime and the Staffordshire Commissioner – Fire and Rescue have stated the following amounts in precepts issued to the District Council, in accordance with Section 40 of the Local Government Finance Act 1992 for each category of dwellings in the Council's area as indicated in the table below.

Valuation Bands							
A (6/9)	B (7/9)	C (8/9)	D 1	E (11/9)	F (13/9)	G (15/9)	H 2
Lichfield District Council							
£120.05	£140.05	£160.06	£180.07	£220.09	£260.10	£300.12	£360.14
Staffordshire County Council							
£863.97	£1,007.96	£1,151.96	£1,295.95	£1,583.94	£1,871.93	£2,159.92	£2,591.90
Staffordshire Commissioner - Police & Crime							
£150.06	£175.07	£200.08	£225.09	£275.11	£325.13	£375.15	£450.18
Staffordshire Commissioner - Fire & Rescue							
£51.49	£60.08	£68.66	£77.24	£94.40	£111.57	£128.73	£154.48
Aggregate of all Council Tax Requirements							
£1,185.57	£1,383.16	£1,580.76	£1,778.35	£2,173.54	£2,568.73	£2,963.92	£3,556.70

6. That the Council, in accordance with Sections 30 and 36 of the Local Government Finance Act 1992, hereby sets the aggregate amounts set out in **Appendix B** as the amounts of Council Tax for 2020/21 for each part of its area and for each of the categories of dwellings.
7. The Council has determined that its relevant basic amount of Council tax for 2020/21 is **not** excessive in accordance with the principles approved under section 52ZB Local Government Act 1992.
8. As the billing authority, the Council has **not** been notified by a major precepting authority that its basic amount of Council Tax for 2020/21 is excessive and that the billing authority is not required to hold a referendum in accordance with section 52ZK Local Government Act 1992.

APPENDIX B

Council Tax Schedule for 2020/21

Parts of the Council's Area	Valuation Bands							
	A (6/9) £	B (7/9) £	C (8/9) £	D 1 £	E (11/9) £	F (13/9) £	G (15/9) £	H 2 £
-								
Lichfield District Council	£120.05	£140.05	£160.06	£180.07	£220.09	£260.10	£300.12	£360.14
Staffordshire County Council	£863.97	£1,007.96	£1,151.96	£1,295.95	£1,583.94	£1,871.93	£2,159.92	£2,591.90
Staffordshire Commissioner - Police & Crime	£150.06	£175.07	£200.08	£225.09	£275.11	£325.13	£375.15	£450.18
Staffordshire Commissioner - Fire & Rescue	£51.49	£60.08	£68.66	£77.24	£94.40	£111.57	£128.73	£154.48
<u>Alrewas Parish Council</u>	(a) £22.49	(a) £26.23	(a) £29.98	(a) £33.73	(a) £41.23	(a) £48.72	(a) £56.22	(a) £67.46
Parish and District	(b) £142.54	(b) £166.28	(b) £190.04	(b) £213.80	(b) £261.32	(b) £308.82	(b) £356.34	(b) £427.60
Total (c)	£1,208.06	£1,409.39	£1,610.74	£1,812.08	£2,214.77	£2,617.45	£3,020.14	£3,624.16
<u>Armitage-with-Handsacre</u>	(a) £33.95	(a) £39.61	(a) £45.27	(a) £50.92	(a) £62.24	(a) £73.56	(a) £84.87	(a) £101.85
Parish and District	(b) £154.00	(b) £179.66	(b) £205.33	(b) £230.99	(b) £282.33	(b) £333.66	(b) £384.99	(b) £461.99
Total (c)	£1,219.52	£1,422.77	£1,626.03	£1,829.27	£2,235.78	£2,642.29	£3,048.79	£3,658.55
<u>Burntwood</u>	(a) £27.27	(a) £31.81	(a) £36.36	(a) £40.90	(a) £49.99	(a) £59.08	(a) £68.17	(a) £81.80
Parish and District	(b) £147.32	(b) £171.86	(b) £196.42	(b) £220.97	(b) £270.08	(b) £319.18	(b) £368.29	(b) £441.94
Total (c)	£1,212.84	£1,414.97	£1,617.12	£1,819.25	£2,223.53	£2,627.81	£3,032.09	£3,638.50
<u>Clifton Campville with Thorpe Constantine*</u>	(a) £30.29	(a) £35.33	(a) £40.38	(a) £45.43	(a) £55.52	(a) £65.62	(a) £75.71	(a) £90.86
Parish and District	(b) £150.34	(b) £175.38	(b) £200.44	(b) £225.50	(b) £275.61	(b) £325.72	(b) £375.83	(b) £451.00
Total (c)	£1,215.86	£1,418.49	£1,621.14	£1,823.78	£2,229.06	£2,634.35	£3,039.63	£3,647.56
<u>Colton</u>	(a) £24.59	(a) £28.69	(a) £32.79	(a) £36.89	(a) £45.09	(a) £53.29	(a) £61.49	(a) £73.78
Parish and District	(b) £144.64	(b) £168.74	(b) £192.85	(b) £216.96	(b) £265.18	(b) £313.39	(b) £361.61	(b) £433.92
Total (c)	£1,210.16	£1,411.85	£1,613.55	£1,815.24	£2,218.63	£2,622.02	£3,025.41	£3,630.48
<u>Curborough & Elmhurst and Farewell & Chorley*</u>	(a) £18.49	(a) £21.57	(a) £24.65	(a) £27.73	(a) £33.89	(a) £40.05	(a) £46.21	(a) £55.46
Parish and District	(b) £138.54	(b) £161.62	(b) £184.71	(b) £207.80	(b) £253.98	(b) £300.15	(b) £346.33	(b) £415.60
Total (c)	£1,204.06	£1,404.73	£1,605.41	£1,806.08	£2,207.43	£2,608.78	£3,010.13	£3,612.16
<u>Drayton Bassett</u>	(a) £34.65	(a) £40.43	(a) £46.20	(a) £51.98	(a) £63.53	(a) £75.08	(a) £86.63	(a) £103.95
Parish and District	(b) £154.70	(b) £180.48	(b) £206.26	(b) £232.05	(b) £283.62	(b) £335.18	(b) £386.75	(b) £464.09
Total (c)	£1,220.22	£1,423.59	£1,626.96	£1,830.33	£2,237.07	£2,643.81	£3,050.55	£3,660.65
<u>Edingale</u>	(a) £34.46	(a) £40.20	(a) £45.94	(a) £51.69	(a) £63.17	(a) £74.66	(a) £86.14	(a) £103.37
Parish and District	(b) £154.51	(b) £180.25	(b) £206.00	(b) £231.76	(b) £283.26	(b) £334.76	(b) £386.26	(b) £463.51
Total (c)	£1,220.03	£1,423.36	£1,626.70	£1,830.04	£2,236.71	£2,643.39	£3,050.06	£3,660.07
<u>Elford</u>	(a) £34.87	(a) £40.69	(a) £46.50	(a) £52.31	(a) £63.93	(a) £75.56	(a) £87.18	(a) £104.62
Parish and District	(b) £154.92	(b) £180.74	(b) £206.56	(b) £232.38	(b) £284.02	(b) £335.66	(b) £387.30	(b) £464.76
Total (c)	£1,220.44	£1,423.85	£1,627.26	£1,830.66	£2,237.47	£2,644.29	£3,051.10	£3,661.32
<u>Fazeley</u>	(a) £30.04	(a) £35.05	(a) £40.06	(a) £45.06	(a) £55.08	(a) £65.09	(a) £75.11	(a) £90.13
Parish and District	(b) £150.09	(b) £175.10	(b) £200.12	(b) £225.13	(b) £275.17	(b) £325.19	(b) £375.23	(b) £450.27
Total (c)	£1,215.61	£1,418.21	£1,620.82	£1,823.41	£2,228.62	£2,633.82	£3,039.03	£3,646.83
<u>Fradley with Streethay</u>	(a) £41.07	(a) £47.92	(a) £54.76	(a) £61.61	(a) £75.30	(a) £88.99	(a) £102.68	(a) £123.22
Parish and District	(b) £161.12	(b) £187.97	(b) £214.82	(b) £241.68	(b) £295.39	(b) £349.09	(b) £402.80	(b) £483.36
Total (c)	£1,226.64	£1,431.08	£1,635.52	£1,839.96	£2,248.84	£2,657.72	£3,066.60	£3,679.92
<u>Hammerwich</u>	(a) £12.92	(a) £15.07	(a) £17.22	(a) £19.38	(a) £23.68	(a) £27.99	(a) £32.30	(a) £38.76
Parish and District	(b) £132.97	(b) £155.12	(b) £177.28	(b) £199.45	(b) £243.77	(b) £288.09	(b) £332.42	(b) £398.90
Total (c)	£1,198.49	£1,398.23	£1,597.98	£1,797.73	£2,197.22	£2,596.72	£2,996.22	£3,595.46
<u>Hamstall Ridware</u>	(a) £28.95	(a) £33.77	(a) £38.60	(a) £43.42	(a) £53.07	(a) £62.72	(a) £72.37	(a) £86.84
Parish and District	(b) £149.00	(b) £173.82	(b) £198.66	(b) £223.49	(b) £273.16	(b) £322.82	(b) £372.49	(b) £446.98
Total (c)	£1,214.52	£1,416.93	£1,619.36	£1,821.77	£2,226.61	£2,631.45	£3,036.29	£3,643.54

* = Grouped Parishes

APPENDIX B (Continued)

Parts of the Council's Area -	Valuation Bands							
	A (6/9) £	B (7/9) £	C (8/9) £	D 1 £	E (11/9) £	F (13/9) £	G (15/9) £	H 2 £
Lichfield District Council	£120.05	£140.05	£160.06	£180.07	£220.09	£260.10	£300.12	£360.14
Staffordshire County Council	£863.97	£1,007.96	£1,151.96	£1,295.95	£1,583.94	£1,871.93	£2,159.92	£2,591.90
Staffordshire Commissioner - Police & Crime	£150.06	£175.07	£200.08	£225.09	£275.11	£325.13	£375.15	£450.18
Staffordshire Commissioner - Fire & Rescue	£51.49	£60.08	£68.66	£77.24	£94.40	£111.57	£128.73	£154.48
<u>Harlaston</u> (a)	£39.22	£45.76	£52.30	£58.84	£71.91	£84.98	£98.06	£117.67
Parish and District (b)	£159.27	£185.81	£212.36	£238.91	£292.00	£345.08	£398.18	£477.81
Total (c)	£1,224.79	£1,428.92	£1,633.06	£1,837.19	£2,245.45	£2,653.71	£3,061.98	£3,674.37
<u>Hints and Canwell</u> (a)	£30.84	£35.98	£41.12	£46.26	£56.54	£66.82	£77.10	£92.52
Parish and District (b)	£150.89	£176.03	£201.18	£226.33	£276.63	£326.92	£377.22	£452.66
Total (c)	£1,216.41	£1,419.14	£1,621.88	£1,824.61	£2,230.08	£2,635.55	£3,041.02	£3,649.22
<u>King's Bromley</u> (a)	£19.67	£22.94	£26.22	£29.50	£36.05	£42.61	£49.17	£59.00
Parish and District (b)	£139.72	£162.99	£186.28	£209.57	£256.14	£302.71	£349.29	£419.14
Total (c)	£1,205.24	£1,406.10	£1,606.98	£1,807.85	£2,209.59	£2,611.34	£3,013.09	£3,615.70
<u>Lichfield</u> (a)	£44.94	£52.43	£59.92	£67.41	£82.39	£97.37	£112.35	£134.82
Parish and District (b)	£164.99	£192.48	£219.98	£247.48	£302.48	£357.47	£412.47	£494.96
Total (c)	£1,230.51	£1,435.59	£1,640.68	£1,845.76	£2,255.93	£2,666.10	£3,076.27	£3,691.52
<u>Longdon</u> (a)	£25.14	£29.33	£33.52	£37.71	£46.09	£54.47	£62.86	£75.43
Parish and District (b)	£145.19	£169.38	£193.58	£217.78	£266.18	£314.57	£362.98	£435.57
Total (c)	£1,210.71	£1,412.49	£1,614.28	£1,816.06	£2,219.63	£2,623.20	£3,026.78	£3,632.13
<u>Mavesyn Ridware</u> (a)	£26.25	£30.63	£35.00	£39.38	£48.13	£56.88	£65.63	£78.76
Parish and District (b)	£146.30	£170.68	£195.06	£219.45	£268.22	£316.98	£365.75	£438.90
Total (c)	£1,211.82	£1,413.79	£1,615.76	£1,817.73	£2,221.67	£2,625.61	£3,029.55	£3,635.46
<u>Shenstone</u> (a)	£34.61	£40.38	£46.14	£51.91	£63.45	£74.98	£86.52	£103.83
Parish and District (b)	£154.66	£180.43	£206.20	£231.98	£283.54	£335.08	£386.64	£463.97
Total (c)	£1,220.18	£1,423.54	£1,626.90	£1,830.26	£2,236.99	£2,643.71	£3,050.44	£3,660.53
<u>Swinfen and Packington</u> (a)	£24.85	£28.99	£33.13	£37.27	£45.56	£53.84	£62.12	£74.55
Parish and District (b)	£144.90	£169.04	£193.19	£217.34	£265.65	£313.94	£362.24	£434.69
Total (c)	£1,210.42	£1,412.15	£1,613.89	£1,815.62	£2,219.10	£2,622.57	£3,026.04	£3,631.25
<u>Wall</u> (a)	£39.40	£45.97	£52.53	£59.10	£72.23	£85.36	£98.50	£118.20
Parish and District (b)	£159.45	£186.02	£212.59	£239.17	£292.32	£345.46	£398.62	£478.34
Total (c)	£1,224.97	£1,429.13	£1,633.29	£1,837.45	£2,245.77	£2,654.09	£3,062.42	£3,674.90
<u>Weeford</u> (a)	£11.68	£13.63	£15.57	£17.52	£21.41	£25.31	£29.20	£35.04
Parish and District (b)	£131.73	£153.68	£175.63	£197.59	£241.50	£285.41	£329.32	£395.18
Total (c)	£1,197.25	£1,396.79	£1,596.33	£1,795.87	£2,194.95	£2,594.04	£2,993.12	£3,591.74
<u>Whittington and Fisherwick*</u> (a)	£31.60	£36.86	£42.13	£47.39	£57.93	£68.46	£78.99	£94.79
Parish and District (b)	£151.65	£176.91	£202.19	£227.46	£278.02	£328.56	£379.11	£454.93
Total (c)	£1,217.17	£1,420.02	£1,622.89	£1,825.74	£2,231.47	£2,637.19	£3,042.91	£3,651.49
<u>Wigginton and Hopwas</u> (a)	£22.53	£26.29	£30.04	£33.80	£41.31	£48.82	£56.33	£67.60
Parish and District (b)	£142.58	£166.34	£190.10	£213.87	£261.40	£308.92	£356.45	£427.74
Total (c)	£1,208.10	£1,409.45	£1,610.80	£1,812.15	£2,214.85	£2,617.55	£3,020.25	£3,624.30

* = Grouped Parishes

APPENDIX C

Parish Precepts

City, Town and Parish Councils	2019/20			2020/21			Increase / (decrease) %
	Tax Base	Precept £	Band D £	Tax Base	Precept £	Band D £	
Alrewas	1,207.0	40,645	33.68	1,205.0	40,645	33.73	0.2%
Armitage with Handsacre	2,094.0	108,043	51.60	2,121.7	108,043	50.92	(1.3%)
Burntwood	8,408.7	318,690	37.90	8,533.4	349,016	40.90	7.9%
Clifton Campville with Thorpe Constantine*	366.0	17,692	48.34	396.2	18,000	45.43	(6.0%)
Colton	329.2	14,150	42.99	332.8	12,279	36.89	(14.2%)
Curborough and Elmhurst and Farewell and Chorley*	245.6	5,926	24.13	245.8	6,815	27.73	14.9%
Drayton Bassett	443.0	22,432	50.64	444.5	23,105	51.98	2.6%
Edingale	271.8	14,000	51.51	270.9	14,000	51.69	0.3%
Elford	286.5	14,000	48.87	286.8	15,000	52.31	7.0%
Fazeley	1,484.3	61,344	41.33	1,497.4	67,478	45.06	9.0%
Fradley and Streethay*	1,614.2	98,958	61.31	2,131.3	131,306	61.61	0.5%
Hammerwich	1,355.8	26,400	19.47	1,362.4	26,400	19.38	(0.5%)
Hamstall Ridware	149.1	6,300	42.26	149.7	6,500	43.42	2.8%
Harlaston	184.8	10,863	58.79	184.6	10,863	58.84	0.1%
Hints and Canwell	180.8	8,200	45.36	178.8	8,270	46.26	2.0%
King's Bromley	554.4	16,088	29.02	556.3	16,410	29.50	1.7%
Lichfield	12,017.8	757,180	63.00	12,133.0	817,890	67.41	7.0%
Longdon	753.1	26,170	34.75	756.4	28,525	37.71	8.5%
Mavesyn Ridware	466.5	21,585	46.27	491.0	19,335	39.38	(14.9%)
Shenstone	3,475.3	182,000	52.37	3,505.9	182,000	51.91	(0.9%)
Swinfen and Packington	132.5	5,000	37.74	147.6	5,500	37.27	(1.2%)
Wall	196.2	11,600	59.11	200.4	11,845	59.10	(0.0%)
Weeford	95.3	1,595	16.73	96.2	1,685	17.52	4.7%
Whittington and Fisherwick*	1,164.0	52,043	44.71	1,153.5	54,668	47.39	6.0%
Wigginton and Hopwas	535.0	20,000	37.38	650.9	22,000	33.80	(9.6%)
Total /Average	38,010.8	£1,860,904	£48.96	39,032.3	£1,997,578	£51.18	4.5%

* = Grouped Parishes

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CONSTITUTION OF COMMITTEES AND PANELS:

COMMITTEE / PANEL	SIZE	Con	Lab	Lib Dem	Ind
Council	47	34	11	1	1
Leader and Cabinet	6	6			
Strategic (Overview and Scrutiny) Committee	13	9	3		1
Community, Housing and Health (Overview and Scrutiny) Committee	13	10	3		
Leisure, Parks and Waste Management (Overview and Scrutiny) Committee	13	9	3	1	
Economic Growth, Environment and Development (Overview and Scrutiny) Committee	13	9	3	1	
Audit & Standards Committee	9	6	2		1
Planning Committee	15	11	4		
Regulatory and Licensing Committee	13	8	3		
Lichfield District Board * To be made up of the Leader and the Community Cabinet Member with other Members of the Cabinet being invited to attend meetings as required	2	2			

COMMITTEE / PANEL	SIZE	Con	Lab	Lib Dem	Ind
Licensing and Consents Appeals Committee <i>Any 3 from Regulatory and Licensing Committee</i>	3				
Employment Committee	10	7	2		1
Disciplinary and Grievance Appeals Committee	7	5	1	1	
Investigatory and Disciplinary Committee	7	5	1		
Appointments Committee <i>To be made of four Cabinet Members and the Leader of the Principal Opposition Group</i>	5	4	1		
Strategic Asset Management Committee	5	4	1		
Parish Forum	11	8	3		
Joint Committee for Waste Management <i>The Leader of the Council or authorised deputy The Portfolio Holder responsible for Waste or authorised deputy</i>	2	2			

CABINET	
Leader of Cabinet	D. R. Pullen
Deputy Leader of Cabinet and Cabinet Member for Investment, Economic Growth & Tourism	I. M. Eadie
Cabinet Member for Finance and Procurement	R. W. Strachan
Cabinet Member for Communities & Housing	A. Yeates
Cabinet Member for Customer Services & Innovation	A. F. Smith
Cabinet Member for Recycling & Leisure	E. A. Little
Cabinet Member for Legal & Regulatory	A. C. Lax

STRATEGIC (OVERVIEW & SCRUTINY) COMMITTEE Constitution – Up to 13 Members Composition			
Conservative 9	Labour 3	Liberal Democrat 0	Independent 1
J. Checkland	C. J. Ball		J. K. Grange
C. Greatorex	S.W. Banevicius		
A. M. Little	S. G. Norman		
T. R. Matthews			
C. J. Spruce			
S. J. Tapper			
M. A. Warfield			
A. G. White			
S. E. Wilcox			

ECONOMIC GROWTH, ENVIRONMENT & DEVELOPMENT (OVERVIEW & SCRUTINY) COMMITTEE Constitution – Up to 13 Members Composition			
Conservative 9	Labour 3	Liberal Democrat 1	Independent 0
N. D. Binney	C. J. Ball	P. W. W. Ray	
R. E. Cox	D. M. O. Ennis		
B. J. Gwilt	B. S. Westwood		
W-L. Ho			
A. M. Little			
T. Marshall			
J. A. Parton Hughes			
H. A. Warburton			
S. E. Wilcox			

COMMUNITY HOUSING AND HEALTH (OVERVIEW & SCRUTINY) COMMITTEE Constitution – Up to 13 Members Composition			
Conservative 10	Labour 3	Liberal Democrat 0	Independent 0
D. F. Baker	C. J. Ball		
R. E. Cox	R. J. Birch		
J. M. Eagland	D. C. Evans		
B. J. Gwilt			
K. P. Humphreys			
D. J. Leytham			
J. A. Parton Hughes			
J. Silvester-Hall			
M. J. Wilcox			
N. D. Binney			

LEISURE, PARKS & WASTE MANAGEMENT (OVERVIEW & SCRUTINY) COMMITTEE Constitution – Up to 13 Members Composition			
Conservative 9	Labour 3	Liberal Democrat 1	Independent 0
D. F. Baker	S.W. Banevicius	P. W. W. Ray	
D. F. Salter	L. J. Ennis		
S. A. Barnett	B. Westwood		
T. R. Matthews			
J. Silvester-Hall			
S. J. Tapper			
M. A. Warfield			
M. J. Wilcox			
B. W. Yeates			

EMPLOYMENT COMMITTEE Constitution – Up to 10 Members Composition			
Conservative 7	Labour 2	Liberal Democrat 0	Independent 1
S. A. Barnett	R. J. Birch		J. K. Grange
K. P. Humphreys	D. C. Robertson		
C. Greateorex			
B. J. Gwilt			
J. Silvester-Hall			
H. A. Warburton			
S. E. Wilcox			

PLANNING COMMITTEE Constitution – Up to 15 Members Composition			
Conservative 11	Labour 4	Liberal Democrat 0	Independent 0
D. F Baker	J. Anketell		
S. A. Barnett	R. J. Birch		
J. Checkland	B. J. Brown		
R. E. Cox	D. C. Evans		
J. M. Eagland			
W-L. Ho			
K. P. Humphreys			
D. J. Leytham			
T. Marshall			
T. R. Matthews			
S. J. Tapper			

REGULATORY & LICENSING COMMITTEE Constitution – Up to 13 Members Composition			
Conservative 8	Labour 3	Liberal Democrat 0	Independent 0
N. D. Binney	J. Anketell		
J. M. Eagland	D. C. Evans		
D. J. Leytham	D. M. O. Ennis		
J. A. Parton Hughes	L. J. Ennis		
D. F. Salter			
C. J. Spruce			
M. A. Warfield			
B. W. Yeates			

AUDIT AND MEMBER STANDARDS COMMITTEE Constitution – Up to 9 Members Composition			
Conservative 6	Labour 2	Liberal Democrat 0	Independent 1
J. Checkland	S. G. Norman		J. K. Grange
C. Greateorex	D. C. Robertson		
W-L. Ho			
A. M. Little			
C. J. Spruce			
A. G. White			

DISCIPLINARY AND GRIEVANCE APPEALS COMMITTEE Constitution – 7 Members to be appointed when required Composition At least one Member to be from the Cabinet			
*Chairman is elected from those Members present			
Conservative 5	Labour 1	Liberal Democrat 1	Independent 0
J. Checkland	D. C. Robertson	P. W. W. Ray	
J. M. Eagland			
K. P. Humphreys			
A. C. Lax			
M. A. Warfield			

INVESTIGATORY AND DISCIPLINARY COMMITTEE Constitution – 7 Members to be appointed when required Composition At least one Member to be from the Cabinet No members from the Disciplinary and Grievance Appeals Committee			
*Chairman is elected from those Members present			
Conservative 5	Labour 1	Liberal Democrat 0	Independent 1
S. A. Barnett	S.W. Banevicius		J. K. Grange
N. D. Binney			
I. M. Eadie			
C. Greateorex			
T. Marshall			

Strategic Asset Management Committee Constitution – 5 Members Composition At least one Cabinet Member and one opposition Member			
Conservative 4	Labour 1	Liberal Democrat 0	Independent 0
D. G. Cross	S. G. Norman		
I. M. Eadie			
A. M. Little			
R. W. Strachan			

PARISH FORUM Constitution – Up to 11 Members Composition			
Conservative 8	Labour 2	Liberal Democrat 0	Independent 0
S. A. Barnett	J. Anketell		
D. F. Salter	B. J. Brown		
B. J. Gwilt	D. C. Robertson		
K. P. Humphreys			
T. Marshall			
J. Silvester-Hall			
S. J. Tapper			
H. A. Warburton			

APPOINTMENTS COMMITTEE Constitution – 5 Members to be appointed when required Composition Four Cabinet Members and Leader of the Principal Opposition Group *Chairman is elected from those Members present
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LICENSING & CONSENTS APPEALS COMMITTEE Constitution – 3 Members Composition Any three from Regulatory & Licensing Committee but including the Chairman of Regulatory & Licensing Committee as standing Chairman

JOINT COMMITTEE FOR WASTE MANAGEMENT Constitution – 2 District Members Composition The Leader of the Council or authorised deputy The Portfolio Holder responsible for Waste or authorised deputy
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DISTRICT BOARD Constitution – 2 District Members Composition To be made up of the Leader of the Council and the Communities & Housing Cabinet Member with other Members of the Cabinet being invited to attend meetings as required

AMENDMENTS TO THE CONSTITUTION

Report of Angela Lax, Cabinet Member for Legal & Regulatory Services

Date: 18 February 2020

Officer Title: Agenda Item 14

Officer Title: Christie Tims – Head of Corporate Services and Monitoring Officer

Local Ward: N/A

Members



Full Council

1. Executive Summary

- 1.1 The Lichfield District Council Constitution is constantly reviewed and updated to ensure it remains fit for purpose, reflects changes in legislation, decisions and recommendations.
- 1.2 Following a review of Audit Committee effectiveness the Audit and Member Standards Committee has recommended the requirement of a Chair's Annual Report to come to Full Council.
- 1.3 Due to recent changes to EU procurement limits, Contract Procedure Rules have also been updated.

2. Recommendations

- 2.1 To agree the recommendation of the Audit & Member Standards Committee that the Committee submit a Chair's Annual Report to Full Council.
- 2.2 To note the amendments to the EU procurement limits and the update to the Contract procedure Rules which have been updated under delegation.

3. Background

- 3.1 **Part 2** of the constitution details the Articles of the Constitution, which includes committees and how they operate.
- 3.2 In February the Audit and Member Standards Committee undertook an annual review of Audit Committee effectiveness as recommended by CIPFA guidelines. It highlighted that best practice requires the production of a Chair's Annual Report so that:
 - the Audit and member Standards Committee report directly to Full Council
 - the committee is held to account for its performance operating effectively
 - an annual evaluation is undertaken to assess whether the committee is fulfilling its terms of reference
 - consideration is given to all core areas.
- 3.3 The committee accepted the best practice recommendation and have recommended the change to part 2 of the constitution for Full Council to receive a Chair's Annual Report.
- 3.4 **Part 4** of the constitution details the rules of procedure. Following the update of EU procurement limits the content of this section has been updated to reflect the new limits from 1 January 2020.
- 3.5 As this is a change in law, the new limits have been updated under officer delegations and Full Council is notified of the change.
- 3.6 The new thresholds are now over £189,330 for goods and services or £4,733,252 for works.

Alternative Options	Not to update the Constitution and in line with recommendations from the Audit and Member Standards Committee or changes in Statute.		
Consultation	All changes meet the needs of the organisation and have been consulted with the relevant committee and finance, procurement and legal services.		
Financial Implications	None; there are no implications for the changes themselves. The new EU procurement limit determine how items are procured.		
Contribution to the Delivery of the Strategic Plan	Proposals will assist with compliance with the legal requirements and effectiveness.		
Equality, Diversity and Human Rights Implications	None		
Crime & Safety Issues	None		
GDPR/Privacy Impact Assessment	Yes – all data collected and collated in the preparation and operation of the constitution has been impact assessed with the appropriate controls in place.		
	Risk Description	How We Manage It	Severity of Risk (RYG)
1	Legal challenge as constitution is not up to date	Update Constitution	Green
Background documents Current and revised draft Constitution			
Relevant web links https://democracy.lichfielddc.gov.uk/ieListDocuments.aspx?CId=190&MIId=304&Ver=4&info=1			

CALENDAR OF MEETINGS (Version 3)
May 2020 – June 2021

Date	Meeting
Tuesday 12th May 2020	Cabinet
Tuesday 19th May 2020	ANNUAL COUNCIL
Wednesday 20th May 2020	O&S Coordinating Group
Thursday 21st May 2020	Planning Training
Monday 25th May 2020	BANK HOLIDAY
Thursday 28th May 2020	Regulatory & Licensing Committee
Monday 1st June 2020	Planning Committee
Tuesday 2nd June 2020	Cabinet
Wednesday 3rd June 2020	Leisure, Parks & Waste Management (Overview & Scrutiny) Committee
Tuesday 9th June 2020	Economic Growth, Environment & Development (Overview & Scrutiny) Committee
Thursday 11th June 2020	Strategic Asset Management Committee
Monday 15th June 2020	Provisional Date
Tuesday 16th June 2020	Community, Housing & Health (Overview & Scrutiny) Committee
Monday 22nd June 2020	District Board
Tuesday 23rd June 2020	Strategic (Overview & Scrutiny) Committee
Monday 29th June 2020	Planning Committee
Wednesday 1st July 2020	Employment Committee
Monday 6th July 2020	Member Training
Tuesday 7th July 2020	Cabinet
Tuesday 14th July 2020	COUNCIL
Thursday 16th July 2020	Provisional Date
Wednesday 22nd July 2020	Audit & Member Standards Committee
Monday 27th July 2020	Planning Committee
Monday 24th August 2020	Planning Committee
Monday 31st August 2020	BANK HOLIDAY
Tuesday 1st September 2020	Strategic (Overview & Scrutiny) Committee
Thursday 3rd September 2020	Member Training
Monday 7th September 2020	Economic Growth, Environment & Development (Overview & Scrutiny) Committee
Tuesday 8th September 2020	Cabinet
Monday 14th September 2020	Planning Training
Tuesday 15th September 2020	Community, Housing & Health (Overview & Scrutiny) Committee
Wednesday 16th September 2020	Strategic Asset Management Committee
Thursday 17th September 2020	Lichfield District Parish Forum
Monday 21st September 2020	Planning Committee
Wednesday 23rd September 2020	Leisure, Parks & Waste Management (Overview & Scrutiny) Committee
Monday 28th September 2020	Regulatory & Licensing Committee
Thursday 1st October 2020	Employment Committee
Tuesday 6th October 2020	Cabinet
Tuesday 13th October 2020	COUNCIL
Monday 19th October 2020	Planning Committee
Wednesday 21st October 2020	Provisional Date
Monday 2nd November 2020	Joint Waste Committee
Thursday 5th November 2020	O&S Coordinating Group
Tuesday 10th November 2020	Cabinet
Thursday 12th November 2020	Audit & Member Standards Committee
Monday 16th November 2020	Planning Committee

Thursday 19 th November 2020	Strategic (Overview & Scrutiny) Committee
Monday 23 rd November 2020	District Board
Wednesday 25 th November 2020	Strategic Asset Management Committee
Monday 30 th November 2020	Member Training
Tuesday 1st December 2020	Cabinet
Thursday 3 rd December 2020	Provisional Date
Tuesday 8 th December 2020	Planning Training
Monday 14 th December 2020	Planning Committee
Tuesday 15th December 2020	COUNCIL
Friday 25th December 2020	CHRISTMAS DAY
Monday 28th December 2020	BANK HOLIDAY (Boxing Day)
Friday 1st January 2021	BANK HOLIDAY
Monday 11 th January 2021	Planning Committee
Tuesday 12th January 2021	Cabinet
Thursday 14 th January 2021	Community, Housing & Health (Overview & Scrutiny) Committee
Monday 18 th January 2021	Member Training
Thursday 21 st January 2021	Leisure, Parks and Waste Management (Overview & Scrutiny) Committee
Tuesday 26 th January 2021	Economic Growth, Environment & Development (Overview & Scrutiny) Committee
Wednesday 27 th January 2021	Strategic (Overview & Scrutiny) Committee
Tuesday 2 nd February 2021	Employment Committee
Wednesday 3 rd February 2021	Audit & Member Standards Committee
Monday 8 th February 2021	Planning Committee
Tuesday 9th February 2021	Cabinet
Tuesday 16th February 2021	COUNCIL
Thursday 25 th February 2021	Regulatory & Licensing Committee
Monday 1 st March 2021	Provisional Date
Wednesday 3 rd March 2021	Leisure, Parks and Waste Management (Overview & Scrutiny) Committee
Monday 8 th March 2021	Planning Committee
Tuesday 9th March 2021	Cabinet
Wednesday 10 th March 2021	Community, Housing & Health (Overview & Scrutiny) Committee
Monday 15 th March 2021	Planning Training
Thursday 18 th March 2021	Economic Growth, Environment & Development (Overview & Scrutiny) Committee
Monday 22 nd March 2021	Joint Waste Committee
Wednesday 24 th March 2021	Strategic Asset Management Committee
Thursday 25 th March 2021	Audit & Member Standards Committee
Monday 29 th March 2021	District Board
Thursday 1 st April 2021	Provisional Date
Friday 2 nd April 2021	BANK HOLIDAY
Monday 5 th April 2021	BANK HOLIDAY
Monday 12 th April 2021	Planning Committee
Tuesday 13th April 2021	Cabinet
Tuesday 20th April 2021	COUNCIL
Thursday 22 nd April 2021	O&S Coordinating Group
Tuesday 27 th April 2021	Audit & Member Standards Committee
Wednesday 28 th April 2021	Member Training
Monday 3 rd May 2021	BANK HOLIDAY
Monday 10 th May 2021	Planning Committee
Tuesday 11th May 2021	Cabinet
Tuesday 18th May 2021	ANNUAL COUNCIL
Monday 24 th May 2021	Planning Training
Tuesday 25 th May 2021	Regulatory & Licensing Committee

Monday 31 st May 2021	BANK HOLIDAY
Monday 7 th June 2021	Planning Committee
Tuesday 8th June 2021	Cabinet
Monday 14 th June 2021	Leisure, Parks & Waste Management (Overview & Scrutiny) Committee
Wednesday 16 th June 2021	Strategic Asset Management Committee
Thursday 17 th June 2021	Lichfield District Parish Forum

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