

Date of despatch: Wednesday, 13 February 2019

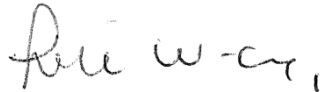
To the Members of Slough Borough Council

NOTICE OF MEETING

Dear Councillor,

You are summoned to attend an Extraordinary Meeting of the Council of this Borough which will be held in the The Venue - The Curve, William Street, Slough, SL1 1XY on **Thursday, 21st February, 2019 at 7.00 pm**, when the business in the Agenda below is proposed to be transacted.

Yours faithfully



JOSIE WRAGG
Chief Executive

AGENDA

Apologies for Absence

PAGE

1. Declarations of Interest

-

All Members who believe they have a Disclosable Pecuniary or other in any matter to be considered at the meeting must declare that interest and, having regard to the circumstances described in Section 4 paragraph 4.6 of the Councillors' Code of Conduct, leave the meeting while the matter is discussed.

Members are reminded that under paragraph 4.7 of the Code, a general dispensation has been provided to all members of the Council (who do not otherwise have a Disclosable Pecuniary Interest) to take part and vote on items on the Council agenda for 21st February 2019 in relation to setting the Council Tax or a precept under the Local Government Finance Act 1992.

Recommendations of Cabinet and Committees

[Notification of Amendments required by 10am on Wednesday 20th February 2019]

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| 2. | Five Year Plan 2019/20 - 2023/24 | 1 - 22 |
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Officer Reports

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Press and Public

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

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

4 **Other Implications**

(a) Financial - the Five Year Plan is important in determining the priority outcomes against which resources will be allocated. The time frame for the Five Year Plan is aligned with our medium term financial planning and will roll forward each year, i.e. the new Plan looks ahead for the five years 2019/20 to 2023/24.

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

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

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

5 **Supporting Information**

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

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

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

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

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

6 **Measuring progress**

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

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

7 The Medium Term Financial Strategy and the Five Year Plan

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

8 Comments of Other Committees

- 8.1 Work has been undertaken with the Leader and Cabinet to ensure that the priority outcomes reflect the political priorities of the political leadership.
- 8.2 The Cabinet considered the draft Five Year Plan at its meeting on 4th February 2019 and recommend approval to Council.
- 8.2 The Council's Scrutiny function will challenge and track progress of the outcomes.

9 Conclusion

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

10 Appendices Attached

Appendix A: Five Year Plan 2019/20 – 2023/24

11 Background Papers

None.

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Five Year Plan 2019/20 – 2023/24

‘Growing a place of opportunity and ambition’

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1. Leader's Foreword

The 5 Year Plan sets out the Council Leadership Team's vision for Slough – growing a place of opportunity and ambition – and how we will deliver this by **putting people first**.

As Leader of the Council, my priority is to ensure that the ambitions we have for our town enable Slough residents to access enhanced opportunities, good services and flagship leisure facilities – to help them build good lives for themselves and their families. My colleagues and I are working to grow our town in a sustainable way that delivers quality development and helps our communities to thrive.

This Five Year Plan sets out more detail around our priorities and how we will:

- Increase the supply of housing, particularly affordable quality homes.
- Improve public transport infrastructure, not only will this relieve congestion by encouraging people to use their cars less, it will support our clean air strategy and prevent traffic gridlock from threatening our successful economy.
- Move forward with our 'place-shaping' agenda. This means joining up services, not just within the Council but with our partners too, bringing them closer to people's localities and delivering major regeneration of our neighbourhoods, like Chalvey. In addition we are reshaping our town centre to renew it for another generation.
- Maximise commercial opportunities afforded us by the strength of our local economy – both to protect frontline services and to ensure the Council is dynamic, ambitious and entrepreneurial (like our residents) but also to drive service transformation and improvement including IT and new contact channels for the digital age.
- Deliver an improving public realm and a world-class leisure offer with new state of the art buildings, outdoor gyms and safe public spaces.

Our challenge is to maintain investment in the town, despite the backdrop of funding reductions from central government and uncertainties about political direction nationally and globally. Our strength is that locally our political direction is clear, our commitment unquestionable, our focus on key priorities is relentless, and we have been building the organisational capacity to deliver on our ambitions.

The expansion of Heathrow, the arrival of Crossrail, together with our international reputation as a place for business to invest, mean I am confident in Slough's future and the town as a destination for people from all walks of life to come to live, work, play and stay.

Councillor Cllr James Swindlehurst
Leader, Slough Borough Council

2. Introduction

Since joining the Council on 1 October 2018 I have been continually impressed by the hard work and dedication of our staff to improve outcomes for people in Slough.

The Five Year Plan is important in defining the council's vision and ambition; the opportunities and challenges we face; the role of the council in meeting these and the priority outcomes against which resources will be allocated.

The Five Year Plan is also important in explaining how and why the council is changing. To ensure it is always up to date the Five Year Plan is refreshed every year and we also produce an Annual Report so we can check progress.

Opportunities and challenges

The Leader has been clear in his Foreword about our ambitious plans to deliver the best outcomes for the town and its people. By continuing to attract growth and shape and manage Slough the place effectively we can ensure we deliver benefits for local residents.

Our population of around 145,000 is young, growing and dynamic. We need to ensure their future from an early age and education, to local employment opportunities and the availability of housing to meet their needs. People are living longer today than ever before but this adds pressure on local services such as adult social care to meet more complex needs while enabling people to live independently for as long as possible. There are inequalities across our population including household income, living conditions, wellbeing and health. Not all of these issues are within our power to address directly which is why it is important that we make the most of our network of communities and local partners.

Maintaining a strong local economy to generate income from business rates is essential for our budget, particularly as our funding from Government disappears. The success of our economy, with a turnover of around £9 billion, together with our reputation as a place to invest means growth provides a number of opportunities. Inward investment, regeneration and infrastructure improvements will bring real benefits to Slough, from housing and jobs, to better transport, shopping and leisure facilities – and we need to make sure that all of our residents benefit from this.

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

In this context, being focussed on clear priorities is essential. This is why the Five Year Plan is so important as we will use it to:

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

The role of the Council

We will meet the challenges and opportunities we face by:

- demonstrating community leadership

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

Our capacity to provide people with support is under growing pressure as a result of cuts to our funding from central Government together with an increase in demand. 70% of our budget is spent on social care and supporting those members of our community who are most vulnerable.

Our challenge is that we know that we can no longer provide services in the way that we have in the past – we will not be able to provide everyone with everything. We need to rethink and change not only what we do but how we do it. It is brave decisions that we make now that will sustain our ability to provide services in the future.

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

Transformation

The Council has begun to develop and define a transformation programme which will guide our future ways of working as a Council and support the provision of our services. We want to enable independent sustainable communities and support people to prevent demand pressure on the council. We will maximise the use of our assets to maximise our localities offer.

The Transformation Programme will be rolled out at pace over the coming year so that:

- We will be a modern and efficient council that optimises customer service.
- We will have a new culture which embraces change and is fast-paced and dynamic.
- We will use technology to drive improvements to services and our ways of working.
- We will work as One Council and with our partners as One Slough to deliver better outcomes.
- We will pursue commercial and other funding opportunities to maximise benefits for Slough

Our values

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

- Responsive
- Accountable
- Innovative
- Ambitious
- Empowering

We will use these to drive our behaviours and how we work. We will recruit and manage people by checking how they are performing against these. In addition, and importantly, we have set a series of equality objectives to reduce inequalities and improve outcomes for local people in specific service areas. This is in line with our focus on putting people first as well as ensuring we meet our requirements under the Public Sector Equality Duty (Equality Act 2010). It is important that organisationally these outcomes are owned and are integral to our own work programmes. We must all know the part we play in striving towards achieving these outcomes.

Josie Wragg
Chief Executive

3. Our priority outcomes – putting people first

Our communities are at the heart of everything we do. It is our responsibility to ensure that as we change the way we do things, we communicate and engage with people so that they understand what is happening around them and why – and that they are empowered to help us shape and implement our vision for Slough.

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

Our priority outcomes – putting people first

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

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

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

Many of our priorities cannot be achieved by us as a Council without the support of others. As well as working in partnership with the public and voluntary sectors we will continue to build partnerships with the private sector to attract investment and support delivery. We will work with residents and community groups to build confidence and skills to improve their own lives and communities.

Just a few of the things we have done over the last year:

- Refurbished and expanded our nurseries, creating new early years places.
- Collaborated with Slough Youth Parliament on the Slough Youth Awards, highlighting the success of our young people, and the Women Leading Women event promoting equality for all, celebrating the achievements of Slough women and inspiring future generations.
- Worked closely with local schools to raise awareness about tooth decay, improve oral health education and facilitate supervised brushing.
- Collaborated with Slough Wellbeing Board to encourage small positive changes in lifestyle, tackle social isolation, and promote good mental health through our #BeRealistic, #ReachOut and #NotAlone campaigns.
- Increased the number of people managing their care and support
- Founded a new Town Team to deliver rapid improvements to our town centre.

- Celebrated the 80th anniversary of Slough receiving a Royal Charter and held the successful Slough Half Marathon, Canal Festival, Bonfire night and Festive Fun events.
- Campaigned with the Safer Slough Partnership to combat Modern Slavery and other Hidden Harms.
- Invested in improvements to our existing council stock and developed a new app to help council tenants report and track repairs.
- Prepared to relocate our headquarters, which will bring greater footfall to the town centre and help to support local businesses.
- Become the first town in the country to trial revolutionary green technology which generates electricity from microbes which form around plant roots.
- Continued to make improvements to our highway network and trialled the use of electric buses along the Green Line.

As the council leads the regeneration of our town over the next five years - improving Slough's buildings, spaces and infrastructure - we are determined to maximise the benefits for residents and exploit opportunities to enhance the services we provide.

Case studies:

Wexham School:

Students at Wexham School have now moved in to brand new facilities, created as part of the council's ambitious school places programme - a multi-million pound investment in primary and secondary school buildings, extensions and new schools.

The expansion includes a new 3,000 square metre three storey Woodside Building that houses 29 new classrooms for English, Special Educational Needs (SEN), Humanities and Languages, three of which have dedicated ICT facilities.

The Woodside Building also provides staff workrooms, group rooms, a new student reception and welfare facilities, a new library and a sixth form study centre. The existing library has been converted into two new science laboratories and external landscaped areas will be provided, along with a new staff car park, and improvements to the local highway to complete the site.

Lawrence Smith, headteacher at Wexham School: "We couldn't be happier with our school's new facilities. Feedback from students and teaching staff now using the Woodside Building has been extremely positive. Our new state-of-the-art teaching spaces will be instrumental in helping us build on this year's 'Good' Ofsted report, which stated the school's work to promote pupils' personal development and welfare is outstanding."

Salt Hill Activity Centre:

In June, Salt Hill Activity Centre opened its doors after undergoing a 12 month renovation that has seen the building transformed from a ten-pin bowling alley into a state-of-the-art indoor activity centre.

The new facilities include a six-lane ten-pin bowling alley, trampoline park, soft play, indoor high ropes and caving.

The centre will help the council to achieve our priority outcomes by bringing people together and encouraging greater levels of physical activity amongst our children and young people.

Slough Horticultural Show:

In August, we held Slough's first horticultural show in thirty years in Lascelles Park.

There were competitions for the best home grown produce including vegetables and flowers, and best home made items, including cakes, knitted items and clothing.

There was also a photography competition and classes for children to enter their home grown produce and home made wares.

The event sought to bring residents together, encourage people to get active in their gardens and promote healthier foods.

Holding events such as these will also help us to challenge negative perceptions of Slough, showcase our excellent parks and open spaces, and build a town where families choose to live, work and stay.

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

Why this is important

- Demand for children's services is increasing in scale and complexity.
- As school populations rise in Slough, there is increased competition for school places.
- Some families remain under pressure with less disposable income, increased use of food banks and overcrowded accommodation which impacts their children.
- While some progress has been made, Slough has high rates of preventable ill health amongst children including obesity, tooth decay and higher levels of hospital admissions for some long-term conditions such as asthma.
- Slough has a higher than average infant mortality rate and an increasing incidence of premature births and low birthweight births.
- The Safer Slough Partnership has identified Female Genital Mutilation (FGM), Forced Marriage, Child Sexual Exploitation (CSE) and Child Exploitation (CE), Gangs and Serious Youth Violence as priority issues for Slough.
- Young people in Slough have also raised concerns around knife crime, mental health and homelessness, as well as a desire for equal pay and a curriculum that prepares them better for life.

Our response

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

Levels of attainment have continued to improve across all ages, and are above national averages:

- 74% of children achieved a good level of development at Early Years, Foundation Stage.
- At Key Stage 2, 68% of pupils achieved the expected level in reading, writing and maths at key stage 2.
- 56.6% of pupils achieved Grade 5 or above in English and maths GCSEs.

The council has also worked to support more 16 and 17 year olds in education, employment or training, and the borough has seen a substantial improvement over recent years and been recognised as a hotspot by the Social Mobility Commission.

We are determined to continue to build on this progress to ensure that all our young people secure the best outcomes for them.

We are committed to working closely with Slough Youth Parliament to address key areas of concern, and are excited for the role young will play in shaping the future of Slough, as we continue to regenerate our town.

Alongside Slough Children's Services Trust and other partners, we will ensure that vulnerable young people are protected and supported, and we will step up our efforts to improve children and infants' health through early intervention, tackling the root cause of issues.

Our long-term priorities are to:

- Work with our partners to ensure excellent *educational, health and wellbeing* outcomes for children and young people in Slough.

- Reduce the numbers of children looked after and care leavers and young people with *an Education Health and Care Plan* who are not in education, employment or training.
- Support the creation and promotion of pathways to high quality employment, including apprenticeships.
- *Work with partners to further develop our early help and early intervention offer for children and families.*

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

Why this is important

- We are experiencing increasing demand for health and social care services, at a time when resources are limited.
- Levels of physical activity are poor and Slough has particular challenges around cardiovascular health, obesity, diabetes and other preventable diseases, which cause both premature ill health and shorter lives.
- Though we have made progress over the last year, Slough still has lower than average rates of immunisations and screening.
- Our residents have less overall life satisfaction than in nearby boroughs and higher levels of depression and anxiety, and we know there are also challenges around social isolation.
- There are also inequalities in health, primarily between different areas of the borough and between different ethnic groups, which need to be addressed.

Our response

Central to the council's work over the next five years will be developing an effective, evidence-based, outcome-focussed, preventative approach - this will include understanding what residents think about their health, working with the evidence of what works, and supporting residents and their communities to help themselves and keep as well as possible.

Recognising the strengths of our residents, the power of community and the interdependence between Outcomes to build stronger, healthier and attractive neighbourhoods, we will work together to pilot the right approach for Slough.

Our new co-production group will bring the council together with carers, people who use adult social care and support services, and health and social care staff, to ensure diverse views and ideas are represented in the design and delivery of services, and to make positive changes in the community.

Together with our partners in the public and voluntary sectors, we will continue to enhance our shared Health and Wellbeing Strategy, targeting health inequalities by focussing on the wider determinants of health - such as low household income, poor housing, employment and air quality.

We will also seek to make best use our new state-of-the-art leisure facilities to bring people together and get more people, more active, more often.

Our long-term priorities are to:

- *Enhance our strategic approach to improving the health and wellbeing of our residents through improved prevention and early intervention.*
- *Make best use of our new leisure facilities and get more people - more active - more often.*
- *Improve mental wellbeing and reduce loneliness and isolation - more people - more connected - and happy.*
- *Reduce the need for long term social care through improved early help and **effective partnership work.***

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

Why this is important

- Though we have made substantial progress, more needs to be done to enhance the visual appeal of our public realm and challenge stereotypes about Slough.
- We also know that we can do more to improve perceptions around levels of community safety, and Slough has particular challenges around 'hidden harms', such as modern slavery and domestic abuse.
- Slough has pockets of severe, multi-faceted deprivation, with some areas requiring greater levels of intervention and integration.
- Several areas of the borough have poor air quality with a lack of public awareness and understanding of air pollution being identified as a significant barrier to change.
- Recycling rates are also substantially below the national average.

Our response

Slough's greatest strength is its people, a strength which can be seen in our diversity, our community spirit, and our shared determination to create a town that more people are proud to call their home.

Over the next five years, the Safer Slough Partnership will continue to develop our work in tackling key local issues and ensuring that Slough is a safe place, where people feel they have the security to prosper.

We have plans in place to ensure our town centre reflects our ambitions to create a vibrant and attractive location and our parks have been recognised as some of the best in the country.

The implementation of our new Low Emissions Strategy will enhance air quality and we will look to promote greater awareness of the importance of recycling.

We will continue to host our successful programme of events bringing together our different communities, fostering civic pride and welcoming visitors to our town.

2019 will also see work begin on our locality offer - using council facilities to deliver joined-up services in the community alongside our partners.

Our long-term priorities are to:

- Actively manage the impact of new developments and infrastructure so the town centre is a place where people can live, work, shop and enjoy.
- Improve the Slough brand and develop our identity as a *safe* place of opportunity and ambition, co-produced with our communities and partners.
- Improve air quality in the borough with innovative solutions.
- *Encourage greater levels of recycling by raising awareness.*

Outcome 4: Our residents will live in good quality homes

Why this is important

- Space for new housing developments in Slough is severely limited.
- Levels of homelessness and rough sleeping have increased substantially, raising demand for temporary accommodation and social housing, which also impacts the health and the educational attainment of children.
- House prices are comparatively high when compared to average wages in Slough, and median rents are above average for the South East.
- The condition of our housing stock is generally better than national and regional averages, but more needs to be done to improve conditions in the private sector.

Our response

Slough is one of the smallest unitary authorities in the UK, and our growing population and attractive location have led to a significant demand for more housing in the borough.

To meet this challenge we will continue to build new, high quality and affordable homes, enhancing our partnership with Slough Urban Renewal.

In particular the council is committed to increasing the availability of council housing for our residents and we have identified sites to build approximately 500 more council homes over the next 3 years, subject to feasibility and funding.

We will continue to work closely with our partners to take preventative action to support those individuals most at risk of becoming homeless and improve the availability of accommodation through our subsidiary housing company James Elliman Homes.

The council will also look to improve the regulation of private sector housing and develop more effective relationships with landlords.

Our long-term priorities are to:

- Maintain our council housing to a high standard.
- *Deliver new affordable homes for our residents.*
- *Reduce the number of households in temporary accommodation.*
- Drive up standards in the private rented sector.

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

Why this is important

- Slough has high levels of personal car use, leading to congestion and exacerbating issues around air quality.
- The use of public transport is low compared to similar areas, such as Reading.
- Slough's business start up rate is positive, but survival rates beyond five years are low.
- Slough's retail offer is limited, but there is the opportunity to establish alternative uses for the centre of town to accommodate our rising population and create the business vibrancy that Crossrail has potential to bring.
- Though progress has been made in recent years, a comparatively small proportion of Slough's population hold NVQ-recognised qualifications.
- As of 2018, the average gross weekly pay for residents of Slough working full time was £74.60 lower than the average for all those working here, which implies that those commuting in to the borough are generally in higher paid work.
- Although employment levels are good overall, some groups, such as women, remain under-represented in the labour market.

Our response

As a council, we are committed to promoting inclusive economic growth, ensuring that the benefits from the regeneration of our town are shared by all of our residents.

We are well-placed to exploit new transport links and strengthen our growing reputation as a regional economic centre, but know there is more for us to do attract investment and bring more high-quality, well-paid jobs to Slough.

Work on the old library site is now underway and we will soon begin our regeneration of the former Thames Valley University campus, which will provide more retail, office and leisure space, as well as housing.

We will also continue plans to improve our infrastructure - supporting digital development, unshackling the town from congestion, and encouraging a shift towards more sustainable forms of transport.

This approach will enable us to present a comprehensive vision and masterplanning of opportunities, and to encourage and influence high quality design and development throughout the town centre.

Our long-term priorities are to:

- Collaborate on the Heathrow expansion.
- *Have a clear vision and masterplan for the centre of town, regenerating major sites and attracting investors and occupiers.*
- *Encourage modal shift to sustainable forms of transport - including walking, cycling and public transport - reducing traffic congestion and emissions.*
- *Provide residents with opportunities to improve their skills and secure quality jobs.*

4. The budget *–to be inserted following Budget Cabinet*

5. Keeping track of progress – balanced scorecard

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

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

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

| Five Year Plan outcome | | Performance measure |
|------------------------|---|--|
| Outcome 1 | Slough children will grow up to be happy, healthy and successful | The percentage attainment gap between all children and bottom 20% at Early Years Foundation Stage |
| | | The percentage gap between disadvantaged pupils and all others at Key Stage 2 in Reading, Writing and Maths |
| | | The gap between disadvantaged children and all others at Key Stage 4 percentage achieving grades 9-5 in English & maths |
| | | Percentage of Child Protection Plans started in the past year that were repeat plans within 2 years |
| | | Percentage of 16 to 17 year olds not in education, employment or training (NEETs) |
| Outcome 2 | Our people will be healthier and manage their own care needs | Number of adults managing their care and support via a direct payment |
| | | Uptake of targeted health checks The percentage of the eligible population aged 40-74 who received a NHS Health Check |
| | | Number of people inactive The percentage of people aged 16 and over who do not participate in at least 30 minutes of sport at moderate intensity at least once a week |
| Outcome 3 | Slough will be an attractive place where people choose to live, work and stay | Level of street cleanliness: Average score for graded inspections of Gateway sites (Grade options from best to worst are: A, A-, B, B-, C, C-, D) |
| | | Crime rates per 1,000 population: All crime (cumulative from April) |
| | | Residents' perception survey |

| | | |
|------------------|---|---|
| Outcome 4 | Our residents will live in good quality homes | Number of homeless households accommodated by SBC in temporary accommodation |
| | | Number of permanent dwellings completed in the borough during the year |
| | | Number of licenced mandatory Houses in Multiple Occupation (HMOs) |
| | | Number of empty properties brought back into use (by Council intervention) |
| Outcome 5 | Slough will attract, retain and grow businesses and investment to provide opportunities for our residents | Business rate income: Business rate in year collection (amount & percentage rate accrued) |
| | | Access to employment Proportion of resident population of area aged 16-64 claiming JSA and NI or Universal credits |
| | | Journey times Average journey time from Heart of Slough to M4 J6 (M-F 16:30-18:30) |
| Corporate health | | Council tax in year collection (amount & percentage rate accrued) |
| | | Percentage of council tax payments made by online payments |
| | | Percentage of household waste sent for reuse, recycling or composting |
| | | Percentage of municipal waste sent to landfill |
| | | Channel shift |
| | | Percentage of staff proud to work for the council (staff survey) |
| | | Percentage of staff that go the extra mile to help SBC succeed (staff survey) |

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SLOUGH BOROUGH COUNCIL

REPORT TO: Council **DATE:** 21st February 2019

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

WARD(S): All

PART I
FOR DECISION**RECOMMENDATIONS OF CABINET, 4TH FEBRUARY 2019:**
REVENUE BUDGET 2019/20**1 Purpose of Report**

To detail the overall Revenue Budget for 2019/20, including the associated growth and savings proposals and other related decisions that required for the Council to achieve a balanced budget for the year ahead.

The paper recommends a 2.8% increase in council tax required to fund the Revenue Budget for 2019/20. This would equate to a Band D property paying a Council Tax of £1,268.75, an increase of £35.09 from 2018/19. The Adult Social Care levy remains, at £98.23, the same as 2018/19 for a Band D property.

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

2 Recommendation(s)/Proposed Action

The Council is requested to resolve that the revenue budget 2019/20, as attached, be approved.

As the billing authority, approve the Council Tax amounts for each band in the borough including precepts from The Police and Crime Commissioner for Thames Valley Police and the Royal Berkshire Fire and Rescue Service the whilst noting that both are still to confirm their final council tax precept requirements;

Council Tax Resolution – In relation to the Council Tax for 2019/20

- (a) That in pursuance of the powers conferred on the Council as the billing authority for its area by the Local Government Finance Acts (the Acts), the Council Tax for the Slough area for the year ending 31 March 2020 is as specified below and that the Council Tax be levied accordingly.
- (b) That it be noted that at its meeting on 18 December 2018 Cabinet calculated the following Tax Base amounts for the financial year 2019/20 in accordance with Regulations made under sections 31B (3) and 34(4) of the Act:
 - (i) 42,789.8 being the amount calculated by the Council, in accordance with Regulation 3 of the Local Authorities (Calculation of Council Tax

Base) Regulations 2012 (the Regulations) as the Council Tax Base for the whole of the Slough area for the year 2019/20; and

(ii) The sums below being the amounts of Council Tax Base for the Parishes within Slough for 2019/20:

a) Parish of Colnbrook with Poyle 1,923.3

(c) That the following amounts be now calculated for the year 2019/20 in accordance with sections 31A to 36 of the Act:

- (i) £411,146,686 being the aggregate of the amounts which the Council estimates for the items set out in section 31A (2)(a) to (f) of the Act. (Gross Expenditure);
- (ii) £352,551,190 being the aggregate of the amounts which the Council estimates for the items set out in section 31A (3) (a) to (d) of the Act. (Gross Income);
- (iii) £58,595,496 being the amount by which the aggregate at paragraph c (i) above exceeds the aggregate at paragraph c (ii) above calculated by the Council as its council tax requirement for the year as set out in section 31A(4) of the Act. (Council Tax Requirement);
- (iv) £1,369.38 being the amount at paragraph c(iii) above divided by the amount at paragraph b(i) above, calculated by the Council, in accordance with section 31B(1) of the Act, as the basic amount of its Council Tax for the year, including the requirements for Parish precepts.
- (v) That for the year 2019/20 the Council determines in accordance with section 34 (1) of the Act, Total Special Items of £102,583 representing the total of Parish Precepts for that year.
- (vi) £1,366.98 being the amount at paragraph c (iv) above less the result given by dividing the amount at paragraph c (v) above by the relevant amounts at paragraph b (i) above, calculated by the Council, in accordance with section 34 (2) of the Act, as the basic amount of its Council Tax for the year for dwellings in those parts of its area to which no special item relates.
- (vii) Valuation Bands

| Band | Slough Area £ | Parish of Colnbrook with Poyle £ |
|-------------|--------------------------|---|
| A | 911.32 | 32.93 |
| B | 1,063.21 | 38.42 |
| C | 1,215.09 | 43.91 |
| D | 1,366.98 | 49.40 |
| E | 1,670.75 | 60.38 |
| F | 1,974.53 | 71.36 |
| G | 2,278.30 | 82.33 |
| H | 2,733.96 | 98.80 |

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

- (viii) Calculate that the Council Tax requirement for the Council's own purposes for 2019/20 (excluding Parish precepts) is £58,492,641.
- (ix) That it be noted that for the year 2019/20 the Thames Valley Police Authority precept has been increased by 13.2% in accordance with Home Office guidance in the provisional police grant settlement. The Police and Crime Panel are meeting on the 1st February to consider the PCP's precept proposals. The following amounts are stated in accordance with section 40 of the Act, for each of the categories of dwellings shown below:

| Band | Office of the Police and Crime Commissioner (OPCC) for Thames Valley £ |
|-------------|---|
| A | 137.52 |
| B | 160.44 |
| C | 183.36 |
| D | 206.28 |
| E | 252.12 |
| F | 297.96 |
| G | 343.80 |
| H | 412.56 |

- (x) That it be noted that for the year 2019/20 the Royal Berkshire Fire Authority has proposed increasing its precept by 2.99% in accordance with section 40 of the Act, for each of the categories of dwellings shown below:

| Band | Royal Berkshire Fire Authority £ |
|-------------|---|
| A | 44.19 |
| B | 51.55 |
| C | 58.92 |
| D | 66.28 |
| E | 81.01 |
| F | 95.74 |
| G | 110.47 |
| H | 132.56 |

These precepts have not been formally proposed or agreed by the Royal Berkshire Fire Authority and may be subject to further revision.

- (xi) Note that arising from these recommendations, and assuming the major precepts are agreed, the overall Council Tax for Slough Borough Council for 2019/20 including the precepting authorities will be as follows:

| Band | Slough | Office of the Police and Crime Commissioner (OPCC) for Thames Valley | Royal Berkshire Fire Authority | TOTAL |
|-------------|---------------|---|---|--------------|
| | £ | £ | £ | £ |
| A | 911.32 | 137.52 | 44.19 | 1,093.03 |
| B | 1,063.21 | 160.44 | 51.55 | 1,275.20 |
| C | 1,215.09 | 183.36 | 58.92 | 1,457.37 |
| D | 1,366.98 | 206.28 | 66.28 | 1,639.54 |
| E | 1,670.75 | 252.12 | 81.01 | 2,003.88 |
| F | 1,974.53 | 297.96 | 95.74 | 2,368.23 |
| G | 2,278.30 | 343.80 | 110.47 | 2,732.57 |
| H | 2,733.96 | 412.56 | 132.56 | 3,279.08 |

- (xii) That the Section 151 Officer be and is hereby authorised to give due notice of the said Council Tax in the manner provided by Section 38(2) of the 2012 Act.
- (xiii) That the Section 151 Officer be and is hereby authorised when necessary to apply for a summons against any Council Tax payer or non-domestic ratepayer on whom an account for the said tax or rate and arrears has been duly served and who has failed to pay the amounts due to take all subsequent necessary action to recover them promptly.
- (xiv) That the Section 151 Officer be authorised to collect (and disperse from the relevant accounts) the Council Tax and National Non-Domestic Rate and that whenever the office of the Section 151 Officer is vacant or the holder thereof is for any reason unable to act, the Chief Executive or such other authorised post-holder be authorised to act as before said in his or her stead.
- (xv) That in the event that there are any changes to the provisional precept of the Fire Authority, arising from their precept setting meeting being held on 25 February, the Section 151 Officer is delegated authority to enact all relevant changes to the Revenue Budget 2019/20, Statutory Resolution and council tax levels.

Fees and Charges –

- (d) Resolve to increase the Council's fees and charges as outlined in Appendix E for 2019/20.

The Robustness Statement

- (e) Note the statutory advice of the Chief Finance Officer outlined in Appendix G, The Robustness Statement. This is required to highlight the robustness of budget estimates and the adequacy of the reserves.

Top-up funding for children and young people with special educational needs and disabilities

- (f) (a) Note the mechanism outlined in Appendix J to access top-up funding to support children and young people with Special Educational Needs which is currently under review.

(b) Note the move to adjust our local factors to 65% toward the National Funding Formula factors from 2019/20 as outlined in paragraph 5.4.1

Use of Flexible Capital Receipts –

- (g) Resolve to agree the Use of Flexible Capital Receipts Strategy outlined in Appendix K.

Pay Policy –

- (g) Note the Pay Policy Statement agreed at the Employment and Appeals Committee on 24th January 2019 as detailed in Appendix L.

Business Rate Pilot –

- (h) Agree to participate in the 2019/20 Berkshire Business Rates Pilot Scheme.

Court Costs

- (i) Agree:
 - (a) That the Court Costs associated with non-payment of Business Rates remain at the same level for 2019/20 as the current year.
 - (b) That the Court Costs associated with non-payment of Council Tax be increased to £144.95 in total for 2019/20.

Empty Property Relief

- (j) Agree:
 - (a) That the long term empty premium for properties that are empty for more than two years is increased from April 2019 to 100% thereby doubling the charge.
 - (b) That the long term empty premium for properties that are empty for more than five years is increased from April 2020 to 200%
 - (b) That the long term empty premium for properties that are empty for more than ten years is increased from April 2021 to 300%

Council's Public Room Booking

(k) Agree:

- (a) The proposed changes to the Council's Public Room Booking Policy and Terms & Conditions (Appendix M), as summarised in Section 8 of this report.
- (b) The updated pricing schedule (Appendix N), as summarised in section 8 of this report.
- (c) All users of our public buildings will be required to pay rates as per the updated policy and pricing schedule and that no exclusions will be made for any group, charity or other organisations without the consent of the Service Lead, Building Management in conjunction with the Council's S151 Officer.

Appendices Attached

- 'A' - Savings proposals (detailed savings proposals in Appendix Pack)
- 'B' - Growth (see Appendix Pack)
- 'C' - Reserves position
- 'D' - Collection Fund
- 'E' - Fees & Charges
- 'F' - Council Tax Resolution
- 'G' - The Robustness Statement
- 'H' - Specific Grants
- 'I' - HRA Rents and Service Charges
- 'J' - Top up funding for children and young people with special educational needs and disabilities
- 'K' - Flexible use of Capital Receipts Strategy
- 'L' - Pay Policy Statement
- 'M' - Public Building Facility Booking Policy (see Appendix Pack)
- 'N' - Public Building Facility Booking Policy – Updated Pricing Schedule
- 'O' - Equality Impact Assessments (see Appendix Pack)

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

3a. Slough Joint Wellbeing Strategy Priorities

The report indirectly supports all of the strategic priorities and cross cutting themes.

3b **Five Year Plan Outcomes**

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

4 **Other Implications**

(a) Financial

Detailed within the report.

(b) Risk Management

| Recommendation from section 2 above | Risks/Threats/ Opportunities | Current Controls | Using the Risk Management Matrix Score the risk | Future Controls |
|--|--|---|--|--|
| <i>To approve the Council Tax for the year ahead, and the associated Council Tax notices and resolutions required as per various Local Government Finance Acts as detailed in Appendix G</i> | Council Tax collection targets not met | Monthly budget monitoring and quarterly reporting. Monthly monitoring of Arvato contract KPI’s. | 9 | Continue robust budget monitoring – regular reporting to Cabinet and Council |

| Risk | Mitigating action | Opportunities |
|-------------------|--|----------------------|
| Legal | None | None |
| Property | None | None |
| Human Rights | None | None |
| Health and Safety | None | None |
| Employment Issues | A number of posts may be affected by changes proposed. If necessary these will be managed through the council’s restructure, redundancy and redeployment policy and procedure. | None |
| Equalities Issues | Assessed for each proposed saving and included as Appendix K. | None |
| Community Support | None | None |
| Communications | None | None |

| | | |
|------------------------|--|--|
| Community Safety | None | None |
| Financial | Detailed within the report | None |
| Timetable for delivery | Risk of overspend and making further savings elsewhere | Decisions that could bring savings proposals forward |
| Project Capacity | None | None |
| Other | None | None |

(c) Human Rights Act and Other Legal Implications

The Council has a number of statutory functions to perform. Any savings must not undermine the Council's responsibilities to provide minimum levels of provision in key areas. The set of savings proposals for 2019/20 does not recommend any savings that will affect the council's ability to carry out its statutory functions. However, Members should be mindful of the cumulative year on year effects of savings and reductions in services and continue to make assessments of the impact on statutory functions. All the savings proposals included within this report will be closely monitored throughout the financial year and reported to Cabinet via the Quarterly Financial Monitoring reports.

(d) Equalities Impact Assessment

Equalities Impact Assessments have been undertaken for all savings proposals and where applicable are included in the final Council report.

(e) Workforce

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

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

5 Supporting Information

Introduction

5.1.1 Section 32 of the Local Government Finance Act 1992 requires the Council to calculate its budget requirement before 11 March; and Section 30 requires the Council to set amounts of council tax for each category of dwellings in its area by the same date.

5.1.2 The Council's Constitution requires, by 11 March, the Cabinet shall recommend to Council:

- The Revenue Budget and the level of Council Tax to be set for the following year.
- The cash limits for each Directorate.
- The capital programme, borrowing limits and the Prudential Indicators for the following five years.

- The Treasury Management Strategy for the year ahead.
- The annual recommended rent rise for the Council's Housing stock

Summary

- 5.2.1 2019/20 is set to be another difficult year financially for the Council, with a continued reduction in Government's Revenue Support Grant funding, as well as an increased demand for Council services. The Council has always sought to protect Council services whilst ensuring there is sufficient budget for the next financial year to deliver its key outcomes. The Medium Term Financial Strategy shows a balanced budget for the next three years.
- 5.2.2 There remain difficult years ahead for the Council due to the financial pressures that it faces, but the budget for the 2019/20 ensures that the Council's finances are based on solid footings for the future.
- 5.2.3 This paper sets out the revenue budget for 2019/20 and the associated plans and assumptions contained within it. The Capital Strategy, which accompanies this report for approval, sets out the wider financial implications of decisions made in investing in the borough's infrastructure. The Treasury Management Strategy, also on tonight's agenda, details how the Council will undertake transactions concerning investments and borrowings and relates closely to the Capital Strategy as well as having an impact on the revenue budget savings proposals for 2019/20.

Table 1: Funding summary

| 18/19 | | 19/20 | 20/21 | 21/22 |
|----------------|--|----------------|----------------|----------------|
| £'000 | | £'000 | £'000 | £'000 |
| | | | | |
| 100,475 | Base Position (Excluding Parish Precepts) | 101,521 | 105,001 | 108,875 |
| 3,694 | Base Budget Changes | 3,694 | 3,140 | 3,140 |
| 2,845 | Directorate Growth | 8,099 | 3,918 | 1,725 |
| 250 | Revenue Impact of Capital Programme | 1,321 | 1,011 | 656 |
| 519 | Slough Urban Renewal | 2,739 | 750 | 750 |
| (6,262) | Savings Identified | (12,373) | (4,945) | (2,996) |
| 101,521 | Total Forecast Expenditure | 105,001 | 108,875 | 112,150 |
| | | | | |
| 55,570 | Council Tax Income | 58,493 | 61,237 | 64,064 |
| 43,202 | Retained Business Rates | 42,395 | 45,340 | 46,180 |
| 2,749 | New Homes Bonus | 2,717 | 2,298 | 1,906 |
| 0 | Additional Social Care Grant | 1,396 | 0 | 0 |
| | | | | |
| 101,521 | Total Estimated Funding Available | 105,001 | 108,875 | 112,150 |
| | | | | |
| 0 | CURRENT FUNDING GAP | 0 | 0 | 0 |

Note 1 - Slough Urban Renewal refers to profit from company schemes less previous years profit assumed in the MTFs. For 2019/20 SBC share of Slough Urban Renewal profits are estimated to be £1.500m. These are offset by the one off SUR profits that are due to be received by SBC during 2018/19 resulting in a pressure totalling £2.739m.

Impact on Service Revenue Budgets

5.2.4 Table 2, below, highlights the changes to service budgets, and associated cash limits, as a result of all of changes detailed in the Revenue Budget 2019/20:

Table 2:

| | 2018/19 | Base Budget Changes | Directorate Growth | Revenue Impact of Capital Programme | SUR Income | Savings Identified | 2019/20 |
|-------------------------------|---------|---------------------|--------------------|-------------------------------------|------------|--------------------|---------|
| | £m | £m | £m | £m | £m | £m | £m |
| Adults and Communities | 39.832 | 1.453 | 0.920 | 0.000 | 0.000 | (0.905) | 41.301 |
| Children, Learning and Skills | 30.223 | 1.102 | 2.700 | 0.000 | 0.000 | (0.170) | 33.856 |
| Place and Development | 25.193 | 0.919 | 2.450 | 0.000 | 0.000 | (2.205) | 26.357 |
| Regeneration | (3.453) | (0.126) | 0.409 | 0.000 | 0.000 | (4.809) | (7.979) |
| Chief Executive | 0.333 | 0.012 | 0.000 | 0.000 | 0.000 | 0.000 | 0.346 |
| Finance and Resources | 9.392 | 0.333 | 1.620 | 1.321 | 2.739 | (4.284) | 11.122 |
| Budget Requirement | 101.521 | 3.694 | 8.099 | 1.321 | 2.739 | (12.373) | 105.001 |

Income

5.3.1 The Council has the following main sources of income:

NNDR (Business Rates)

5.3.2 The amount of retained Business Rates is determined by the Council's best estimates of the amount it calculates it will receive for the year ahead. For 2019/20 the six Berkshire authorities have been accepted by Government to continue a Business Rates pilot scheme within Berkshire. This means, for 2019/20, Business Rate income will be retained within Berkshire; however, the six authorities will not receive Revenue Support Grant. There will be fundamental changes to the business rates system post 2020. Recent Government consultations indicate the system will give greater rewards to those authorities with business rates growth. Slough Borough Council uses external experts to forecast future business rates income and projections are included in the Medium Term Financial Strategy (MTFS) above.

Revenue Support Grant (RSG)

5.3.3 The Council ordinarily receives Revenue Support Grant (RSG) direct from Central Government. RSG funding is based on Central Government's expectations of what the Council should spend in line with the Government's deficit reduction plans.

5.3.4 As stated in 5.3.2, above, for 2019/20 the Council's RSG will be included in its pilot business rate scheme calculation.

5.3.5 The final 2019/20 local government finance settlement was approved by the House of Commons in January 2019.

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

Council Tax

- 5.3.7 Another main source of Council income is derived from Council Tax receipts. The overall amount raised is based on the Council Taxbase (i.e. the number of properties in the borough) as per the report to Cabinet in December 2019 multiplied by the average band D Council Tax amount. For 2019/20 it is assumed there will be a 2.8% increase on the Council's element of the overall Council Tax. This increase will see a property in Band D's Council Tax rise from £1,233.66 to £1,268.75, an increase of £35.09. The Adult Social Care levy remains the same as that in 2018/19: £98.23 for a Band D property.

Specific Grants

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

New Homes Bonus

- 5.3.9 New Homes bonus is a Government grant paid based on the cumulative growth in housing stock for the previous four years after allowing for a deduction where housing growth is less than 0.4%. The Council is expected to receive £2.717m in 2019/20 (£2.749m was received in 2018/19).

Collection Fund

- 5.3.10 The final factor to take into account, when determining the Council's overall levels of income, is the Collection Fund. This is a statutory account which details the actual income received in respect of Council Tax and retained business rates compared to the estimates made in January 2018 for the 2018/19 budget. At present this fund is anticipated to break even.

- 5.3.11 The total income available to the Council for the 2019/20 for its net budget is therefore £105.001m.

2019/20 Budgets for Schools, Academies and Free Schools.

- 5.4.1 The School funding formula factors for 2019/20 are different to those reported last year. Nationally, the Government remain committed to streamlining the Schools' budget setting process by introducing a National Funding Formula (NFF) by 2021/22, an extension of one year over the last annual report. The NFF is now being phased in over three years, with 2019/20 being the second year of this phasing. Local authorities have flexibility on how they approach this transition. Slough has taken a stepped approach and with the agreement of Schools' Forum has decided to adjust our local factors to 65% toward the NFF factors from 2019/20 (there was a 50% adjustment in 2018/19).

- 5.4.2 All pupil led factors continue to be protected by the Minimum Funding Guarantee (MFG) which ensures that no school loses more than 1.5% on a per pupil basis.
- 5.4.3 The Schools' Forum was advised of the estimated draft budget on the 16th January 2019. The Department for Education (DfE) expects local authorities to inform schools of their budget shares no later than 28th February each year.
- 5.4.4 The Early Years universal base rate is currently under consultation, with the implementation of the preferred option occurring after the Early Years task group concludes on the 7th Feb 2019. Slough Borough Council is proposing a £0.03 increase on the local offer for 3-4 year old children and £0.01 per hour for 2 year old provision based on the estimated uptake in 2019.20.
- 5.4.5 Current DfE regulations authorise local authorities to centrally retain up to 5% of the total 3-4 year old settlement to support the provision of statutory functions.
- 5.4.6 The High Needs block budget is currently being developed, however Schools' Forum have approved the centrally retained items for 2019.20 on the 16th January 2019. There are no changes to the overall cost compared with the previous year. Schools' Forum has also agreed to top-slice the High Needs Block by £0.776m; and transfer £0.5m into the schools' block and £0.276m into the Central Schools Service Block (CSSB).
- 5.4.7 The CSSB expenditure was approved at Schools' Forum on the 4th December, which includes the use of funds top-sliced from the High Needs Block. The CSSB block funds various statutory and regulatory functions undertaken by council officers, asset management, SACRE, Virtual Head, copyright licenses, and admissions.

| Block | Settlement £m | Approved Adjustments £m | Total £m |
|--------------|------------------|-------------------------------|----------------|
| Schools | 132.014 | 0.500 | 132.514 |
| Early Years | 14.592 | 0.000 | 14.592 |
| High Needs | 23.588 | -0.776 | 22.812 |
| CSSB | 0.654 | 0.276 | 0.930 |
| Total | 170.848 | 0.000 | 170.848 |

- 5.4.8 The mechanism to access top-up funding to support children and young people with Special Educational Needs is currently under review. Slough Borough Council officers are working with schools to produce a new matrix to access top-up funding. This has been approved by Schools' Forum. Any final decision on a new funded model will be subject to consultation with wider stakeholders. Appendix J provides further detailed information.

Expenditure

- 5.5.1 The Council's base budget for 2018/19 stood at £101.521m and it is against this figure that all adjustments are completed. The adjustments include:
- (1) Base budget **£3.694m** – these are movements due to inflationary pressures, pay award (assumed at 2% for 2019/20), incremental rises and other adjustments related to previous years and virements.

- (2) Growth **£8.099m** – these are the totals of funding increases across the council for 2019/20. Appendix B provides further detail.
- (3) Savings of **£12.373m** - these are the funding reductions or increases in income anticipated across the council following detailed review by service areas and include a contingency of £501k against the possibility of some of the savings proposals becoming unrealisable in-year. Appendix A provides further detail.
- (4) SBC share of Slough Urban Renewal profits – these reflect one-off profits due to be generated by SUR for the Council in 2019/20 **£1.500m** offset by the removal of one off SUR profits used to fund the 2018/19 revenue budget.

5.5.2 The scale of savings required is directly related to the continual need to increase the Council’s base budget, i.e. the structural costs of operating an organisation the size of the Council against a background of service pressures, new demands and the reduction in Government funding. Part of the overall cost rises are offset by growth in Council Tax income and / or retained Business Rates as well as any movements from other non-ring fenced grants and the Collection Fund.

Strategy

5.6.1 The Quarter 3 (Q3) revenue budget monitor report for 2018/19, also presented at Cabinet this evening, indicates a current overspend on this year’s budget of £2.448m. It is anticipated that this overspend will reduce to £2.121m (2.09% of the 2018/19 revenue budget) by year end.

5.6.2 Budget monitoring is undertaken on a monthly basis by the Council’s Corporate Management Team (CMT) and Directorate Management Teams (DMT). The Cabinet receives an update on a quarterly basis. Throughout 2018/19, a number of particular pressures on the Council’s budget have become apparent. Whilst some pressures have been managed during the current financial year it has become apparent that a number of particular pressures will require additional growth in 2019/20.

5.6.3 The Growth Proposals within this report contain the following amounts to address the particular funding pressures that are proving unresolvable during 2018/19:

| 2018/19 PRESSURES | £'000 |
|---|--------------|
| Temporary Accommodation | 750 |
| Schools PFI | 700 |
| Educational Pyschologists | 100 |
| Waste Contract - Contractual Price Increase | 1,550 |
| Home to School Transport | 500 |
| | <u>3,600</u> |

5.6.4 Following the multi-year settlement provided by government to Slough Borough Council from 2017/18, the Council agreed to provide similar financial certainty to the Slough Children’s Services Trust (SCST) on the amount it will provide as part of the Trusts’ Core Contract. The agreed levels of funding for 2018/19 and 2019/20 are shown below:

| | |
|----------|----------|
| 2018/19 | 2019/20 |
| £24.811m | £25.211m |

5.6.5 Alongside the vast majority of local authorities with responsibility for caring for children, the Slough Children’s Services Trust (SCST) has also experienced significant increases in demand during 2018/19. The Growth Proposals within this document therefore propose a further £1.4m be provided to SCST’s base budget from 2019/20 over and above the multi-year settlement outlined in 5.6.4 above.

Reserves

5.7.1 The Council holds a variety of financial reserves, and these are detailed further in Appendix C. It is vital for the Council to hold a minimum level of reserves to ensure that it has sufficient resources available to address any unmanageable overspend that may arise during the course of the financial year (e.g. due to significant unforeseen demand pressures and/or emergencies).

5.7.2 The Section 151 Officer has determined that the recommended minimum level of the General Fund reserve should be set at 5% of the Council’s net revenue budget. Plus, due to the current volatility and uncertainty over government funding in terms of Revenue Support Grant levels and other grant funding regimes, Better Care Fund and New Homes Bonus as well as welfare reform costs pressures means that it is estimated an additional £2m of balances are required to cover these contingencies. This would mean a minimum level of £7.3m at the proposed budget figures.

5.7.3 The current level of general reserves as at 31.3.2018 is £8.1m and it is anticipated that the Council will receive an additional £2.630m of one-off income during 2018/19 that had not been budgeted for, as follows:

| | £m |
|--------------------------------------|--------------|
| 2017/18 Accounts Closing Adjustment | 1.000 |
| Additional Income (CCTV & IT) | 1.386 |
| Small Business Rates 17/18 S31 Grant | 0.244 |
| | 2.630 |

5.7.4 Further, the Growth Proposals include the creation of a new Brexit reserve (£200k in 2019/20) to provide a financial cushion for the Council in case of a detrimental impact on the Council arising from the eventual result of the ongoing Brexit negotiations within Parliament.

5.7.5 Finally, the Council’s Medium Term Financial Strategy has a number of guiding principles, agreed by Cabinet in June 2018, including:

- SBC will use SUR profits to firstly increase reserves and then to fund one-off growth initiatives.

5.7.6 The Growth Proposals reflect this guiding principle by increasing the General Reserve by £750k, the amount of profits anticipated from SUR, in Year 2 of the Medium Term Financial Strategy.

Risk Management

- 5.7.7 Given the level of savings proposed for 2019/20, it is vital to ensure that these are delivered to enable a balanced budget, but also that the savings package as a whole is considered to ensure that the sum of the savings do not create difficulties for other parts of the Council when delivering services for its residents. All savings are automatically deducted from budget codes when the 2019/20 budgets are built and therefore any non-achievement can be quickly identified, and therefore addressed, through the monthly budget monitoring process. In addition a 10% contingency on all transformation fund savings has been built into the budget model to insure against any potential non-delivery.
- 5.7.8 During the 2019/20 financial year, as has been the case in 2018/19, there will be monthly monitoring of the savings proposals to identify which are green, i.e. on track to be delivered, amber or red (not expected to be delivered in year). This will enable the Council to adjust its future budget position for any unmet savings as well as ensure that it can take appropriate in year steps to rectify any growing overspends that arise. Future year savings included within the MTFS will also be monitored during 2019/20 at both departmental management teams and corporate management team to ensure the anticipated savings are capable of being realised as planned in the MTFS.

Flexible Use of Capital Receipts

- 5.8.1 The Council continues to make use of the flexibility offered by Central Government on the application of capital receipts to fund certain revenue-related change costs. The Strategy on the use of capital receipts under this provision is shown in Appendix K.
- 5.8.2 The Council intends to apply capital receipts to fund the revenue expenditure of the projects outlined in Appendix K which meet the criteria set out by DCLG.

Berkshire Business Rates Pilot

- 5.9.1 As noted in 5.3.2 the government has agreed to continue with a Berkshire Business Rates Pilot Scheme for 2019/20. Although the Council will not receive any Revenue Support Grant in 2019/20, compensatory Business Rates will be received instead. The Council will not pay any levy to the government and will be able to keep an increased share of any local growth in Business Rates income. This means that there will be an increase in resources retained locally. The pilot is expected to generate an additional £0.7m of funding in 2019/20 for Slough Borough Council and this figure has been built into the funding tables shown above and below.

Business Rates - Reliefs

- 5.10.1 In the spring budget of 2017 the Government announced a scheme, to apply during 2017/18, providing an up to £1,000 discount for eligible pubs with a rateable value below £100,000. This scheme was extended across 2018/19 at Autumn Budget 2017. This scheme has not been extended further and will therefore no longer apply after the end 2018/19 financial year. This means that Public Houses that received this relief will see their bills increase from April 2019.

- 5.10.2 The Government, in the Budget on 29 October 2018, announced that it “recognises that changing consumer behaviour presents a significant challenge for retailers in our town centres and is taking action to help the high street evolve”.
- 5.10.3 The Government stated that it will provide a business rates Retail Discount scheme for occupied retail properties with a rateable value of less than £51,000 in each of the years 2019-20 and 2020-21.
- 5.10.4 The value of discount will be one third of the bill, and must be applied after mandatory reliefs and other discretionary reliefs funded by section 31 grants have been applied. Local Reliefs will be funded after the Retail Discount has been awarded.
- 5.10.5 Cabinet agreed, on 21 January 2019, a policy which implements these retail reliefs.

Council Tax – premium on long term empty properties

- 5.11.1 The Rating (Properties in Commons Occupation) and Council Tax (Empty Dwellings) Act received Royal Assent on 1 November 2018 and the Government has now brought forward the necessary regulations to implement the measures included in the Act.
- 5.11.2 This means that the legislation is now in place for the council to increase the premium charged on empty Council Tax properties, currently if a property is empty for more than 2 years the council can charge an additional 50% Council Tax, with effect from April 2019 this increases to 100% thereby doubling the Council Tax charge.
- 5.11.3 With effect from April 2020 the legislation allows the council to charge an additional 200% for properties that have been empty for 5 years or more and from April 2021 to charge an additional 300% on properties that have been empty for 10 years or more.
- 5.11.4 The legislation allows the Local Authority to make the final decision if they wish to apply the above charges.
- 5.11.5 The Council is working to reduce the number of empty homes in Slough and see this as an added incentive for charge payers / owners to bring the properties into occupation; therefore Members are asked to approve the implementation of the above charges in line with the legislation.

Court Costs

- 6.1 The current Council Tax and Business Rates legislation allows local authorities to recover debts from customers via a prescribed set of processes, these processes include issuing reminders when the payment is late or missed, issuing final reminders and eventually a summons to magistrates court where a liability order is requested.
- 6.2 The legislation allows for the cost of the summons, the cost of the liability order and the cost of the court to be recovered from the charge payer. The costs requested must be demonstrated to the court and cannot be higher than the total cost of administration.

- 6.3 The Business Rates court costs have increased year on year and are cost neutral, SBC recovers the costs of issuing the summons and obtaining the Liability Order.
- 6.4 However the court costs for Council Tax are subsidised by Slough Borough Council as the cost to the Council of this work has risen but the costs to the charge payer has remained at £108.00 since 2012-13.
- 6.5 It is therefore proposed to increase the court costs to ensure that the council does not continue to subsidise Council Tax non-payers. The proposed court fees are therefore proposed to increase to £144.95.
- 6.6 Over the last five years the number of Council Tax summonses issued has reduced by 3,772, as the council and its partner have worked to reduce the number of summonses issued. It is acknowledged that there are charge payers who cannot pay and the service has engaged with them over time to ensure that their income is maximised, that all arrangements are in place to ensure that they can pay their Council Tax, and to ensure that additional costs are not added to their bill. There are also customers who won't pay, and the Council has been dealing swiftly with them.
- 6.7 In addition Council Tax is only indirectly impacted by Universal Credit in that the claim process for Council Tax Support remains with the Council and has not transferred to the Department of Work and Pensions (DWP), however some people have failed to make a claim for Council Tax Support at the same time as claiming Universal Credit and we are working with the DWP and the JCP to minimise this.
- 6.8 The current costs that are charged by Slough Borough Council are below,

| | |
|-----------------------|---------------|
| Council Tax | £ |
| Summons | 62.00 |
| liability Order | 46.00 |
| Total | 108.00 |
| | |
| Business Rates | £ |
| Summons | 97.50 |
| liability Order | 82.00 |
| Total | 179.50 |

- 6.9 The new Costs will be

| | |
|--------------------|---------------|
| Council Tax | £ |
| Summons | 83.95 |
| liability Order | 61.00 |
| Total | 144.95 |

Medium Term Financial Strategy (MTFS)

- 7.1 The Medium Term Financial Strategy (MTFS) seeks to set out the background to the Council's current financial position; estimate its future financial position; and

highlight some of the key strands to deliver a balanced position over the period of the MTFS. The guiding principles behind the MTFS are as follows

- 1) The Council will operate within its financial means.
- 2) The Council will seek to increase its financial reserves to the unitary average over the next four years
- 3) The Council will use Slough Urban Regeneration (SUR) profits to firstly increase reserves and then to fund one off growth initiatives.

- 7.2 Given the scale of the ongoing reductions in Central Government spend, the Council has, and will increasingly need to, deliver public services in a more joined up, effective and efficient manner. Maintaining the current levels and delivery of existing services is unlikely to be an option to the Council in the future.
- 7.3 The Council is well prepared to meet the financial challenges of the coming years. It has a history of ensuring a balanced budget is delivered and delivering revenue savings through the effective use of infrastructure investment.
- 7.4 As can be seen from the above the relative importance of Council Tax and retained business rates continue to grow over the period of the MTFS. Over 98% of the Council's income will be made up of council tax or business rates by the end of the MTFS; the Council is becoming, year-on-year, much less reliant on Government funding.
- 7.5 Slough Council accepted the offer of a four year grant settlement from the government in 2016/17 to ensure predictability of funding. The MTFS is, therefore, based on this expected level of funding. Although the four year deal did provide the Council with some certainty regarding its future funding levels: the agreement also resulted in central government reducing the amount of funding it provided the Council over the same period. The level of Revenue Support Grant (RSG) funding can be seen in the table below. It should be noted that RSG is not physically paid to Slough in 2018/19 and 2019/20 as amounts are included within the Business Rates income the Council receives via the Berkshire Business Rate Pilot Scheme.

| SBC - Revenue Support Grant | |
|-----------------------------|------|
| | £m |
| 2016/17 | 18.5 |
| 2017/18 | 13.2 |
| 2018/19 | 9.7 |
| 2019/20 | 6.1 |

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

Table: The MTFS financial model

| 18/19 | | 19/20 | 20/21 | 21/22 | 22/23 |
|----------------|--|----------------|----------------|----------------|----------------|
| £'000 | | £'000 | £'000 | £'000 | £'000 |
| | | | | | |
| 100,475 | Base Position (Excluding Parish Precepts) | 101,521 | 105,001 | 108,875 | 112,150 |
| 3,694 | Base Budget Changes | 3,694 | 3,140 | 3,140 | 3,140 |
| 2,845 | Directorate Growth | 8,099 | 3,918 | 1,725 | 1,725 |
| 250 | Revenue Impact of Capital Programme | 1,321 | 1,011 | 656 | 656 |
| 519 | Slough Urban Renewal | 2,739 | 750 | 750 | 0 |
| (6,262) | Savings Identified | (12,373) | (4,945) | (2,996) | (100) |
| 101,521 | Total Forecast Expenditure | 105,001 | 108,875 | 112,150 | 117,571 |
| | | | | | |
| 55,570 | Council Tax Income | 58,493 | 61,237 | 64,064 | 67,176 |
| 43,202 | Retained Business Rates | 42,395 | 45,340 | 46,180 | 47,004 |
| 2,749 | New Homes Bonus | 2,717 | 2,298 | 1,906 | 2,100 |
| 0 | Additional Social Care Grant | 1,396 | 0 | 0 | 0 |
| | | | | | |
| 101,521 | Total Estimated Funding Available | 105,001 | 108,875 | 112,150 | 116,280 |
| | | | | | |
| 0 | CURRENT FUNDING GAP | 0 | 0 | 0 | (1,291) |

- Council Tax – assumed that the Taxbase (i.e. number of properties in Slough) rises by 2.8% in 2019/20 by the average growth rate across the two preceding years thereafter.
- Retained Business Rates – assumed growth of 3.1% per year in Business rates in line with the retail price index. Based on financial projections by Pixel Ltd and LG Futures Ltd.
- New Homes Bonus – assumed to reduce as per the Government’s announcement at the provisional local government finance settlement 2019/20.
- Base budget changes – increases due to non-pay and pay pressures across the Council.
- Growth – the 2019/20 items are detailed in Appendix B.
- Revenue impact of capital investment – the amount of revenue budget required to pay off any additional capital borrowing required in future financial years arising from implementing the proposed Capital Programme.
- Savings– the amount of savings required for each financial year.

Changes made to the Bookings Policy, Terms & Conditions and Pricing for 2019-20

- 8.1 This section of the report seeks approval of the annual amendments to the council's public room booking/spacing leasing policy and pricing, which is managed by the Council's Building Management Service.
- 8.2 The Hirer must inform the Council if the event is open to the public and/or if tickets are being sold for the Purpose of the Hiring. Arbour Park Only - Hirers must complete the Arbour Park Community Stadium Event application form and submit to the Bookings team at the time of the booking. Written confirmation from the Building Manager must be obtained before the event can be confirmed.
- 8.3 The occasional handling, preparation, storage and serving of food by private persons at events such as church, school or village fairs are not covered by the scope of the Regulation. Therefore are not subject to the requirements of EU hygiene legislation.
- 8.4 Double rate will be charged on all facilities between the hours of 11pm to 7am. Bank holidays will be charged at double rate all day. In addition, on Christmas Eve and News Years Eve, double rate will be applied on all facilities after 7pm.
- 8.5 Costs for filming at our sites/community centres for use in a documentary or by a news organisation will not be charged for use of space/venue as long as filming is approved by the council's communications services.
- 8.6 Costs for use of Community Centres as Polling Stations: Electoral Services will be charged 50% of the hire charge to enable cover of the cost i.e. electric, heating and staff resources.
- 8.7 Due to the nature of a booking there may be a requirement to have security guards on site, which the bookings team will advise you on at the time of your booking. The cost for the security guards will be charged to the hirer. If a hirer wants to use their own security firm, evidence must be produced at the time of booking as written confirmation from the security firm of providing of guards and payment has been received from the hirer.
- 8.8 Groups that already have existing bookings at our sites which are now chargeable can apply for a transitional grace period to allow them to secure funding as long as they can demonstrate their activities support the local community and priorities in the Council's 5 year plan.
- 8.9 Costs for Facilities Officer time outside standard opening hour will be £20 per hour for weekdays and £25 per hour on weekends. This cost will apply to SBC services and external customers for space hire outside normal opening hours. This will include hiring of open/free spaces within community centres to recover the full cost of providing the service.
- 8.10 Cost for hiring additional equipment at all our sites i.e. Laptop, Projector, Screen, Flipcharts etc. will be payable by the hirer and will be added to the total hire cost. This cost will apply to SBC internal and external customers.
- 8.11 Hirers may use their own catering suppliers to provide Catering Services except at Arbour Park Community Stadium where the council's approved on site supplier must be used.

- 8.12 Any booking involving a hirer that provides tuition classes, sports teams or any classes related to children will need to provide the bookings team with a copy of their approved DBS certificate. The hirer is responsible for undertaking their own DBS certificate checks on all their employees and coaches that have interaction/work with children.
- 8.13 It is proposed that we review The Curve room hire costs, to ensure we are maximising income. The following is proposed:-
- Where a hirer is making a substantial booking for shows in The Venue for a minimum of 5 full days, the hirer will not be charged for the period of hire in-between where they are unable to vacate their props.
 - In order to entice new customers/community groups to hire the facilities at The Curve we will offer a 10% discount for bulk commitment on the first 10 consecutive bookings of 2 hours or more in any room.
- 8.14 All bookings must be paid for as per the terms and conditions, requiring full payment at least 28 days prior each booking. In order to secure bookings for dates in advance, which are more than 28 days ahead, a deposit must be received as per the terms and conditions. It will be the responsibility of the hirer to notify the council's booking team in writing when they believe they have made 10 consistent bookings in any one calendar year. The booking team will review this and if they agree with the specified dates and facility hired, a refund will be given at 10% of a total of 10 bookings.
- 8.15 Upon monitoring room utilisation staff have raised queries regarding the need to use vacant room. It is therefore proposed if a room is not being used across any of the SBC community buildings and a staff member wants to use it, they can walk in and use it. However they would have to be mindful that the Facilities Officer may need to ask them to leave if they need to set up the room for the next booking.
- 8.16 It is proposed that as far as reasonably practicable to ensure there is no detrimental effect to the customer during the redevelopment of the Chalvey Hub. The existing hirers will be relocated to other community centres for the duration of the hub development project, at a cost no higher than what they pay at Chalvey at present.
- 8.17 Pricing charges across our sites have remained the same to ensure competitive charging and return on investment in Centres. They are in line with other providers hence the decision was reached by conducting a benchmarking exercise against other local venues for hire and it was found that increasing any prices could have a detrimental effect on our income generation. There is for example, a risk of losing room bookings to Langley Academy, which has very good facilities including a theatre and ample car parking facilities in comparison with The Curve. The only price amendments that have taken place are for equipment hired at The Curve and Arbour Park to bring these inline with our other centres as evidence in **Appendix 2**. The Bookings Service carried out research to ensure that there is no reduction in income; in these circumstances the new equipment charges at The Curve and Arbour Park will allow the service to increase the income marginally without resulting in hire charges being unreasonable.
- 8.18 Due to customer interest in hiring out the function space and one meeting room instead of the whole floor, a new rate has been implemented at Arbour Park. The rate applied for this is slightly disproportionate, as we would encourage the customer to

hire out the whole floor, if not this would result in redundant space that we are unable to hire due to the building design.

- 8.19 As our service area has grown and we have taken over the management of the meeting room at both Cippenham and Langley Libraries, we have turned this into hireable space and priced this in-line with our other assets. All other prices have remained the same.
- 8.20 The changes proposed in this years review are as a result of customer feedback, changes to council assets and where experience over the last year has demonstrated the need for necessary changes. Benchmarking against other local venue hirer's costs as well as other local authorities, has demonstrated that our charges should not be increased as this would risk income generation. Also as we strive to promote and utilise our building assets to encourage community cohesion as well as meeting the requirements of our 5 year plan, it is beneficial to maintain competitive charging rates.
- 8.21 At an Extraordinary Council Meeting, on 21 December 2018, it was agreed to abolish the Parish Councils of Britwell and Wexham. At the meeting Council agreed, relating to the Parish Assets:

That the Council agrees that all booking contracts and agreements in force before the abolition date have full force and effect against the Council for the proceeding year. The Council will also undertake a review, during the first financial year following abolition, seeking to provide discounts on all Council Bookings for existing Parish hall-using organisations and Groups in the future.

Comments from other committees

- 9.1 The Revenue Budget report was considered at the Overview and Scrutiny Committee meeting on 1 February 2018. The Cabinet considered the budget on 4 February 2019 and agreed to recommend it to Council.

Conclusion

- 10.1 This report recommends decisions be taken to agree a Revenue Budget of £105.001m for the forthcoming financial year, 2019/20, and an associated 2.8% increase in Slough BC's element of the Council Tax for a Band D taxpayer.
- 10.2 This report also contains a subsequent number of Council Tax resolutions for approval to enable the Council to bill residents in appropriate time.

11 Background Papers

- '1' - Local Government Finance Settlement 2019/20
- '2' - Council Taxbase Report (December 2018 Cabinet)
- '3' - Medium Term Financial Strategy Update paper to Cabinet (December 2018)
- '4' - Other detailed working papers held within Finance

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Appendix A

| | | | 19/20 | 20/21 | 21/22 | 22/23 |
|---------------------------|------------|--|-------|---------|-------|-------|
| | | | £'000 | £'000 | £'000 | £'000 |
| Savings Identified | | | | | | |
| A&C | Accounting | Recover appropriate costs from Better Care Fund | 150 | | | |
| A&C | Accounting | Utilise Public Health Funds for Active Slough | 79 | | | |
| F&R | Accounting | Minimum Revenue Provision Adjustment | 750 | | | |
| F&R | Accounting | Recover appropriate costs following review of HRA recharges | 500 | | | |
| Regen | Accounting | Asset Management Team - 1% Charge on Purchases and Disposals | 750 | | | |
| Regen | Accounting | Property Management Team (Delivery & PM Fee) | 500 | | | |
| | | | 2,729 | 0 | 0 | 0 |
| A&C | Commercial | Leisure Services - Leisure Contract Management savings | 184 | 1,489 | | |
| A&C | Commercial | Recommission floating support services | 100 | 100 | | |
| A&C | Commercial | Regulatory services becoming fully self funded | 0 | 300 | | |
| ALL | Commercial | Customer & Accommodation - Transformation Savings | 0 | 1,500 | 1,500 | 0 |
| Chief Exec | Commercial | DSO - Fees on Total Highways Capital Programme | 1,200 | | | |
| Chief Exec | Commercial | Environmental services - work for other local authorities (Line Painting etc.) | 100 | 150 | | |
| Chief Exec | Commercial | DSO Traded Services | 50 | 135 | 270 | |
| F&R | Commercial | Recommissioning and reviews of major commercial contracts | 500 | 300 | 300 | |
| F&R | Commercial | Wexham - Additional interest following delayed return of Capital | 340 | (340) | | |
| F&R | Commercial | Reduction in Transactional Services contract charge following review of IT contract novation | 250 | | | |
| F&R | Commercial | Reduction in TMP advertising contract price | 65 | | | |
| F&R | Commercial | Increased income from Treasury Management | 50 | 75 | 100 | |
| Housing | Commercial | Impact of James Elliman Homes | 200 | | | |
| Regen | Commercial | Commercial Rental Income via Strategic Acquisition Board | 1,650 | | | |
| Regen | Commercial | ESFA - One off funding for school on TVU site | 1,000 | (1,000) | | |
| Regen | Commercial | Regeneration - Income generation target | 200 | 100 | 0 | 0 |
| Regen | Commercial | Sponsorship of Town Centre Assets/Advertising | 200 | | | |
| Regen | Commercial | Planning- increased income from discretionary work and pre-applications | 19 | | | |
| | | | 6,108 | 2,809 | 2,170 | 0 |

| | | | 19/20 | 20/21 | 21/22 | 22/23 |
|---------|------------|---|-------|-------|-------|-------|
| | | | £'000 | £'000 | £'000 | £'000 |
| A&C | Efficiency | Mental Health - Extension of Hope House Services | 100 | 100 | | |
| A&C | Efficiency | Reduced costs following increased Extra Care Housing provision | 0 | 0 | 0 | 200 |
| ALL | Efficiency | Mobile Telephony | 100 | | | |
| F&R | Efficiency | Insurance contract | 130 | | | |
| F&R | Efficiency | HouseKeeping savings | 50 | | | |
| F&R | Efficiency | Audit fee reductions | 35 | | | |
| F&R | Efficiency | Reduction in Emergency Planning/Business Continuity Staffing Budget (Unfilled Post) | 25 | | | |
| F&R | Efficiency | Legal Subscriptions | 15 | | | |
| Housing | Efficiency | Housing Regulations Team - Business Development Manager | 100 | 50 | 50 | |
| Housing | Efficiency | Private Sector Acquisition Team (Housing) | 100 | 100 | | |
| Housing | Efficiency | Housing Services - Efficiencies | 165 | | | |
| Regen | Efficiency | Maximise use of office space and FM Contracts Review | 15 | | | |
| | | | 835 | 250 | 50 | 200 |
| CLS | Income | School Effectiveness Review | | 180 | | |
| F&R | Income | Increased income from Council Tax and NNDR Collection | 400 | 200 | | |
| F&R | Income | Counter-Fraud Invest to Save | 100 | 500 | | |
| Regen | Income | Bus Lane Cameras | 350 | | | |
| Regen | Income | Income from Car Park on TVU | 100 | 0 | 0 | (100) |
| | | | 950 | 880 | 0 | (100) |

| | | | 19/20 | 20/21 | 21/22 | 22/23 |
|---------|------------------|--|---------------|--------------|--------------|------------|
| | | | £'000 | £'000 | £'000 | £'000 |
| A&C | Staffing | Leisure Restructuring | 125 | | | |
| A&C | Staffing | No appointment to commissioning team QA manager post | 40 | | | |
| ALL | Staffing | 3rd & 4th Tier Restructures & Administration Review | 1,000 | | | |
| ALL | Staffing | Slough Academy - Reduce Agency Spend | 500 | 750 | 750 | |
| ALL | Staffing | Electric Vehicle Initiatives | 290 | 210 | | |
| CLS | Staffing | Directorate Management Restructure | 170 | | | |
| | | | 2,125 | 960 | 750 | 0 |
| A&C | Strategic Review | Support move to more supported living (LD Residential) | 77 | | | |
| A&C | Strategic Review | Review Provider Services and Personalisation opportunities | 50 | 150 | | |
| A&C/CLS | Strategic Review | Transformation of Early Help | 0 | 300 | 0 | |
| A&C/CLS | Strategic Review | Transformation of Early Help phase 2 | 0 | 0 | 150 | |
| | | | 127 | 450 | 150 | 0 |
| | | | 12,874 | 5,349 | 3,120 | 100 |

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2019/20 Council Reserves

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

During the year, a review of all earmarked reserves has been undertaken to ensure that these are fit for purpose and where any excess reserve has deemed to be held this has been re-provided into other reserves or released to support the 2019/20 budget position.

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

- 1) The Council will operate within its financial means.
- 2) The Council will seek to increase its financial reserves to the unitary average over the next four years
- 3) The Council will use Slough Urban Regeneration (SUR) profits to firstly increase reserves and then to fund one off growth initiatives.

In addition a Brexit Reserve totalling £200k will be established in 2019/20

General Fund

The Council's General Fund reserve is the amount set aside for the year ahead that is uncommitted and can be used for any purpose. The Section 151 officer's commentary in the later appendix details that he considers £8.1m to be the minimum level of reserve that should be set aside as a minimum.

| General Fund | £m | £m |
|------------------------------------|-----------|------------|
| As at 31 March 2018 | | 8.1 |
| One-off Income 2018/19 (See 5.7.3) | 2.6 | |
| Forecast 2018/19 Outturn at Q3 | (2.1) | |
| Forecast 31 March 2019 | | 8.6 |

Other Reserves

Other usable general fund earmarked reserves include:

| | £m |
|--------------------------------------|--------------|
| Housing Renewals Reserve | 0.089 |
| Future Debt and Capital Requirements | 0.972 |
| Financial System Upgrade | 0.241 |
| Harmonisation | 0.250 |
| Financial Volatility Reserve | 1.148 |
| Railway Project | 0.120 |
| Events | 0.070 |
| Community Cohesion | 0.056 |
| Restructuring Reserve | 0.207 |
| DAAT Lease Reserve | 0.070 |
| Future Budget Requirements | 0.801 |
| | 4.024 |

Collection Fund

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

Unusable reserves

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

2019/20 Collection Fund

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

There are two key variables which alter the Collection Fund position:

- (i) an increase or decrease in the number of properties compared to the forecast, or
- (ii) an increase or decrease to the collection rate at which the Council is collecting these taxes.

Following the introduction of its Council Tax support scheme in January 2013, any increase or decrease in Council Tax support claimant's impacts upon the Collection Fund position.

The Council must estimate its Collection Fund position for the year ahead before setting its budget. Any surplus or deficit on the collection fund position must be taken into accounts in the following year; i.e. if the Council had a surplus of £10k in the collection fund for 2018/19, it would need to show this in the 2019/20 budget paper.

The anticipated Collection Fund position, as at January 2019, is as follows:

- Council Tax £0m - In balance
- Retained Business Rates £0m - in balance

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

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2019/20 Fees and Charges

| | | | 2018/19 | 2019/20 |
|--|--|----------------------------|---|---|
| Sports Pitches | Adult Football | Single game | £68.50 | £68.50 |
| | Child Football | Single game | £39.81 | £39.81 |
| | Adult Cricket | Single game/midweek | £77.47 | £77.47 |
| Allotments | Allotments | Average fee | £5.31 | £5.31 |
| Parks | Parks | | | |
| Development Management Pre-Application Fees | Householder Extensions desktop | | £85.00 | £85.00 |
| | Householder Extensions desktop - follow up | | £50.00 | £50.00 |
| | Householder Extensions full assessment exc. Meeting | | £145.00 | £145.00 |
| | Householder Extensions full assessment exc. Meeting - follow up | | £85.00 | £85.00 |
| | Householder Extensions full assessment incl meeting | | £175.00 | £175.00 |
| | Householder Extensions full assessment inc. meeting - follow up | | £130.00 | £130.00 |
| | Residential Development | | | |
| | 1 dwelling | | £345.00 | £345.00 |
| | 1 dwelling - follow up | | £275.00 | £275.00 |
| | 2-4 dwellings | | £950.00 | £950.00 |
| | 2-4 dwellings - follow up | | £650.00 | £650.00 |
| | 5-8 dwellings | | £1,600.00 | £1,600.00 |
| | 5-8 dwelling - follow up | | £1,200.00 | £1,200.00 |
| | 9-14 dwellings | | £1,900.00 | £1,900.00 |
| | 9-14 dwellings - follow up | | £1,500.00 | £1,500.00 |
| | 15-20 dwellings | | £2,200.00 | £2,200.00 |
| | 15-20 dwellings - follow up | | £1,600.00 | £1,600.00 |
| | 21-30 dwellings | | £2,600.00 | £2,600.00 |
| | 21-30 dwellings - follow up | | £2,200.00 | £2,200.00 |
| | 31-49 dwellings | | £3,000.00 | £3,000.00 |
| | 31-49 dwellings - follow up | | £2,500.00 | £2,500.00 |
| | 50-149 dwellings | | £4,500.00 | £4,500.00 |
| | 50-149 dwellings - follow up | | £3,000.00 | £3,000.00 |
| | 150+ dwellings (plus £1,260 per additional meeting) | | Planning Performance Agreement – bespoke fee | Planning Performance Agreement – bespoke fee |
| | Non-Residential Development | | | |
| | Up to 100sqm | | £165.00 | £165.00 |
| | Up to 100sqm - follow up | | £115.00 | £115.00 |
| 101-249sqm | | £300.00 | £300.00 | |

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| 101-249sqm - follow up | | £250.00 | £250.00 |
| 250-499 sqm | | £650.00 | £650.00 |
| 250-499sqm - follow up | | £450.00 | £450.00 |
| 500- 999 sqm | | £1,000.00 | £1,000.00 |
| 500-999 sqm - follow up | | £650.00 | £650.00 |
| 1000-2000sqm | | £1,500.00 | £1,500.00 |
| 1000-2000sqm - follow up | | £1,100.00 | £1,100.00 |
| 2001-5000sqm | | £3,000.00 | £3,000.00 |
| 2001-5000sqm - follow up | | £2,000.00 | £2,000.00 |
| 5001-9999sqm | | £4,500.00 | £4,500.00 |
| 5001-9999sqm - follow up | | £3,000.00 | £3,000.00 |
| 10,000+ sq.m (£980 per additional meeting) | | Planning Performance Agreement – bespoke fee | Planning Performance Agreement – bespoke fee |
| Other Services | | | |
| Other services - change of use of land and buildings | | £500.00 | £500.00 |
| Trees and landscaping | | £175.00 | £175.00 |
| Works to TPO trees/Conservation | | £175.00 | £175.00 |
| Advertisements | | £115.00 | £115.00 |
| Non-material amendments | | £115.00 | £115.00 |
| Approval of details / clearance of planning conditions | | £75.00 per condition | £75.00 per condition |
| Variation of conditions | | £75.00 per condition | £75.00 per condition |
| Extensions / Alterations to listed buildings | | £50.00 admin fee to write instructions to obtain specialist advice. Specialist advice fee on a case by case basis by external provider. | £50.00 admin fee to write instructions to obtain specialist advice. Specialist advice fee on a case by case basis by external provider. |
| Local Community Group | | £120.00 | £120.00 |
| Telecoms | | £500.00 | £500.00 |
| Pre-application Advice – Minerals & Waste | | £50.00 admin fee to write instructions to obtain specialist advice. Specialist advice fee on a case by case basis. | £50.00 admin fee to write instructions to obtain specialist advice. Specialist advice fee on a case by case basis. |
| Specialist Advice | | £50.00 admin fee to write instructions to obtain specialist advice. Specialist advice fee on a case by case basis. | £50.00 admin fee to write instructions to obtain specialist advice. Specialist advice fee on a case by case basis. |

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| | Requests for confirmation of compliance with an Enforcement Notice, Breach of Condition Notice or similar Notice | | £300.00 | £300.00 |
| | Planning History Search | | £100.00 per hour | £100.00 per hour |
| | Planning Decision Notice | | £15.00 | £15.00 |
| | Administration fee - planning application validation | | 25% (to be deducted from the planning application fee for an invalid application) | 25% (to be deducted from the planning application fee for an invalid application) |
| | Discharge of obligations | | £175.00 | £175.00 |
| | Dropped kerb - is planning permission required? | | £75.00 | £75.00 |
| Social Care | AT (Assistive Technology) | Per person per week. Includes supply, installation and maintenance of all linked service devices and 24/7 monitoring and response services | £4.70 | £4.89 |
| | Home Care / Direct Payments | | Assessed charge | Assessed charge |
| | Respite | | Assessed charge | Assessed charge |
| | Residential / Nursing Care | | Assessed charge | Assessed charge |
| | Day Care | | £41.10 | £42.79 |
| | Day Care OP and Adults | Other LA | £63.46 | £66.06 |
| | Day Care LD | Other LA | £85.30 | £88.80 |
| | Refreshments at day centre | | £1.04 | £1.08 |
| Libraries | Hire Charges | | | |
| | Book (incl those with CD Rom) | For 3 weeks | Free | Free |
| | Audio books | For 3 weeks | £1.00 | £1.00 |
| | Children's audio books | For 3 weeks | Free | Free |
| | E books (incl E audio) | For 3 weeks | Free | Free |
| | Reservations and Requests | | | |
| | Adults books | If in stock | £0.50 | £0.50 |
| | Children's books (under 14) | If in stock - 2 books per visit (25p each for more) | Free | Free |
| | From interlibrary loan scheme (SELMS) | Adult books | £3.00 | £3.00 |
| | E books and E audio | | Free | Free |
| | Overdue Charges | | | |
| | Adult Books | Per day the library is open, capped at £5 per item | £0.15 | £0.15 |
| | Children's books (14+) | Per day the library is open, capped at £1.50 per item | £0.05 | £0.05 |
| Children's books (under 14) | | Free | Free | |

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| | Children's books on adult cards | Per day the library is open, capped at £0.50 per item | £0.05 | £0.05 | |
| | Notice For overdues - post | | £1.20 | n/a | |
| | Notice for overdues - email | | Free | Free | |
| | Lost and Damaged | | | | |
| | Books In print | Adults and Children's | Full cost | Full cost | |
| | Books Out of print | Adults and Children's | £15.00 | £15.00 | |
| | Audio books | | Full cost | Full cost | |
| | Readers Cards - Adults | | £2.00 | £2.00 | |
| | Readers Cards - Children (under 15) | | Free | Free | |
| | Readers Cards - Forgotten PIN number | | £2.00 | £2.00 | |
| | Photocopying | | | | |
| | A4 | | £0.10 | £0.10 | |
| | A3 | | £0.20 | £0.20 | |
| | Colour A4 | | £1.00 | £1.00 | |
| | Colour A3 | | £1.50 | £1.50 | |
| | Computer Print Outs | | | | |
| | Black and white A4 | | £0.30 | £0.30 | |
| | Black and white A3 | | £0.50 | £0.50 | |
| | Colour A4 | | £1.00 | £1.00 | |
| | Colour A3 | | £1.50 | £1.50 | |
| Enforcement Agents (Bailiffs) | Fixed Fee | Passed to Enforcement Agent and letter sent | £75.00 | | |
| | Enforcement visit | Plus 7.5% of balance above £1,500 | £235.00 | | |
| | Controlled Goods Agreement | Plus 7.5% of balance above £1,500 | £110.00 | | |
| Weddings and Civil Partnerships | Notice | Per Person | £35.00 | £35.00 | |
| | Notice | Per Person (non EU National) | £47.00 | £47.00 | |
| | Superintendent Registrar (Other Venues) | Weekdays | | £450.00 | £450.00 |
| | | Saturdays | | £500.00 | £500.00 |
| | | Sundays | | £700.00 | £700.00 |
| | Notice Admin fee per notice | Out of hours admin fee evenings and Saturdays | | £26.00 | £27.00 |
| | Rescheduling Fee | | £26.00 | £27.00 | |
| | The Elizabeth Room | Mon - Thurs | | £147.00 | £153.00 |
| | | Fridays | | £168.00 | £175.00 |
| | | Saturday | | £262.00 | £273.00 |
| Sunday | | | £500.00 | £500.00 | |
| Religious Buildings | | £84.00 | £84.00 | | |
| Citizenship Ceremony | Individual - midweek | | £115.00 | £120.00 | |
| | Individual - Saturday | | £166.00 | £173.00 | |
| Renewal of Marriage Vows / Baby naming ceremonies | | Weekdays | £147.00 | £153.00 | |
| | | Saturday | £262.00 | £273.00 | |
| | | Sunday | £382.00 | £398.00 | |
| Approved Premises Licence | 5 years | | £3,242.00 | £3,242.00 | |
| | Renewal | | £2,366.00 | £2,366.00 | |
| Burials and Cremations | Slough Cemetery | | | | |
| | Purchase of a new grave Slough Res | | £950.00 | £950.00 | |
| | Purchase of a new grave Non Slough Res | | £2,040.00 | £2,040.00 | |
| | Digging fees (new graves) | Slough Res | £760.00 | £760.00 | |
| | Digging fees (new graves) | Non Slough resident 8' | £1,520.00 | £1,520.00 | |

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| | 6" | | |
| Digging fees (new graves) | Slough resident 6' 6" | £650.00 | £650.00 |
| Digging fees (new graves) | Non-Slough resident 6' 6" | £1,300.00 | £1,300.00 |
| Digging fees (new graves) | Slough resident 4' 6" | £675.00 | £675.00 |
| Digging fees (new graves) | Non-Slough resident 4' 6" | £1,350.00 | £1,350.00 |
| Casket additional fee | Slough resident | £195.00 | £195.00 |
| Casket additional fee | Non-Slough resident | £200.00 | £200.00 |
| Digging fees (re -opening) | Slough resident 8' 6" | £1,205.00 | £1,205.00 |
| Digging fees (re -opening) | Non-Slough resident 8' 6" | £2,410.00 | £2,410.00 |
| Digging fees (re -opening) | Slough resident 6' 6" | £690.00 | £690.00 |
| Digging fees (re -opening) | Non-Slough resident 6' 6" | £1,380.00 | £1,380.00 |
| Digging fees (re -opening) | Slough resident 4' 6" | £690.00 | £690.00 |
| Digging fees (re -opening) | Non-Slough resident 4' 6" | £1,380.00 | £1,380.00 |
| Weekend and bank holiday | extra fee - Slough Res | £1,280.00 | £1,280.00 |
| Weekend and bank holiday | extra fee - Non-Slough Res | £1,960.00 | £1,960.00 |
| Public Graves (stillborn to Age 17) | Slough resident | £305.00 | £305.00 |
| Public Graves (stillborn to Age 17) | Non-Slough resident | £610.00 | £610.00 |
| Public Graves (Adult) | Slough resident | £585.00 | £585.00 |
| Public Graves (Adult) | Non-Slough resident | £1,170.00 | £1,170.00 |
| Children's Section | Exclusive right for 50 years | £450.00 | £450.00 |
| | Slough Resident | £300.00 | £300.00 |
| | Non-Slough Resident | £600.00 | £600.00 |
| Cremated Remains Graves | Exclusive right for 50 years | £630.00 | £630.00 |
| | Slough Resident | £310.00 | £310.00 |
| | Non-Slough Resident | £620.00 | £620.00 |
| | Interment booked by F/D without attendance Slough Resident | £350.00 | £350.00 |
| | Interment booked by F/D without attendance Non-Slough Resident | £700.00 | £700.00 |
| Remove and Replace Memorial on grave | | £165.00 | £165.00 |
| Use of chapel for burial service | | £230.00 | £230.00 |
| Transfer / Assign Deed | | £80.00 | £80.00 |
| Copy Deed | | £50.00 | £50.00 |
| Pre 1993 search fee (manual records) | | £25.00 | £25.00 |
| Permit - right to erect memorial | additional inscription / kerbset | £145.00 | £145.00 |
| Stonemasons trade name on memorial | | £19.00 | £19.00 |
| Stonemasons trade name in reception | | £215.00 | £215.00 |
| Chamber | | £2,350.00 | £2,350.00 |
| Slough Crematorium | | | |
| Cremation Fee - resident | Includes organist, medical referee, environment fees | £770.00 | £770.00 |
| Cremation Fee - non resident | As above | £800.00 | £800.00 |
| Cremation Fee - under 17 | As above | Free | Free |

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| | Cremation Fee - Saturday, resident | As above | £950.00 | £950.00 | |
| | Cremation Fee - Saturday, non resident | As above | £1,000.00 | £1,000.00 | |
| | Double Service Time | | £230.00 | £230.00 | |
| | Late cancellation | | £50.00 | £50.00 | |
| | Casket Purchase | | £67.00 | £67.00 | |
| | NVF Casket Purchase | | £10.00 | £10.00 | |
| | Scattering remains - other cremations | | £80.00 | £80.00 | |
| | Use of chapel for burial service | | £230.00 | £230.00 | |
| | Bearer | | £30.00 | £30.00 | |
| | Drop off coffin prior to service | | £60.00 | £60.00 | |
| | Scattering of remains at weekends | | £60.00 | £60.00 | |
| | Scattering of remains at weekends - other cremations | | £80.00 | £80.00 | |
| Certificates | Births, Deaths and Marriages | On day of registration | £4.00 | £11.00 | |
| | | From current registers after the date | £7.00 | £11.00 | |
| | | From completed registers | £10.00 | £11.00 | |
| | Civil Partnerships | On day of registration | £4.00 | £11.00 | |
| | | After day of registration | £10.00 | £11.00 | |
| | Posted certificates -extra cost | | £2.80 | £3.00 | |
| | Premium Service | Within 24 hours | £20.00 | £35.00 | |
| Family personal history search | For 6 hours | £18.00 | £18.00 | | |
| Nationality Checking Service (Assistance in applying for British Citizenship) | Weekdays - Adults | | £100.00 | n/a | |
| | Weekdays - Minors | | £74.00 | n/a | |
| | Weekends - Adults | | £145.00 | n/a | |
| | Weekends - Minors | | £95.00 | n/a | |
| | Admin Fee | Incomplete paperwork | £27.00 | n/a | |
| Court Summons | Council Tax | | £108.00 | £144.95 | |
| | Business Rates | | £179.50 | £179.50 | |
| Bulky Waste | Up to 5 items | | £31.00 | 31.00 | |
| Car Parking | Car Parks | | | | |
| | Up to 1 hour | | 0.60 to 1.00 | 0.60 to 1.00 | |
| | Up to 2 hours | | 1.10 to 2.00 | 1.10 to 2.00 | |
| | Up to 3 hours | | 1.80 to 3.00 | 1.80 to 3.00 | |
| | Up to 4 hours | | 2.10 to 4.00 | 2.10 to 4.00 | |
| | 5 hours and over | | 5.00 to 6.70 | 5.00 to 6.70 | |
| | Overnight | | 1.00 to 6.70 | 1.00 to 6.70 | |
| | Sundays / Bank Holidays | Some "normal" rates | £1.00 | £1.00 | |
| | Residents Parking Permits | 1st car | | £25.00 | £25.00 |
| | | 2nd car | | £50.00 | £50.00 |
| | Business Parking Permits | | £300.00 | £300.00 | |
| | Carers Parking Permits | | £25.00 | £25.00 | |
| | Visitor Parking Permits | 3 hours to 1 week | £2.50 to £15 | £2.50 to £15 | |
| | Season tickets | Monday to Friday 1 month, dependent on Car Park | | £143.00 to £174.00 | £143.00 to £174.00 |
| | | Monday to Friday 6 months, dependent on Car Park | | £613.00 to £715.00 | £613.00 to £715.00 |
| | | Monday to Friday 12 months, dependent on Car Park | | £1,123.00 to £1,430.00 | £1,123.00 to £1,430.00 |

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| | | All days, 1 month, dependent on Car Park | £225.00 to £255.00 | £225.00 to £255.00 | |
| | | All days, 6 months, dependent on Car Park | £766.00 to £817.00 | £766.00 to £817.00 | |
| | | Monday to Friday 12 months, dependent on Car Park | £1,379.00 to £1,532.00 | £1,379.00 to £1,532.00 | |
| | On Street Tariffs | | | | |
| | Up to 15 mins | | £0.20 to £0.40 | £0.20 to £0.40 | |
| | Up to 30 mins | | £0.30 to £0.70 | £0.30 to £0.70 | |
| | Up to 1 hours | | £1.20 to £1.70 | £1.20 to £1.70 | |
| | Up to 2 hours | | £2.20 to £2.50 | £2.20 to £2.50 | |
| | Up to 3 hours | | £3.20 to £3.70 | £3.20 to £3.70 | |
| | Up to 4 hours | | £5.50 | £5.50 | |
| Highways | Cars for sale - removals | | | | |
| | Enquiries | | | | |
| | Public Rights of Way | | | | |
| | "A" Boards | | | | |
| | Streetworks Inspections and Licencing | | | | |
| | Streetworks Inspections and Licencing | | | | |
| | Skip | Initial Fee (21 Days) | | £45.00 | £45.00 |
| | | 10 day Extension - week 1 | | £15.00 | £15.00 |
| | Vehicle Crossings and Dropped Kerbs | Residential - Initial Application | | £65.00 | £65.00 |
| | | Residential - Approved Application (incl initial application fee) | | £110.00 | £110.00 |
| | | Crossing Searches/ Confirmation Letter | | £30.00 | £30.00 |
| | | Vehicle Crossings and Dropped Kerbs (incl application fees) | | £1,102.00 | £1,102.00 |
| | | Industrial Application | Percentage Of Cost | Percentage Of Cost | |
| | | Constructed without permission fine | £0.00 | £0.00 | |
| | Pavement cafes | Technical, Admin & Inspection Fees | | £400.00 | £400.00 |
| | | Legal Fees | | £250.00 | £250.00 |
| | | Annual Licence | | £400.00 | £400.00 |
| | Accident Data | 3 years data | | £150.00 | £150.00 |
| | | 5 years data | | £200.00 | £200.00 |
| | Traffic Flow Data | Traffic Flow Data from a single permanent site | | £125.00 | £125.00 |
| | | Traffic Flow Data from temporary Automatic Traffic | | £50.00 | £50.00 |
| | Traffic Signal Data | Traffic Signal Staging Drawing | | £40.00 | £40.00 |
| | | Traffic Signal Specification/Configuration Sheet | | £40.00 | £40.00 |
| | | 24 hour period of real time phasing information for one traffic signal junction | | £150.00 | £150.00 |

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| | Traffic Model Data | | To be negotiated on request from developer with a minimum charge being applied of £3,000. | To be negotiated on request from developer with a minimum charge being applied of £3,000. |
| | Traffic Light Switch Off | Per switch (on/off) | £300.00 | £300.00 |
| | | Per hour waiting time | £50.00 | £50.00 |
| | Temporary Traffic Regulation Orders Section 14 | | £1,250.00 | £1,250.00 |
| | Section 14 (2) Notice | | £250.00 | £250.00 |
| | Traffic lights switching on/off | | £300.00 | £300.00 |
| | Section 50 | New apparatus (Inspection/ Admin/ Capitalized Fees) | £450.00 | £450.00 |
| | | Works on existing (Inspection/ Admin Fees) | £300.00 | £300.00 |
| | Promotions on the Highway (Technical, Admin & Inspection Fees) | First 7 Days | £250.00 | £250.00 |
| | | Additional Week | £100.00 | £100.00 |
| | Cherry pickers/Mobile Towers/Hoists | Initial Fees (21 Days) | £180.00 | |
| | | Extension (7 Days) | £50.00 | £50.00 |
| | Permit Fee Charges | Provisional Advance authorisation (PAA Category 0,1,2 streets and traffic sensitive category 3 & 4 streets) and (Category 3 and 4 Non Traffic Sensitive Streets | £94.00/£70.00 | £94.00/£70.00 |
| | | Major Activity (Over 10 days) and all Major works requiring a traffic regulation order (Category 0,1,2 streets and Traffic Sensitive category 3 & 4 streets) and Category 3 and 4 / Non Traffic Sensitive Streets) | £232.00/£142.00 | £232.00/£142.00 |
| | | Major Activity (4-10 days) (Category 0,1,2 streets and Traffic Sensitive category 3 & 4 streets) and Category 3 and 4 / Non Traffic Sensitive Streets) | £130.00/£0.00 | £130.00/£0.00 |
| | | Major Activity (up to 3 days) (Category 0,1,2 streets and Traffic Sensitive category 3 & 4 streets) and Category 3 and 4 / Non Traffic Sensitive Streets) | £63.00/ £0.00 | £63.00/ £0.00 |
| | | Standard Activity (Category 0,1,2 streets and Traffic Sensitive category 3 & 4 streets) and Category 3 and 4 / Non Traffic Sensitive Streets) | £130.00/£0.00 | £130.00/£0.00 |
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| | Minor Activity (Category 0,1,2 streets and Traffic Sensitive category 3 & 4 streets) and Category 3 and 4 / Non Traffic Sensitive Streets) | £63.00/ £0.00 | £63.00/ £0.00 |
| | Immediate Activity (Category 0,1,2 streets and Traffic Sensitive category 3 & 4 streets) and Category 3 and 4 / Non Traffic Sensitive Streets) | £55.00/ £0.00 | £55.00/ £0.00 |
| | Permit Variation (Category 0,1,2 streets and Traffic Sensitive category 3 & 4 streets) and Category 3 and 4 / Non Traffic Sensitive Streets) | £45.00/£35.00 | £45.00/£35.00 |
| Fixed Penalty Notices | Discount rate (21 days) | £80.00 | £80.00 |
| | Without Discount | £120.00 | £120.00 |
| | Permit Board Charge (Discount Rate) | £300.00 | £300.00 |
| | Without Discount | £500.00 | £500.00 |
| Section 74 over-run | Per Road Category Per Day | £100.00-£2500.00 | £100.00-£2500.00 |
| | Mitigated Charge | | |
| Sample Inspections | Per Inspection | £50.00 | £50.00 |
| | Per Defect | £50.00 | £50.00 |
| | Coring (per core) | £130.00 | £130.00 |
| Section 116/117 - Stopping up of the Highway | Technical/Admin/Inspection/Legal & Court Fees | £5,000.00 | £5,000.00 |
| Developer Fees – Section 38/278 Agreements and Minor Highway Works Agreement | Inspection (Highway Works) | 10% of works cost (£2000 min) | 10% of works cost (£2000 min) |
| | Inspection (Statutory Undertakers) | 1-3% value of works | 1-3% value of works |
| | Safety Audit Review | £600-£2000 | £600-£2000 |
| | Approval of TM Plans | £200-£2000 | £200-£2000 |
| | Material Testing Fee | £400-£5000 | £400-£5000 |
| Commutated Sums - Section 38/278 Agreement and Minor Highway Works Agreement - OVER 40 YEAR LIFE | Per Soak away | £4,000.00 | £4,000.00 |
| | Per Tree | £200.00 | £200.00 |
| | Per Parking Bay | £850.00 | £850.00 |
| | Per m2 of Carriageway | £150.00 | £150.00 |
| | Per m2 of Footway | £45.00 | £45.00 |
| | Per m2 of Verge | £50.00 | £50.00 |
| | Per m2 of Anti-Skid | £300.00 | £300.00 |
| | Per controlled crossing unit (Headed Pole) | £10,000.00 | £10,000.00 |
| | Per traffic signal unit (Headed Pole) | £15,000.00 | £15,000.00 |
| | Per Street Lighting column | £2,000.00 | £2,000.00 |
| | Per Illuminated sign/bollard | £1,000.00 | £1,000.00 |
| | Per Gully | £300.00 | £300.00 |
| | Developer Licences – Section 50 (Private Apparatus), Section 142 (Verge Maintenance), Section 176 (Bridge Licence), Section 177 (Over | Technical Fee | £500 min |
| Inspection Fee | | £300 min | £300 min |
| Admin Fee | | £150.00 | £150.00 |
| Legal Fee | | £300-£1000 | £300-£1000 |
| Annual Fee | | £300 min | £300 min |

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| | sail), Section 178 (Crane Over sail), Section 179 (Build Under Highway Support Structure) | | | |
| LA Searches | Postal | | | |
| | Basic Search LLC1 & Con 29R | Fees on internet are as 1.1.10 | £118.00 | £118.00 |
| | Land Charges - B126 | LLCI | £30.00 | £30.00 |
| | Land Charges - B126 | CON29 searches (Incur VAT) | £118.00 | £118.00 |
| | Land Charges- B126 | Additional CON 29 Questions (£12/question) | £12.00 | £12.00 |
| | Any additional enquiry (each) | Fees on internet are as 1.1.10 | £20.00 | £20.00 |
| | Extra parcels of land (each) | Fees on internet are as 1.1.10 | £15.00 | £15.00 |
| | Extra parcels of land (each) LLC1 | Fees on internet are as 1.1.10 | £5.00 | £5.00 |
| | In Person | | | |
| | Inspection of land chgs register | Fees on internet are as 1.1.10 | free | free |
| | Copy of the Register | Fees on internet are as 1.1.10 | £1.00 | £1.00 |
| Multi Occupancy Home Licences (HMO) | Initial Fee for 5 bedrooms or less | £10 for each additional bedroom | £595 | £613 |
| | Extra work - officer | per hour | £35 | £36 |
| | Extra work - administration | per hour | £28 | £29 |
| Licences and Registrations | Sex Establishments (cinema, shop, entertainment venue) | Annual / Variation | £2,530.00 | £2,606.00 |
| | | Minor Variation or Transfer | £665.00 | £685.00 |
| | Street Trading - Town Centre | Annual | £5,000.00 | £5,000.00 |
| | | Daily | £35.00 | £35.00 |
| | | Weekly | £130.00 | £130.00 |
| | | Monthly | £475.00 | £475.00 |
| | | Quarterly | £1,300.00 | £1,300.00 |
| | | 6 monthly | £2,750.00 | £2,750.00 |
| | | Non-refundable deposit new applications | £250.00 | £250.00 |
| | Street Trading - All other areas | Annual | £3,675.00 | £3,675.00 |
| | | Daily | £30.00 | £30.00 |
| | | Weekly | £100.00 | £100.00 |
| | | Monthly | £370.00 | £370.00 |
| | | Quarterly | £1,100.00 | £1,100.00 |
| | | 6 monthly | £1,900.00 | £1,900.00 |
| | Ice Cream Sellers | For 6 months | £500.00 | £500.00 |
| | | For 1 month | £100.00 | £100.00 |
| | Ear Piercing, Electrolysis, Tattooing & Acupuncture | | £245.00 | £252.00 |
| | Hairdressers and Barbers | | £55.00 | £57.00 |
| | Animal licensing under The Animal Welfare (Licensing of Activities Involving Animals) (England) Regulations 2018 | | | |
| | Pet shops / Animal boarding / Dog breeding / Riding centres (plus vets) | Application | £390.40 | £390.40 |
| | | Renewal | £340.60 | £340.60 |
| Variation | | £183.00 | £183.00 | |

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| fees as applicable) | Re-rating Visit | £158.60 | £158.60 |
| | Transfer due to death of licensee | £48.80 | £48.80 |
| Keeping or Training Animals for Exhibition | Application | £268.40 | £268.40 |
| | Renewal | £244.00 | £244.00 |
| | Variation | £183.00 | £183.00 |
| | Transfer due to death of licensee | £48.80 | £48.80 |
| Zoos / dangerous wild animals | Plus vet fees | £600.00 | £618.00 |
| Scrap Metal Dealers | Site Licence - new | £465.00 | £479.00 |
| | Site Licence - renewal | £330.00 | £340.00 |
| | Site Licence - variation | £202.50 | £208.50 |
| | Collectors Licence - new | £285.00 | £293.50 |
| | Collectors Licence - renewal | £210.00 | £216.50 |
| | Collectors Licence - variation | £135.00 | £139.00 |
| Licensing - alcohol | Including "large temporary events" | Statutory | Statutory |
| | All copy licences if lost | £10.50 | £10.50 |
| Gambling Act 2005 | | | |
| Bingo Club | New application | £2,625.00 | £2,625.00 |
| | Annual fee | £750.00 | £750.00 |
| | Application to vary | £1,315.00 | £1,315.00 |
| | Application to transfer | £900.00 | £900.00 |
| | Application for re-instatement | £900.00 | £900.00 |
| | Application for provisional statement | £2,625.00 | £2,625.00 |
| | License application - provisional statement holders | £900.00 | £900.00 |
| | Copy of license | £25.00 | £25.00 |
| | Notification of change | £50.00 | £50.00 |
| Betting premises - excluding tracks | New application | £2,250.00 | £2,250.00 |
| | Annual fee | £450.00 | £450.00 |
| | Application to vary | £1,125.00 | £1,125.00 |
| | Application to transfer | £900.00 | £900.00 |
| | Application for re-instatement | £900.00 | £900.00 |
| | Application for provisional statement | £2,250.00 | £2,250.00 |
| | License application - provisional statement holders | £900.00 | £900.00 |
| | Copy of license | £25.00 | £25.00 |
| | Notification of change | £50.00 | £50.00 |
| Family entertainment centres | New application | £1,500.00 | £1,500.00 |
| | Annual fee | £565.00 | £565.00 |
| | Application to vary | £750.00 | £750.00 |
| | Application to transfer | £715.00 | £715.00 |
| | Application for re-instatement | £715.00 | £715.00 |
| | Application for provisional statement | £1,500.00 | £1,500.00 |
| | License application - provisional statement holders | £715.00 | £715.00 |
| | Copy of license | £25.00 | £25.00 |
| | Notification of change | £50.00 | £50.00 |

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| | Gaming centres | New application | £1,500.00 | £1,500.00 |
| | | Annual fee | £750.00 | £750.00 |
| | | Application to vary | £750.00 | £750.00 |
| | | Application to transfer | £900.00 | £900.00 |
| | | Application for re-instatement | £900.00 | £900.00 |
| | | Application for provisional statement | £1,500.00 | £1,500.00 |
| | | License application - provisional statement holders | £900.00 | £900.00 |
| | | Copy of license | £25.00 | £25.00 |
| | | Notification of change | £50.00 | £50.00 |
| | Permits | FEC gaming machine / prize gaming – Application fee | £300.00 | £300.00 |
| | | Licensed premises gaming machine permit – Application fee | £150.00 | £150.00 |
| | | Licensed premises gaming machine permit – Annual fee | £50.00 | £50.00 |
| | | Licensed premises - Notification of 2 or less gaming machines | £50.00 | £50.00 |
| | | Club gaming / gaming machine permit – Application fee | £200.00 | £200.00 |
| | | Club gaming / gaming machine permit – Annual fee | £50.00 | £50.00 |
| | | PH & HC Driver - New Application (1 year) | £173.50 | £179.00 |
| | Private Hire (PH) and Hackney Carriage (HC) Combination Driver (CD) Licensing | PH & HC Driver - Renewal (1 year) | £125.90 | £130.00 |
| | | PH & HC Driver - New Application (3 year) | £258.00 | £266.00 |
| | | PH & HC Driver - Renewal (3 year) | £230.90 | £238.00 |
| | | PH & HC Driver - Replacement badge | £15.00 | £15.50 |
| | | PH & HC Driver - Replacement badge change of operator | £15.00 | £15.50 |
| | | PH & HC Driver - copy of paper licence | £15.00 | £15.50 |
| | | PH & HC Driver - DBS check | £55.00 | £56.50 |
| | | PH & HC Driver - Knowledge test | £40.00 | £41.20 |
| | | PH & HC Vehicle - New application | £220.00 | £226.60 |
| | | PH & HC Vehicle - Renewal application | £220.00 | £226.60 |
| | | PH & HC Vehicle - Transfer | £35.00 | £36.00 |
| | | PH & HC Vehicle - Change of vehicle | £50.00 | £51.50 |
| | | PH & HC Vehicle - Copy of paper licence | £15.00 | £15.50 |
| | | PH & HC Vehicle - Replacement plate | £25.00 | £26.00 |

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| | | PH & HC Vehicle - Copy of certificate of compliance | £15.00 | £15.50 |
| | | PH Vehicle - Exemption | £50.00 | £51.50 |
| Combination Driver Licence (CD) | | CDriver - New application (1 year) | £173.50 | £179.00 |
| | | CDriver - Renewal (1 year) | £125.90 | £130.00 |
| | | CDriver - New application (3 year) | £258.00 | £266.00 |
| | | CDriver - Renewal (3 year) | £230.90 | £238.00 |
| | | CDriver - Knowledge test | £40.00 | £41.20 |
| | Private Hire Operators (PHO) 1 year grant and renewal | | Chauffeurs 1 vehicle | £137.00 |
| | | Operator Up to - 5 vehicles | £275.00 | £275.00 |
| | | Operator Up to - 15 vehicles | £360.00 | £360.00 |
| | | Operator Up to - 25 vehicles | £595.00 | £595.00 |
| | | Operator Up to - 35 vehicles | £835.00 | £835.00 |
| | | Operator Up to - 45 vehicles | £1,070.00 | £1,070.00 |
| | | Operator Up to - 55 vehicles | £1,310.00 | £1,310.00 |
| | | Operator Up to - 65 vehicles | £1,550.00 | £1,550.00 |
| | | Operator Up to - 75 vehicles | £1,790.00 | £1,790.00 |
| | | Operator Up to - 85 vehicles | £1,930.00 | £1,930.00 |
| | | Operator Up to - 99 vehicles | £2,365.00 | £2,365.00 |
| | | Operator 100 vehicles and over | £2,385.00 | £2,385.00 |
| Private Hire Operators (PHO) 5 year grant and renewal | | | Chauffeurs 1 vehicle | £411.00 |
| | | Operator Up to - 5 vehicles | £825.00 | £825.00 |
| | | Operator Up to - 15 vehicles | £1,080.00 | £1,080.00 |
| | | Operator Up to - 25 vehicles | £1,785.00 | £1,785.00 |
| | | Operator Up to - 35 vehicles | £2,505.00 | £2,505.00 |
| | | Operator Up to - 45 vehicles | £3,210.00 | £3,210.00 |
| | | Operator Up to - 55 vehicles | £3,930.00 | £3,930.00 |
| | | Operator Up to - 65 vehicles | £4,650.00 | £4,650.00 |
| | | Operator Up to - 75 vehicles | £5,370.00 | £5,370.00 |
| | | Operator Up to - 85 vehicles | £5,790.00 | £5,790.00 |
| | | Operator Up to - 99 vehicles | £7,095.00 | £7,095.00 |
| | | Operator 100 vehicles and over | £7,155.00 | £7,155.00 |
| | | Replacement Licence | £15.00 | £15.00 |
| | Fireworks | | | |
| Licence to store - new | 0-250kg | Statutory | Statutory | |
| Licence to store - renewal | 0-250kg | Statutory | Statutory | |
| Licence to store - new | 250-2000kg | Statutory | Statutory | |
| Licence to store - renewal | 250-2000kg | Statutory | Statutory | |

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|---|--|--|---|---|
| | Variation | | Statutory | Statutory |
| | Transfer | | Statutory | Statutory |
| | Replacement | | Statutory | Statutory |
| | Any other variation | | Statutory | Statutory |
| | License to sell | | Statutory | Statutory |
| | Street Entertainment License | Busker's license | £0.00 | £0.00 |
| Enforcement | Immigration Inspection Fees | | £118.98 | £122.55 |
| | Littering Fines | | Up to £2500 | Up to £2500 |
| | Pest Control | Per treatment | £12.48 | Outsourced |
| | Stray Dogs | In office hours | £45.43 | £46.79 |
| | | Outside of office hours and weekends | £129.79 | £133.68 |
| | | Daily kennelling charge | £19.47 | £20.05 |
| | Statutory Fine | £25.00 | £25.00 | |
| Careline | Alarm rental & Monitoring Fee | Weekly | £4.22 | £4.22 |
| | | Quarterly | £54.91 | £54.91 |
| | Installation | | £41.60 | £41.60 |
| | Key Safe Purchase | | £52.00 | £52.00 |
| | Careline Alarm (Purchase fee) | | £160.99 | £160.99 |
| | Pendant Replacement | | £61.15 | £61.15 |
| | Attendance Call Out (office hours only) non-system fault | | £85.00 | £85.00 |
| Alarm System Monitoring (per annum) | Fire, Intruder, Lift car alarm, disabled toilet (via Careline systems) | | £200.00 | £200.00 |
| CCTV | CCTV Project Consultancy | | 7.5% of Project Capex | 7.5% of Project Capex |
| Facilities Management | Hire of Venues / Premises | | | |
| Trading Standards (Public Protection/Food Safety) | Primary Authority Partnership Scheme | | £73.27 | £75.00 |
| | Export Certificates | | £52.92 | £112.50 |
| | Paid for business support advice | As & when hourly rate pro rata | £73.27 | £75.00 |
| | Food Hygiene Training | open courses-per candidate | £67.00 | £67.00 |
| | | Food Hygiene Resit Fee | £12.00 | £12.00 |
| | | Bespoke Food Hygiene Courses | £420 plus £18 per candidate (minimum charge £600) | £420 plus £18 per candidate (minimum charge £600) |
| | Food Hygiene Rating Rescore visits | Not yet charging as need to give businesses notice of introduction of charges. | £210.00 | £210.00 |
| | Provision of SFBB pack | | £12.00 | £12.00 |
| Organic Import Certificate | | £45.00 | £45.00 | |
| Environment & Transport | Environment Searches | Environmental Reports prepared for clients | £190.00 | £190.00 |
| | Environmental Advice Heathrow | HSPG officer Hourly recharge | £65.00 | £65.00 |
| | Rapid EV Charger Income | Charge Your Car Operator - less back office costs | £5.00 | £5.00 |
| | Petroleum Licensing Annual Licence Fee | up to 2,500 litres petrol storage | £42.00 | £42.00 |

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| | (Petroleum Consolidation Regulations) 2014 | 2,500 litres but not exceeding 50,000 litres storage | £58.00 | £58.00 |
| | | above 50,000 litres | £120.00 | £120.00 |
| | Environmental Permitting 4.5% on set Fees | Standard process application | £1,650.00 | £1,650.00 |
| | | PVRI, Dry Cleaners Application Fee | £155.00 | £155.00 |
| | | Vrs and other reduced Fee Activities | £362.00 | £362.00 |
| | | LA-IPPC (PART A2) charges for 2017/18 | £3,363.00 | £3,363.00 |
| | | Annual Subsistence Charge (Standard process low risk) | £772.00 | £772.00 |
| | | Annual Subsistence Charge (Standard process medium risk) | £1,161.00 | £1,161.00 |
| | | Annual Subsistence Charge (Standard process high risk) | £1,747.00 | £1,747.00 |
| | | PVRI, Dry Cleaners L/M/H Subsistence Charge | £79/£158/£237 | £79/£158/£237 |
| | | PVR 1 & 11 combined L/M/H Subsistence Charge | £113/£226/£341 | £113/£226/£341 |
| | | Vrs and other reduced Fee Activities Subsistence Charge | £228/£365/£548 | £228/£365/£548 |
| Local Land Charges | Street Naming and numbering | 1st Address | £40.00 | £41.20 |
| | | 2-5th Address | £75.00 | £77.25 |
| | | 6-10th Address | £110.00 | £113.30 |
| | | Per additional Address | £15.00 | £15.45 |
| | | New Street | £110.00 | £113.30 |
| | | Per additional Street | £50.00 | £51.50 |
| | | New Street from pre approved list | £150.00 | £154.50 |
| | | Alter an existing address | £40.00 | £41.20 |
| Temporary Accommodation Housing | Properties not owned by Council 2.4% increase | 1 Bed | 217.85 weekly/ 31.12 Daily | 223.08 weekly/ 31.87 Daily |
| | | 2 Bed | 261.54 weekly/ 37.36 Daily | 267.82 weekly/ 38.26 Daily |
| | | 3 Bed | 314.04 weekly/ 44.86 Daily | 321.58 weekly/ 45.94 Daily |
| | | 4 Bed | 406.26 weekly/ 58.04 Daily | 416.01 weekly/ 59.43 Daily |
| | | Service Charge | 5.60 | 5.73 |
| Facilities Management | Hire of Venues / Premises | | | |
| Community Centre | Daytime Rate applies from 9am - 4pm | Childrens Birthday Party Rate- (Could be 10, 20 or 30% lower than C&V rate depending on size of hall) | Current Charge Per Hour 2018/19 | Comments |
| Chalvey Centre | | | | |

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|--|--------|--------|--------|-----------|
| Main Hall | | £31.30 | £44.75 | No Change |
| Main Hall - Weddings & Parties (until 11pm) | | | £52.00 | No Change |
| Main Hall - Room 1 or 2 | | | £15.90 | No Change |
| Half Main Hall - Room 3 or 1 & 2 together | | | £23.40 | No Change |
| Half main Hall - Weddings & Parties (3 or 1 & 2) | | | £31.60 | No Change |
| POD | | | £7.70 | No Change |
| Meeting Room 4 or 5 | | | £16.40 | No Change |
| Outside Decking Area | | | £10.00 | No Change |
| Kitchen | | | £10.00 | No Change |
| Smart Board, Laptop and projector | | | £20.00 | No Change |
| Flip chart & Stand | | | £10.00 | No Change |
| Projector | | | £10.00 | No Change |
| Laptop | | | £10.00 | No Change |
| Smart Board | | | £10.00 | No Change |
| Teas, Coffees & Biscuits (per person) | | | £1.10 | No Change |
| Stage set up | | | £20.00 | No Change |
| Storage per Square meter | | | £3.00 | No Change |
| Chalvey Pavilion | | | | |
| Room 1 | | | £22.00 | No Change |
| Room 2 | | | £16.40 | No Change |
| Room 3 | | | £13.00 | No Change |
| Kitchen | | | £5.50 | No Change |
| Teas, Coffees & Biscuits (per person) | | | £1.10 | No Change |
| Storage per Square meter | | | £3.00 | No Change |
| Britwell Centre | | | | |
| Main Hall | £37.00 | £28.80 | £41.20 | No Change |
| Main Hall Weddings & Parties | | | £52.00 | No Change |
| Main Hall (Two Thirds) | £25.00 | £22.20 | £27.80 | No Change |
| Main Hall (Two Thirds) Weddings & Parties | | | £56.00 | No Change |
| Main Hall (One Third) | | | £13.40 | No Change |
| Main Hall (One Third) Weddings & Parties | | | £25.60 | No Change |
| Commercial Kitchen | | | £10.00 | No Change |
| Training Kitchen - Room 1 | | | £20.00 | No Change |
| Room 8 | | | £10.00 | No Change |
| Room 9 | | | £10.00 | No Change |
| Room 8 & 9 without partition | | | £15.50 | No Change |
| Meeting Room 4 - | | | £14.40 | No Change |
| Practical Learning Area - Meeting Room 3 | | | £14.40 | No Change |

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| Interview Room 7 | | | £7.50 | No Change |
| IT Room (with Smart Board) | | | £16.40 | No Change |
| Stage set up | | | £20.00 | No Change |
| Sound System & Projector | | | £25.00 | No Change |
| Sound System | | | £15.00 | No Change |
| Smart Board, Laptop and projector- | | | £20.00 | No Change |
| Flip chart & Stand | | | £10.00 | No Change |
| Projector | | | £10.00 | No Change |
| Laptop | | | £10.00 | No Change |
| Smart Board | | | £10.00 | No Change |
| Teas, Coffees & Biscuits | | | £1.10 | No Change |
| Storage per Square meter | | | £3.00 | No Change |
| Langley Pavilion | | | | |
| Main Hall | £37.00 | £26.50 | £33.10 | No Change |
| Main Hall - Weddings & Parties | | | £52.00 | No Change |
| Small Hall | £14.20 | | £15.40 | No Change |
| Small Hall - Weddings and Parties | | | £20.00 | No Change |
| Meeting Room 1 and 2 | | | £9.20 | No Change |
| Kitchen | | | £10.00 | No Change |
| Teas, Coffees & Biscuits | | | £1.10 | No Change |
| Storage per square meter | | | £3.00 | No Change |
| Cippenham Centre | | | | |
| Main Hall | 37.00 | £33.00 | £41.20 | No Change |
| Main Hall - Weddings & Parties | | | £52.00 | No Change |
| Small Hall 1 or 2 | 14.10 | | £27.00 | No Change |
| Small Hall 1 or 2 - Weddings and Parties | | | £30.00 | No Change |
| Kitchen | | | £10.00 | No Change |
| Teas, Coffees & Biscuits | | | £1.10 | No Change |
| Storage per square meter | | | £3.00 | No Change |
| Weekes Drive | | | | |
| Main Hall | 33.50 | £29.80 | £37.20 | No Change |
| Main Hall - Weddings & Parties | | | £52.00 | No Change |
| Small Hall 1 or 2 | | | £15.70 | No Change |
| Small Hall 1 or 2 - Weddings and Parties | | | £22.50 | No Change |
| Kitchen | | | £10.00 | No Change |
| Teas, Coffees & Biscuits | | | £1.10 | No Change |
| Storage per square meter | | | £3.00 | No Change |
| Upton Lea Centre | | | | |
| Main Hall | 29.80 | £26.50 | £33.10 | No Change |

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|-----------------------------------|-------|--------|--------|---|
| Main Hall - Weddings & Parties | | | £52.00 | No Change |
| Small Hall | | | £10.30 | No Change |
| Small Hall - Weddings and Parties | | | £20.00 | No Change |
| Meeting Room 1 and 2 | | | £9.20 | No Change |
| Kitchen | | | £10.00 | No Change |
| Teas, Coffees & Biscuits | | | £1.10 | No Change |
| Storage per square meter | | | £3.00 | No Change |
| Westfield Centre | | | | |
| Main Hall | 13.50 | £15.00 | £15.00 | No Change |
| Main Hall - Weddings & Parties | | | £24.00 | No Change |
| Meeting Room 1 | | | £6.20 | No Change |
| Kitchen | | | £5.50 | No Change |
| Teas, Coffees & Biscuits | | | £1.10 | No Change |
| Storage per square meter | | | £3.00 | No Change |
| Manor Park Centre | | | | |
| Main Hall | 23.90 | £23.90 | £26.50 | No Change |
| Main Hall - Weddings & Parties | | | £35.00 | No Change |
| Foyer | | | | No Change |
| Outdoor Hardcourt Area | | | £14.80 | No Change |
| Kitchen | | | £5.30 | No Change |
| Teas, Coffees & Biscuits | | | £1.10 | No Change |
| Storage per square meter | | | £3.00 | No Change |
| Manor Park Pavilion | | | | |
| Small Hall | | | £22.00 | No Change |
| Small Hall - Weddings & Parties | | | £30.30 | No Change |
| Cippenham Library | | | | |
| Meeting room | | | £7.50 | New Asset we manage price based on Room 6 at Britwell |
| Flipchart & Stand | | | £10.00 | New Asset we manage based on other CC |
| Langley Library | | | | |
| Meeting room | | | £10.00 | New Asset we manage based on Curve Green Room |
| Curve | | | | |
| Gallery | | | £15.00 | No Change |
| Meeting Room 4- GF | | | £7.50 | No Change |
| Green Room | | | £10.00 | No Change |

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| The Venue | | | £50.00 | No Change |
| Combined (The Venue and Green Room) | | | £55.00 | No Change |
| Plaza (only available if the venue or one other room at the Curve is booked, so long as it is a substantial booking the Plaza would be provided for free) | | | | No Change |
| IT Suite (Room 3) using equipment- First Floor | | | £20.00 | No Change |
| IT Suite (Room 3) not using equipment- First Floor | | | £18.00 | No Change |
| Meeting Room 1-2nd Floor | | | £18.00 | No Change |
| Meeting Room 2-2nd Floor | | | £18.00 | No Change |
| Meeting Room 1 & 2 combined package | | | £30.00 | No Change |
| Teas, Coffees & Biscuits (per person) | | | £1.10 | No Change |
| Smart Board, Laptop and projector | | | £20.00 | Based on other CC |
| Flip chart & Stand | | | £10.00 | Based on other CC |
| Projector | | | £10.00 | Based on other CC |
| Laptop | | | £10.00 | Based on other CC |
| Smart Board | | | £10.00 | Based on other CC |
| Stage set up | | | £20.00 | Based on other CC |
| Technician cost for performances such as Pantos etc | | | | |
| Arbour Park | | | | |
| Changing room only (<i>when not hiring with the Pitch</i>) | | | £25.00 | No Change |
| Medical room | | | £15.00 | No Change |
| Room 1 including South Terrace - 1st Flr (carpeted room) | | | £15.00 | No Change |
| Room 2 including North Terrace - 1st Flr | | | £15.00 | No Change |
| Additional one off cost for each of the North and South terraces (i.e.) set up tables/chairs etc | | | £30.00 | No Change |
| Club Room | | | £12.50 | No Change |
| Kitchen Ground Floor Next to club room - (if hired with pitch or room) | | | £10.00 | No Change |

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|---|---------------------|---------------------------------------|----------------|----------------------|
| Kitchen Ground Floor Next to club room (if hiring on its own without Pitch or Room) | | | £30.00 | No Change |
| Function Space only | | | £17.50 | No Change |
| Function Space - Weddings & Parties | | | £40.00 | No Change |
| Whole of first floor | | | £47.50 | No Change |
| Whole of first floor - Weddings & Parties | | | £95.00 | No Change |
| Function Space & Training Room 1 or 2 Weddings & parties | | | £0.00 | New Rate |
| Teas, Coffees & Biscuits (per person) | | | £1.10 | No Change |
| Smart Board, Laptop and projector | | | £20.00 | Based on other CC |
| Flip chart & Stand | | | £10.00 | Based on other CC |
| Projector | | | £10.00 | Based on other CC |
| Laptop | | | £10.00 | Based on other CC |
| Smart Board | | | £10.00 | Based on other CC |
| Stage set up | | | £20.00 | Based on other CC |
| <p>** All venue hire bookings are exempt from VAT. VAT for Security costs for Weddings and Parties will be applied.</p> | | | | |
| <p>**We have a corporate security contract in place and the charge per hours dependant on the type of security required is £9.27 and £12.50</p> | | | | |
| Minibus Hire | Minibus Hire | Minibus Hire | £40.00 | £42.00 |
| | | Mileage rate 1st 50 | £0.43p | £0.44p |
| | | Subsequent miles | £0.30p | £0.30p |
| | | Driver rate per hr | £12.50 | £12.75 |
| | | Typical 2hr 100 mile hire | £101.50 | £104.50 |
| | | | | |

Statutory Determination of Council Tax

Council Tax Resolution – In relation to the Council Tax for 2019/20

- (a) That in pursuance of the powers conferred on the Council as the billing authority for its area by the Local Government Finance Acts (the Acts), the Council Tax for the Slough area for the year ending 31 March 2020 is as specified below and that the Council Tax be levied accordingly.
- (b) That it be noted that at its meeting on 18 December 2018 Cabinet calculated the following Tax Base amounts for the financial year 2019/20 in accordance with Regulations made under sections 31B (3) and 34(4) of the Act:
- (i) 42,789.8 being the amount calculated by the Council, in accordance with Regulation 3 of the Local Authorities (Calculation of Council Tax Base) Regulations 2012 (the Regulations) as the Council Tax Base for the whole of the Slough area for the year 2019/20; and
- (ii) The sums below being the amounts of Council Tax Base for the Parishes within Slough for 2019/20:
- | | | |
|----|--------------------------------|---------|
| a) | Parish of Colnbrook with Poyle | 1,923.3 |
|----|--------------------------------|---------|
- (c) That the following amounts be now calculated for the year 2019/20 in accordance with sections 31A to 36 of the Act:
- (i) £411,146,686 being the aggregate of the amounts which the Council estimates for the items set out in section 31A (2)(a) to (f) of the Act. (Gross Expenditure);
- (ii) £352,551,190 being the aggregate of the amounts which the Council estimates for the items set out in section 31A (3) (a) to (d) of the Act. (Gross Income);
- (iii) £58,595,496 being the amount by which the aggregate at paragraph c (i) above exceeds the aggregate at paragraph c (ii) above calculated by the Council as its council tax requirement for the year as set out in section 31A(4) of the Act. (Council Tax Requirement);
- (iv) £1,369.38 being the amount at paragraph c(iii) above divided by the amount at paragraph b(i) above, calculated by the Council, in accordance with section 31B(1) of the Act, as the basic amount of its Council Tax for the year, including the requirements for Parish precepts.
- (v) That for the year 2019/20 the Council determines in accordance with section 34 (1) of the Act, Total Special Items of £102,583 representing the total of Parish Precepts for that year.
- (vi) £1,366.98 being the amount at paragraph c (iv) above less the result given by dividing the amount at paragraph c (v) above by the relevant amounts at paragraph b (i) above, calculated by the Council, in accordance with section 34 (2) of the Act, as the basic amount of its

Council Tax for the year for dwellings in those parts of its area to which no special item relates.

(vii) Valuation Bands

| Band | Slough Area £ | Parish of Colnbrook with Poyle £ |
|-------------|--------------------------|---|
| A | 911.32 | 32.93 |
| B | 1,063.21 | 38.42 |
| C | 1,215.09 | 43.91 |
| D | 1,366.98 | 49.40 |
| E | 1,670.75 | 60.38 |
| F | 1,974.53 | 71.36 |
| G | 2,278.30 | 82.33 |
| H | 2,733.96 | 98.80 |

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

(viii) Calculate that the Council Tax requirement for the Council's own purposes for 2019/20 (excluding Parish precepts) is £58,492,641.

(ix) That it be noted that for the year 2019/20 the Thames Valley Police Authority precept has been increased by 13.2% in accordance with Home Office guidance in the provisional police grant settlement. The Police and Crime Panel are meeting on the 1st February to consider the PCP's precept proposals. The following amounts are stated in accordance with section 40 of the Act, for each of the categories of dwellings shown below:

| Band | Office of the Police and Crime Commissioner (OPCC) for Thames Valley £ |
|-------------|---|
| A | 137.52 |
| B | 160.44 |
| C | 183.36 |
| D | 206.28 |
| E | 252.12 |
| F | 297.96 |
| G | 343.80 |
| H | 412.56 |

- (x) That it be noted that for the year 2019/20 the Royal Berkshire Fire Authority has proposed increasing its precept by 2.99% in accordance with section 40 of the Act, for each of the categories of dwellings shown below:

| Band | Royal Berkshire Fire Authority £ |
|-------------|---|
| A | 44.19 |
| B | 51.55 |
| C | 58.92 |
| D | 66.28 |
| E | 81.01 |
| F | 95.74 |
| G | 110.47 |
| H | 132.56 |

These precepts have not been formally proposed or agreed by the Royal Berkshire Fire Authority and may be subject to further revision.

- (xi) Note that arising from these recommendations, and assuming the major precepts are agreed, the overall Council Tax for Slough Borough Council for 2019/20 including the precepting authorities will be as follows:

| Band | Slough £ | Office of the Police and Crime Commissioner (OPCC) for Thames Valley £ | Royal Berkshire Fire Authority £ | TOTAL £ |
|-------------|---------------------|---|---|--------------------|
| A | 911.32 | 137.52 | 44.19 | 1,093.03 |
| B | 1,063.21 | 160.44 | 51.55 | 1,275.20 |
| C | 1,215.09 | 183.36 | 58.92 | 1,457.37 |
| D | 1,366.98 | 206.28 | 66.28 | 1,639.54 |
| E | 1,670.75 | 252.12 | 81.01 | 2,003.88 |
| F | 1,974.53 | 297.96 | 95.74 | 2,368.23 |
| G | 2,278.30 | 343.80 | 110.47 | 2,732.57 |
| H | 2,733.96 | 412.56 | 132.56 | 3,279.08 |

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

- (xiv) That the Section 151 Officer be authorised to collect (and disperse from the relevant accounts) the Council Tax and National Non-Domestic Rate and that whenever the office of the Section 151 Officer is vacant or the holder thereof is for any reason unable to act, the Chief Executive or such other authorised post-holder be authorised to act as before said in his or her stead.

- (xv) That in the event that there are any changes to the provisional precept of the Fire Authority, arising from their precept setting meeting being held on 25 February, the Section 151 Officer is delegated authority to enact all relevant changes to the Revenue Budget 2019/20, Statutory Resolution and council tax levels.

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

Section 25 of The Local Government Act 2003 includes the following statutory duty in respect of the budget report to Council:

“the Chief Financial Officer (CFO) of the authority must report to it on the following matters:

a) the robustness of the estimates made for the purpose of the calculations; and b) the adequacy of the proposed financial reserves.”

The Council is required to take this report into account when making that decision. Section 26 of the same Act, places an onus on the CFO (The Director of Resources) to ensure the Council has established a minimum level of reserves to be retained to cover any unforeseen demands that could not be reasonably defined within finalising the proposed budget.

This report has been prepared by the CFO to fulfil this duty and gives the required advice relating to the 2019/20 financial year including a consideration of the budget proposal as a whole and all the financial risks facing the Council. It identifies the Council’s approach to budget risk management and assesses the particular risks associated with the 2019/20 budget to inform the advice on robustness.

Overall Budget and Medium Term Financial Strategy 2019/20 – 2021/22

In the opinion of the CFO the 2019/20 estimates are robust but the proposed level of financial reserves is near the absolute bare minimum and will need to be increased in the medium term.

Robustness of Estimates

The treatment of inflation and interest rates

The 2019/20 pay award for staff has been included at an average of 2% in line with the Government’s pay announcements. Non pay related budgets have been inflated at the contractually committed rate of inflation or where services can demonstrate a requirement to do so to maintain service delivery levels.

Efficiency saving and productivity gains

The budget contains proposals to deliver £12.4m of savings during 2019/20. The medium term financial strategy includes a four year savings programme to ensure that future revenue budgets remain in financial balance to ensure the council has adequate resources to deliver its Council Strategy outcomes. The savings programme will also help to ensure that Council Tax increases are kept to as low a level as possible and deliver efficient local services. The proposals continue to set high levels of required savings and there are inherent risks to the delivery of a balanced budget at the end of the 2018/19 financial year. Given the year on year reductions in Government funding, the Council’s risk profile for savings is increasing as more transformational activity and income generation schemes

are brought forward. Though these will endeavour to drive additional income and reduced costs, they are by their very nature more difficult and complex to deliver, and are at greater risk of market conditions.

The Council has introduced a 10% contingency factor against all Transformation Savings (ie those achieved via the Government's direction concerning the Flexible Use of Capital Receipts) to provide some further protection against the possibility of non-delivery of savings.

Overall Level of Savings

The Council's budget includes £12.4m of savings in 2019/20, 12% of its net budget and £20.3m in the MTFs. Savings of this scale in addition to those already delivered will be extremely challenging and will be monitored closely during the year.

Budget and Financial management

The level of audited underspends in recent years is as follows:

- 2011/12 – £1,736k underspend – 1.7% of budget
- 2012/13 - £23k underspend – 0.0% of budget
- 2013/14 - £150k underspend – 0.1% of budget
- 2014/15 - £224k underspend - 0.1% of budget
- 2015/16 - £42k overspend – 0.0% of budget
- 2016/17 – £26k underspend – 0.02% of budget
- 2017/18 – £224k underspend – 0.21% of budget

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

The Council has a number of demand led budgets and has historically been able to manage changes to demand to ensure a sound financial standing at the end of the financial year.

The 2019/20 revenue budget includes the following Growth Proposals to address significant overspends facing the Council identified in the Quarter 3 Revenue Monitoring Report:

| 2018/19 PRESSURES | £'000 |
|---|--------------|
| Temporary Accommodation | 750 |
| Schools PFI | 700 |
| Educational Psychologists | 100 |
| Waste Contract - Contractual Price Increase | 1,550 |
| Home to School Transport | 500 |
| | <hr/> |
| | 3,600 |
| | <hr/> |

Adequacy of insurance and risk management

Strategic risk management is being embedded throughout the Council to ensure that all risks are identified and managed appropriately. The Council's insurance arrangements are a balance of external insurance premiums and internal funds to self insure some areas. As well as an internal risk manager the Council also make use of an external consultant (Arlingclose) to advise on the level of funds required to underpin those risks not externally insured.

Other factors to take into account

Aside from delivering services within its overall budget the Council needs to consider other factors that may have an impact on its overall financial standing:

Slough Children's Trust

The Trust is an independent company that provides Children's Social Care to the Council. The Trust has accumulated a deficit of £4.2m at 31.03.18 which is predicted to increase in 2018/19. The Council has agreed additional funding for the Trust in the 2019/20 budget that will put it in a balanced position going forward. The Council as a major creditor of the Trust is working with the Trust to ensure it can meet its commitments going forward and continues to provide services. The DfE are also supporting the Trust to ensure it's continued viability.

Council Tax Collection

Slough Borough Council borrows money to support the Council's capital Programme. It has calculated its capacity for borrowing within the provisions of the prudential framework and budgeted accordingly. The assumed Council Tax collection rate is 98.4% and this is an achievable if demanding target. Each 1% uncollected amounts to approximately £0.585m and any surplus or deficit on the collection fund is apportioned between the Council and its major precepting bodies the Royal Berkshire Fire and Rescue Authority, and the Office of the Police and Crime Commissioner (OPCC) for Thames Valley.

Budgetary Control

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

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

Adequacy of Reserves

Reserves are set aside to fund risks and one-off pressures over a number of years. If the Council minimises the level of reserves future financial planning is hampered. It should be noted that reserves can only be spent once and the possibility of creating new reserves is now very limited.

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

The Council's General Fund working balance stands at £8.1m and non HRA ring-fenced reserves at £11.3m.

The level of reserves compares to the required savings in the Council's budget for 2019/20 of £12.4m.

There is also a current deficit on the Dedicated Schools Grant reserve of £5.4m, a cumulative position from a number of over-spends in the high needs block. Although there is a plan to reduce the ongoing overspend it does not address the current deficit that appears on the Council's balance sheet and is taken into account to determine whether it is running at a deficit.

The current level of General Fund reserve is therefore considered to be the absolute minimum on the basis that the budget balances in 2019/20.

It is crucial to bear in mind that the reserves are the only source of financing to which the council has access to fund risks and one-off pressures over a number of years. It should be noted that reserves can only be spent once and the possibility of creating new reserves in an era where budgets are tight and can become overspent, not just individually but corporately, is now very limited.

Councils use two main approaches to determine the required minimum level of its General Fund; either a percentage of the Council's current spending, or an assessment of risks and the impact they will have on the council's overall financial position.

When compared to other unitary authorities across the country at 31.03.18 excluding insurance, Public Health and School reserves Slough are in the bottom three at 13% of net revenue expenditure whereas the average level is 38%. This situation initially arose following Slough's creation as a Unitary Authority and the subsequent division of the Berkshire County's reserves across the six new Berkshire authorities. However, the current analysis clearly indicates that the Council should seek to increase its reserves to the same extent as similar councils. A level of below 25% has been highlighted by CIPFA as one of the warnings of poor financial resilience. Ideally the Council would therefore look to double its reserves in the MTFP period using one-off benefits arising and potentially front-loading savings. This will be difficult given the pressure caused by rising costs and reducing grants.

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

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

- Increased population increases demand on 'universal services' i.e. more bins to collect, more Council Tax bills to issue etc.
- Increased volatility from the retention of business rates

- Savings are increasingly based on commercial opportunities and are therefore more subject to fluctuation in the future
- Increased adult social care and children's services pressures due to changes in demography
- The impact of the macro-economic position and the impact on residents and businesses being able to pay for respective fees and charges

Reserves are therefore considered to be sufficient to cover the risks facing the Council going forward however it is planned to increase them over the medium term. The Medium Term Financial Strategy therefore has a number of guiding principles, agreed by Cabinet in June 2018, including:

- SBC will use SUR profits to firstly increase reserves and then to fund one-off growth initiatives.

The Growth Proposals reflect this guiding principle by increasing the General Reserve by £750k, the amount of profits anticipated from SUR, in Year 2 of the Medium Term Financial Strategy

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Specific grants

The Government provides the Council with a number of specific grants. These grants have conditions attached to their use as detailed by Government. The grants are allocated out to specific directorates and these are utilised to deliver the objectives contained within the grant conditions.

| Grant | Amount (£m) |
|--|------------------------|
| Public Health | 7.363 |
| Local Council Tax Support Administration Subsidy | 0.166 |
| Housing Benefit Administration Subsidy | 0.486 |
| Improved Better Care Fund | 3.357 |
| Social Care Support Grants | 1.708 |

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HRA Rents and Service Charges 2019/20

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

- Council house dwelling rents for 2019/20 to **decrease by 1%** over the 2018/19 rent with effect from Monday 1st April 2019. This is in line with current government guidelines and legislation.
- Garage rents, heating, utility and ancillary charges to **increase by 2.4%** with effect from Monday 1st April 2019. This is based upon the September CPI figure.
- Service charges to **increase by 2.4%** with effect from Monday 1st April 2019. This is based upon the September CPI figure.
- 'Other committee' property rents to **increase by 2.4%** from Monday 1st April 2019 in line with the September CPI figure.
- Properties leased from James Elliman Homes to **increase by 2.4%** from Monday 1st April 2019 in line with the September CPI figure; currently, these are Pendeen Court and 81-83 High Street used as emergency and temporary accommodation for homeless households.

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Top-up Funding (banding) for Children and Young People (CYP) with Special Educational Needs and Disabilities (SEND)

Top-up funding is provided to CYP aged from 0-25 with an Education, Health and Care Plan (EHCP). The EHCP is a statutory document which confirms their special educational needs and/or disabilities. This document details the provision and outcomes that are attributed to their needs.

- 1.1.1 Top-up funding is provided to settings from the High Needs Block of the Dedicated Schools Grant (DSG).
- 1.1.2 In March 2018, a working group was established following a Schools Forum meeting to address the current issues relating to top-up funding for CYP.
- 1.1.3 The working group established that the existing model was 'not fit for purpose' as this was not a needs led model. The existing model also provided a disparity in costs associated with the five types of settings. The working group set about developing a new model.

Current Banding Model

| SETTING | MAINSTREAM (TOP UP) (EXCL £4k AWPU, £6K Notional) | RESOURCE BASE (TOP UP) (EXCL £10K Base Funding) | ARBOUR VALE (TOP UP) (EXCL £10K Base Funding) | LITLEDOWN SCHOOL (TOP UP) (EXCL £10K Base Funding) | HAYBROOK COLLEGE (TOP UP) (EXCL £10K Base Funding) |
|---------|---|---|---|--|--|
| BAND 1 | £0 | | | | |
| BAND 2 | £2,000 | £4,000 | £5,000 | £10,000 | £6,000 |
| BAND 2A | £4,000 | | | | |
| BAND 3 | £6,000 | £9,000 | £10,000 | £15,000 | £11,000 |
| BAND 4 | £10,000 | £14,000 | £15,000 | £20,000 | £16,000 |
| BAND 5 | £14,000 | £19,000 | £20,000 | £25,000 | £21,000 |
| BAND 6 | £18,000 | £24,000 | £25,000 | £30,000 | £26,000 |
| BAND 7 | | | £35,000 | £40,000 | £36,000 |
| BAND 8 | | | £45,000 | £50,000 | £46,000 |

- 1.1.4 The working group based its approach on a model devised by Essex. This was deemed as the most appropriate model due to it being derived from the SEND Code of Practice (2015). It therefore took into account the four areas of identified need within an EHCP unlike SBC's existing model.
- 1.1.5 In July 2018, a sub-group was created where school staff were asked to contribute to the work with council officers to develop descriptors of need for the new matrix. Head teachers, Speech and Language Therapists (SaLT), Physiotherapists, Occupational Therapists, Sensory teachers, Educational Psychologists and SEND officers all contributed to this process. It was agreed that council staff would then take this work away to add financial costs against the descriptors of need.

- 1.1.6 The working group was re-established in November 2018 where council officers reported back to the wider task and finish group at a half day workshop. Feedback from the workshop suggested that, overall, members of the task and finish group were satisfied that proposals reflected very positive progress in addressing an important and complex issue. Several of those in attendance offered to continue to test the proposed model more widely with a number of their pupils.
- 1.1.7 Following this, a meeting has been arranged with members on the 30th January to summarise progress to date and to discuss the next steps. Subject to consultation with wider stakeholders, the new model will to be rolled out from 1st April 2019. This will affect new requests for Education, Health and Care needs assessments and for students who are transferring phase during the next academic year. There will be no changes to the funding for children and young people in existing funded placements.
- 1.1.8 The consultation process for the new banding model will include wider stakeholder engagement, including consulting with parents and carers, head teachers, governors and SENDCOs.

| Date | Event |
|---|---|
| 30 th January 2019 | Feedback session with banding members |
| Mid February 2019 (4th February – 15th February) | CONSULTATION – consult with wider stakeholders Consultation session for head teachers, governors and SENDCOs (x1 event) Consultation session for parent/carers (x1 event) Consultation live on The Local Offer website |
| | Reflect on feedback from consultation. |
| 26 th February 2019 | Schools Forum paper produced |
| 5 th March 2019 | March 2019 - Schools Forum review consultation responses and make final decision on new model |
| 1 st April 2019 Subject to Consultation | New banding model rolled out for New Requests for Assessments |

- 1.1.9 The new banding model is not expected to reduce the total cost of top-up funding for children and young people with SEND, however it will address the issues of inequity within a range of settings. The new banding model will further support the work of the SEND service to ensure that the appropriate level of support is provided within the continuum of existing provision in Slough.
- 1.1.10 The proposed model comprises of a single banding model made up of 11 levels of funding. The ‘top-up’ range has been developed in partnership with SBC finance colleagues to demonstrate the level of support/ resource the CYP would need based on respective individual needs.

| Current | | | Proposed | |
|---------|--------------------|---------|------------------|-----------------|
| BAND | SETTING | TOP UP | Range (notional) | TOP UP (Range) |
| 1 | Mainstream | Nil | 1-5 | 2,000 – 8,500 |
| 2 | | £2,000 | | |
| 2A | | £4,000 | | |
| 3 | | £6,000 | | |
| 4 | | £10,000 | | |
| 5 | | £14,000 | | |
| 6 | | £18,000 | | |
| | | | | |
| 2 | Resource | £4,000 | 4-8 | 7,500 – 20,000 |
| 3 | | £9,000 | | |
| 4 | | £14,000 | | |
| 5 | | £19,000 | | |
| 6 | | £24,000 | | |
| | | | | |
| 2 | Littledown School | £10,000 | 7-11 | 15,000 – 40,000 |
| 3 | | £15,000 | | |
| 4 | | £20,000 | | |
| 5 | | £25,000 | | |
| 6 | | £30,000 | | |
| 7 | | £40,000 | | |
| 8 | | £50,000 | | |
| | | | | |
| 2 | Haybrook College | £6,000 | 7-11 | 15,000 – 40,000 |
| 3 | | £11,000 | | |
| 4 | | £16,000 | | |
| 5 | | £21,000 | | |
| 6 | | £26,000 | | |
| 7 | | £36,000 | | |
| 8 | | £46,000 | | |
| | | | | |
| 2 | Arbour Vale School | £5,000 | 7-11 | 15,000 – 40,000 |
| 3 | | £10,000 | | |
| 4 | | £15,000 | | |
| 5 | | £20,000 | | |
| 6 | | £25,000 | | |
| 7 | | £35,000 | | |
| 8 | | £45,000 | | |

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Flexible use of Capital Receipts Strategy

Purpose

1. This strategy sets out Slough Borough Council's approach to the use of the Government's Direction for the Flexible Use of Capital Receipts, in accordance with Section 15(1) of the Local Government Act 2003.

Background

2. In accordance with Section 15(1) of the Local Government Finance Act 2003, the Secretary of State is empowered to issue Directions allowing revenue expenditure incurred by local authorities to be treated as capital expenditure. Where such a direction is made, the specified expenditure can then be funded from capital receipts under the Regulations.
3. The Secretary of State for Communities and Local Government first issued guidance in March 2016, giving local authorities greater freedoms with how capital receipts can be used to finance expenditure. This guidance, updated in 2017, allows for the following expenditure to be treated as capital,

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

4. The guidance sets out that there are a wide range of projects that could generate qualifying expenditure and the list below is not prescriptive. Examples of projects include:
 - A Sharing back-office and administrative services with one or more other council or public sector bodies;
 - B Investment in service reform feasibility work, e.g. setting up pilot schemes;
 - C Collaboration between local authorities and central government departments to free up land for economic use;
 - D Funding the cost of service reconfiguration, restructuring or rationalisation (staff or non-staff), where this leads to ongoing efficiency savings or service transformation;
 - E Sharing Chief-Executives, management teams or staffing structures;
 - F Driving a digital approach to the delivery of more efficient public services and how the public interacts with constituent authorities where possible;
 - G Aggregating procurement on common goods and services where possible, either as part of local arrangements or using Crown Commercial Services or regional procurement hubs or Professional Buying Organisations;
 - H Improving systems and processes to tackle fraud and corruption in line with the Local Government Fraud and Corruption Strategy – this could include an element of staff training;

- I Setting up commercial or alternative delivery models to deliver services more efficiently and bring in revenue (for example, through selling services to others); and
- J Integrating public facing services across two or more public sector bodies (for example children’s social care, trading standards) to generate savings or to transform service delivery.
- K Other non specified saving initiative

5. In December 2017, the Secretary of State announced, alongside the provisional local government finance settlement, the continuation of the capital receipts flexibility programme for a further 3 years (ie until and including 2021/22).
6. The direction makes it clear that local authorities cannot borrow to finance the revenue costs of service reform. Local authorities can only use capital receipts from the disposal of property, plant and equipment assets received in the years in which this flexibility is offered. Local Authorities may not use their existing stock of capital receipts to finance the revenue costs of reform.
7. Accordingly, over the period 2016/17 to 2018/19, the following capital receipts were available:

| | Capital Receipts |
|---------------------------------|-------------------------|
| | £m |
| 2016-17 | 9.542 |
| 2017-18 | 8.431 |
| 2018-19 | 11.028 |
| Total 2016-17 to 2018-19 | 29.001 |

8. In order to comply with the Direction, the Council must consider the Statutory Guidance issued by the Secretary of State. This Guidance requires authorities to prepare, publish and maintain a Flexible Use of Capital Receipts Strategy within Annual Budget documents.
9. There is no prescribed format for the Strategy; the underlying principle is to support local authorities to deliver more efficient and sustainable services by extending the use of capital receipts to support the revenue costs of reform projects. However, as a minimum, the Strategy should list each project that plans to make use of the capital receipts flexibility and that on a project by project basis details of the expected savings/service transformation are provided. The Strategy should also report the impact on the local authority’s Prudential Indicators for the forthcoming year and subsequent years. Additionally, the guidance states that the Strategy should contain details on projects approved in previous years, including a commentary on whether the planned savings or service transformation have been/are being realised in line with the initial analysis.

Previously agreed projects

10. Officers have assessed the impact of expenditure to date on the current programme, in Table 1 overleaf.
11. For the purposes of this analysis and in accordance with the guidance:
 - Cashable savings – are deemed to be ongoing savings where sufficient costs are mitigated allowing future cash limits in service area budgets to be reduced in anticipation of these savings being realised; and
 - Non-cashable savings – are deemed to result in a reduction in demand for services in future years.

12. It can be seen that in the first year, following implementation of the scheme, the Council achieved cashable savings of £1.000m and non-cashable savings of £4.579m.
13. The current forecast anticipates, over the time-period covered by the Flexible Use of Capital Receipts Direction (2017/18 to 2021/22): a cumulative total of £22.980m in cashable savings and a non-cashable reduction in demand of £54.777m.
14. The current forecast anticipates a total benefit of £60.715m on an initial investment of £17.903m.
15. Four projects are yet to achieve financial benefits, as follows:

| Transformation Fund | Type | Expenditure | | |
|--|-------------|--------------------|--------------|--------------|
| | | 16/17 | 17/18 | 18/19 |
| | | £m | £m | £m |
| 3rd & 4th Tier Restructures | D | | | 0.100 |
| Bus Lane Cameras | I | | | 0.050 |
| Customer & Accommodation | F | | | 0.300 |
| Head of Customer and Digital/Business Analysts | F | 0.126 | 0.211 | |
| | | 0.126 | 0.211 | 0.450 |

16. With the exception of the Head of Customer and Digital/Business Analysts, which primarily related to the initial development of a council-wide Digital Transformation Programme, these costs relate to the initial set-up of projects that will continue to be funded, and are forecast to realise substantial benefits, in future years.

Future projects

17. Table 2, overleaf, sets out the projects currently programmed for 2019/20 to 2020/21.
18. It can be seen that £2.000m of cashable are expected to be achieved in 2019/20.
19. The Council's Strategic Finance Board, which meets on a bi-monthly basis, will be responsible for overseeing the Transformation Fund programme throughout 2019/20.
20. Any Business Cases for future projects will be agreed at Corporate Management Team and subsequently reported to Council, in line with Government guidance.

Prudential Indicators

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

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

| LIMITS ON INTEREST RATE EXPOSURE | | | |
|--|---------|---------|---------|
| | 2018/19 | 2019/20 | 2020/21 |
| Limit on Principal invested beyond year end | £45m | £45m | £45m |
| Upper limit on fixed interest rate exposure | £350m | £350m | £350m |
| Upper limit on variable interest rate exposure | £300m | £300m | £300m |

23. Fixed rate investments and borrowings are those where the rate of interest is fixed for at least 12 months, measured from the start of the financial year or the transaction date if later. All other instruments are classed as variable rate. Following recent discussions at the Council's Treasury Management Group and based on the Council's Current Strategy to utilise lower rates for short-term borrowing where possible in order to reduce pressure on the Revenue budgets, the above limits have been revised for 2019-20 financial year onwards.

24. Mature Structure of Borrowing:

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

| MATURITY STRUCTURE OF BORROWING | | | | |
|---------------------------------|---------------------|--------------------|-------|-------|
| | Existing Level (£m) | Existing Level (%) | Lower | Upper |
| Under 12 months | 202,583 | 44.06% | 0% | 75% |
| 12 months and within 24 months | 3,083 | 0.67% | 0% | 50% |
| 24 months and within 5 years | 23,250 | 5.06% | 0% | 50% |
| 5 years and within 10 years | 44,417 | 9.66% | 0% | 75% |
| 10 years and within 15 years | 40,917 | 8.90% | 0% | 95% |
| 15 years and within 20 years | 48,417 | 10.53% | 0% | 95% |
| 20 years and within 25 years | 59,591 | 12.96% | 0% | 95% |
| Over 25 years | 37,583 | 8.17% | 0% | 95% |
| | 459,841 | | | |

25. This strategy does not breach any of these prudential indicators.

TABLE 1: Current Transformation Fund Analysis

| Directorate | Transformation Fund | Type | Expenditure | | | Actual SAVINGS | | SAVINGS | | SAVINGS | | SAVINGS | | SAVINGS | | SAVINGS | | Total Benefit | |
|-------------|---|------|-------------|-------|--------|----------------|----------|---------|----------|---------|----------|---------|----------|---------|----------|------------------|----------|---------------|---------|
| | | | 16/17 | 17/18 | 18/19 | 2017/18 | | 2018/19 | | 2019/20 | | 2020/21 | | 2021/22 | | Cumulative Total | | | |
| | | | £m | £m | £m | Cash | Non Cash | Cash | Non Cash | Cash | Non Cash | Cash | Non Cash | Cash | Non Cash | Cash | Non Cash | | £m |
| F&R | 3rd & 4th Tier Restructures | D | | | 0.100 | | | | | | | | | | | | 0.000 | 0.000 | (0.100) |
| A&C | Adult Social Care Reform | D | 1.046 | | | | 2.000 | | 2.000 | | 1.000 | | | | | | 0.000 | 16.000 | 14.954 |
| CLS | Agility - SCST | J | 0.654 | | | | 0.299 | | 0.299 | | 0.299 | | 0.299 | | 0.299 | | 0.000 | 3.289 | 2.635 |
| F&R | Arvato Client Monitoring Resource | K | | 0.109 | | | | | | 0.250 | | | | | | | 0.500 | 0.000 | 0.391 |
| REGEN | Bus Lane Cameras | I | | | 0.050 | | | | | | | | | | | | 0.000 | 0.000 | (0.050) |
| CLS | Capita Transformation Project | D | | | 0.121 | | | | 0.150 | | | | | | | | 0.000 | 0.450 | 0.329 |
| A&C | Cemetery & Crematorium - Improvements | D | | | 0.323 | | | | | | 0.400 | | | | | | 0.000 | 0.800 | 0.477 |
| CLS | Children Learning & Skills | J | | | 1.500 | | | | | 0.170 | 0.300 | 0.330 | 0.200 | 0.150 | 0.100 | | 0.820 | 0.900 | 0.220 |
| F&R | Council Tax and NNDR Collection | H | 0.180 | | | | | 0.600 | | | | | | | | | 1.800 | 0.000 | 1.620 |
| F&R | Counter-Fraud Invest to Save | H | | 0.042 | | | | | 0.400 | 0.100 | | 0.500 | | | | | 0.700 | 1.200 | 1.858 |
| F&R | Customer & Accommodation | F | | | 0.300 | | | | | | | | | | | | 0.000 | 0.000 | (0.300) |
| CLS | Demand Management Initiatives - SCST | J | 2.469 | 3.707 | 0.500 | | 2.000 | | 2.000 | | 2.000 | | 2.000 | | 2.000 | | 0.000 | 22.000 | 15.324 |
| HOUSING | Development of Housing Company | I | 0.055 | 0.046 | | | 0.200 | | 0.200 | 0.200 | | | | | | | 0.400 | 1.400 | 1.699 |
| REGEN | Development of commercial income | I | 0.060 | | | 1.000 | | 1.000 | | 1.650 | | | | | | | 10.300 | 0.000 | 10.240 |
| REGEN | Economic Development | K | | 0.040 | | | 0.080 | | | | | | | | | | 0.000 | 0.320 | 0.280 |
| F&R | Head of Customer and Digital/Business Analysts | F | 0.126 | 0.211 | | | | | | | | | | | | | 0.000 | 0.000 | (0.337) |
| HOUSING | Homelessness Prevention Strategy | K | | 0.100 | 0.513 | | | | 0.300 | | 0.300 | | | | | | 0.000 | 1.500 | 0.887 |
| HOUSING | Housing Regulations Team - Business Dev. Manager | K | 0.076 | | | | | | 0.100 | | | | | | | | 0.000 | 0.300 | 0.224 |
| CLS | Innovation Bids - SCST | J | | | 1.998 | | | | | 0.843 | 0.969 | 0.378 | 0.227 | 0.276 | 0.203 | | 2.340 | 2.368 | 2.710 |
| CHIEF EXEC | Insourcing Environmental Services | D | 0.130 | 0.676 | | | | | 1.000 | 1.200 | | | | | | | 2.400 | 3.000 | 4.594 |
| HOUSING | Landlords Registration/HMO Licensing | K | | | 0.050 | | | | 0.050 | | 0.050 | | | | | | 0.000 | 0.250 | 0.200 |
| HOUSING | Private Sector Acquisition Team (Housing) | K | | 0.406 | | | | | 0.200 | 0.100 | | | | | | | 0.200 | 0.600 | 0.394 |
| F&R | Recommissioning of major contracts | I | 0.703 | 0.284 | | | | | | 0.500 | 0.200 | 0.300 | | 0.300 | | | 1.600 | 0.400 | 1.013 |
| F&R | Senior Management Restructure | D | | 0.467 | | | | 0.640 | | | | | | | | | 1.920 | 0.000 | 1.453 |
| F&R | Slough Academy - Reduce Agency Spend | D | | | 0.150 | | | | | 0.500 | | 0.750 | | 0.750 | | | 2.500 | 0.000 | 2.350 |
| REGEN | Town Centre Improvements | K | | | 0.475 | | | | | | 1.000 | | | | | | 0.000 | 2.000 | 1.525 |
| CLS | Upgrade to APAS | J | | 0.036 | | | | | | | 0.100 | | 0.100 | | | | 0.000 | 0.300 | 0.264 |
| Chief Exec. | Waste & Environment Insourcing - Pump Prime Sales | J | | | 0.200 | | | | | 0.150 | | 0.285 | | | | | 0.585 | 0.000 | 0.385 |
| | | | 5.499 | 6.124 | 6.280 | 1.000 | 4.579 | 2.240 | 6.699 | 5.513 | 5.518 | 1.508 | 2.726 | 0.726 | 2.602 | | 22.980 | 54.777 | 60.715 |
| | | | | | 17.903 | | | | | | | | | | | | | | |

Table 2: Future Transformation Fund (2019/20 to 21/22)

| Directorate | Transformation Fund | Type | | | | SAVINGS | | SAVINGS | | SAVINGS | | SAVINGS | | Total Benefit | |
|-------------|---|------|-------|-------|--------------|---------|----------|---------|----------|---------|----------|------------------|----------|---------------|--------------|
| | | | 19/20 | 20/21 | 21/22 | 2019/20 | | 2020/21 | | 2021/22 | | Cumulative Total | | | |
| | | | £m | £m | £m | Cash | Non Cash | Cash | Non Cash | Cash | Non Cash | Cash | Non Cash | | |
| F&R | 3rd & 4th Tier Restructures | D | 0.900 | | | 1.000 | | | | | | | 3.000 | 0.000 | 2.100 |
| REGEN | Bus Lane Cameras | I | 0.100 | | | 0.350 | | | | | | | 1.050 | 0.000 | 0.950 |
| CLS | CLS Trading Services | I | 0.075 | 0.037 | | | | | | 0.250 | | | 0.250 | 0.000 | 0.138 |
| F&R | Customer & Accommodation | F | 1.700 | | | | | 1.500 | | 1.500 | | | 4.500 | 0.000 | 2.800 |
| F&R | Slough Academy - Reduce Agency Spend | D | 0.650 | | | 0.500 | | 0.750 | | 0.750 | | | 3.750 | 0.000 | 3.100 |
| Chief Exec. | Waste & Environment Insourcing - Pump Prime Sales | J | 0.300 | | | 0.150 | | 0.285 | | | | | 1.020 | 0.000 | 0.720 |
| | | | 3.725 | 0.037 | 0.000 | 2.000 | 0.000 | 2.250 | 0.000 | 2.500 | 0.000 | | 12.550 | 0.000 | 9.088 |
| | | | | | 3.762 | | | | | | | | | | |

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Pay Policy Statement for the Year 2019/20

1. Introduction

- 1.1 The Localism Act requires local authorities to publish, on their website, an annual Pay Policy Statement, which has been approved by Full Council.
- 1.2 No remuneration may be made to officers that fall outside of the Pay Policy Statement, although it is possible for a meeting of the Full Council to amend the statement at any time.
- 1.3 In drawing up this statement, Slough Borough Council has taken into account the guidance issued by the Department of Communities and Local Government in February 2012 and the supplementary guidance issues in February 2013.
- 1.4 Slough Borough Council is committed to complying with the statutory obligation to pay the National Living Wage.
- 1.5 This statement does not apply to schools' staff as local authority schools' employees are outside the scope of the legislation.
- 1.6 This statement will be approved by Full Council in February 2019.
- 1.7 Slough Borough Council fully endorses and supports the requirement to be open and transparent about the pay of our staff.
- 1.8 The Council is committed to paying nationally negotiated pay awards and this Pay Policy Statement will be updated as and when any such pay awards are agreed.

2. Remuneration of Chief Officers

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

| Head of the Paid Service and Statutory Chief Officers | | |
|--|----------------------|-------------------------------|
| Post | Reports To | Salary Band |
| Chief Executive / Head of Paid Service. | | £136,546 - £163,857 |
| Director of Adults & Communities | Head of Paid Service | SML 16 £112,389 - £131,086 |
| Director of Children Learning & Skills | Head of Paid Service | SML 16 £112,389 - £131,086 |

| | | |
|--|---|--|
| Monitoring Officer | Head of Paid Service | Interim cover – £650 per day (4 days per week) |
| Director of Finance & Resources / Section 151 Officer | Head of Paid Service | SML 16 £112,389 - £131,086 |
| Service Lead - Finance (Deputy section 151 Officer) | Director of Finance & Resources / Section 151 Officer | SML 12 £67,037 - £74,679 |
| Director of Public Health | The Director of Public Health is employed by Bracknell Forest Council | |
| Posts that report directly to the Head of Paid Service or Statutory Chief Officer | | |
| Post | Reports To | Salary Band |
| Director of Place & Development, (Non-statutory Chief Officer). | Head of Paid Service | SML 16 £112,389 - £131,086 |
| Director of Regeneration (Non-statutory Chief Officer). | Head of Paid Service | SML 16 £112,389 - £131,086 |
| Service Lead – School Effectiveness | Director of Children, Learning & Skills | SML 12 £67,037 - £74,679 |
| Service Lead – Early Years | Director of Children, Learning & Skills | SML 12 £67,037 - £74,679 |
| Service Lead - Access & Inclusion | Director of Children, Learning & Skills | SML 12 £67,037 - £74,679 |
| Service Lead – Children, Commissioning, Partnership & Performance | Director of Children, Learning & Skills | SML 12 £67,037 - £74,679 |
| Service Lead - SEND | Director of Children, Learning & Skills | SML 12 £67,037 - £74,679 |
| Service Lead - Strategy & Performance | Chief Executive | SML 12 £67,037 - £74,679 |
| Service Lead – Customer & Communications | Director of Finance & Resources / Section 151 Officer | SML 12 £67,037 - £74,679 |
| Service Lead - Governance | Director of Finance & Resources / Section 151 Officer | SML 12 £67,037 - £74,679 |
| Service Lead - People | Director of Finance & Resources / Section 151 Officer | SML 12 £67,037 - £74,679 |
| Service Lead – Digital & Strategic IT | Director of Finance & Resources / Section 151 Officer | SML 12 £67,037 - £74,679 |
| Service Lead – Public Health | Director of Adults & Communities | SML 12 £67,037 - £74,679 |
| Service Lead – Adult Social Care Operations | Director of Adults & Communities | SML 12 £67,037 - £74,679 |
| Service Lead – Adult Social Care Commissioning | Director of Adults & Communities | SML 12 £67,037 - £74,679 |
| Service Lead – Regulatory | Director of Adults & | SML 12 |

| | | |
|--------------------------------------|---|--|
| Services | Communities | £67,037 - £74,679 |
| Service Lead – Communities & Leisure | Director of Adults & Communities | SML 12 £67,037 - £74,679 |
| Service Lead – Mental Health | Director of Adults & Communities | Post employed by Berkshire Health Foundation Trust |
| Directorate Finance Manager x2 | Service Lead Finance (Deputy Section 151 Officer) | SML 11 £56,690 - £64,491 |

| Posts that report directly to Non-Statutory Chief Officers | | |
|---|---------------------------------|-----------------------------|
| Post | Reports To | Salary Band |
| Service Lead – Regeneration Delivery | Director of Regeneration | SML 12 £67,037 - £74,679 |
| Service Lead – Regeneration Development | Director of Regeneration | SML 12 £67,037 - £74,679 |
| Service Lead – Strategic Housing Services | Director of Place & Development | SML 12 £67,037 - £74,679 |
| Service Lead – Neighbourhood Services | Director of Place & Development | SML 12 £67,037 - £74,679 |
| Service Lead – Environmental Services | Director of Place & Development | SML 12 £67,037 - £74,679 |
| Service Lead – Building Management | Director of Place & Development | SML 12 £67,037 - £74,679 |
| Service Lead – Planning & Transport | Director of Regeneration | SML 12 £67,037 - £74,679 |
| Service Lead – Major Infrastructure Projects | Director of Regeneration | SML 12 £67,037 - £74,679 |
| Service Lead – Economic Development | Director of Regeneration | SML 12 £67,037 - £74,679 |

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

2.2 Remuneration on Appointment

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

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

2.3 Job Evaluation

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

2.4 Terms and Conditions of Employment

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

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

2.5 Travel and Subsistence Expenses

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

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

2.6 Payment of Professional Fees

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

2.7 Honoraria

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

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

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

2.8 Acting Up

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

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

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

2.9 Secondments

Secondments are intended to provide developmental opportunities to gain skills and experience rather than for financial gain. Therefore, secondees will normally transfer from their current position into the secondment on their existing salary. Terms and conditions of the secondee may change depending on the local variations within the

department, i.e. flexi-time. However, if there is a significant difference between the secondment and the individual's salary this must be brought to the attention of the ODHR Department and a decision will be taken on whether to review salary arrangements in line with complexities of the job.

2.10 Market Supplements

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

2.11 Pay protection

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

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

2.12 Termination Payments

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

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

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

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

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

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

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

2.14 Pension Payments

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

3. Remuneration of Our Lowest Paid Employees

3.1 All SBC employees are paid in accordance with a locally determined salary scale, appendix A.

3.2 “Lowest Paid Employee” means the employee on the lowest grade, assuming that the posts are full-time, excluding apprentices. The lowest grade is Level 1, £17,663 inclusive of LW.

3.3 Unsocial Hours Payments

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

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

3.4 Terms and Conditions of Employment

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

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

4.1 The base pay of the Chief Executive is currently £136,546. This is 7.730 times the pay of our lowest paid employees. ($136,546 / 17,663 = 7.730$)

The median earnings of all employees as of 1 April 2018, was £26,470. The median earnings figure complies with the specific requirements within the Local Government

Transparency Code 2015 and includes all elements of remuneration that can be valued.

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

Date last updated: January 2019

Appendix 1: Slough Borough Council Salary Scales

NEW SLOUGH LEVELS STRUCTURE 1ST APRIL, 2018

| Level | | SCP | Basic | L/W | Inclusive Annual Salary |
|-------|----|-----|-------|-----|-------------------------|
| L1 | 01 | 5 | N/A | N/A | N/A |
| | 02 | 7 | N/A | N/A | N/A |
| | 03 | 9 | 16755 | 908 | 17663 |
| L2 | 01 | 10 | 16863 | 908 | 17771 |
| | 02 | 11 | 17007 | 908 | 17915 |
| | 03 | 13 | 17391 | 908 | 18299 |
| L3 | 01 | 14 | 17681 | 908 | 18589 |
| | 02 | 16 | 18319 | 908 | 19227 |
| | 03 | 18 | 18870 | 908 | 19778 |
| L4 | 01 | 19 | 19446 | 908 | 20354 |
| | 02 | 20 | 19819 | 908 | 20727 |
| | 03 | 21 | 20541 | 908 | 21449 |
| | 04 | 22 | 21074 | 908 | 21982 |
| L5 | 01 | 23 | 21693 | 908 | 22601 |
| | 02 | 24 | 22401 | 908 | 23309 |
| | 03 | 25 | 23111 | 908 | 24019 |
| | 04 | 27 | 24657 | 908 | 25565 |
| | 05 | 29 | 26470 | 908 | 27378 |
| L6 | 01 | 30 | 27358 | 908 | 28266 |
| | 02 | 31 | 28221 | 908 | 29129 |
| | 03 | 32 | 29055 | 908 | 29963 |
| | 04 | 34 | 30756 | 908 | 31664 |
| | 05 | 35 | 31401 | 908 | 32309 |
| L7 | 01 | 36 | 32233 | 908 | 33141 |
| | 02 | 37 | 33136 | 908 | 34044 |
| | 03 | 38 | 34106 | 908 | 35014 |
| | 04 | 40 | 36153 | 908 | 37061 |
| | 05 | 41 | 37107 | 908 | 38015 |
| L8 | 01 | 42 | 38052 | 908 | 38960 |
| | 02 | 44 | 39961 | 908 | 40869 |
| | 03 | 46 | 41846 | 908 | 42754 |
| | 04 | 47 | 42806 | 908 | 43714 |
| L9 | 01 | 48 | 43757 | 908 | 44665 |
| | 02 | 50 | 45645 | 908 | 46553 |
| | 03 | 52 | 47568 | 908 | 48476 |
| | 04 | 53 | 48536 | 908 | 49444 |
| L10 | 01 | 54 | 49561 | 908 | 50469 |
| | 02 | 55 | 50582 | 908 | 51490 |
| | 03 | 57 | 52642 | 908 | 53550 |
| | 04 | 59 | 54684 | 908 | 55592 |

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SLOUGH BOROUGH COUNCIL

REPORT TO: Council **DATE:** 21st February 2019

CONTACT OFFICER: Neil Wilcox; Director Finance & Resources, Section 151 officer
(For all enquiries) (01753) 87 5358

WARD(S): All

PART I
FOR DECISION**RECOMMENDATIONS OF CABINET, 4TH FEBRUARY 2019:**
TREASURY MANAGEMENT STRATEGY 2019/20**1 Purpose of Report**

To consider the Cabinet's recommendation to approve the Treasury Management Strategy for 2019/20.

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

2 Recommendation(s)/Proposed Action

The Council is requested to resolve that the Treasury Management Strategy for 2019/20 as at Appendix A be approved.

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

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

3b Five Year Plan Outcomes

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

4 **Other Implications**

(a) Financial

The Financial implications are contained within this report.

(b) Risk Management

| Recommendation from section 2 above | Risks/Threats/ Opportunities | Current Controls | Using the Risk Management Matrix Score the risk | Future Controls |
|--|---|---|--|---|
| Recommend approval of Treasury Management Strategy for 2019-20 | Counterparty risk- the risk that an institution the council has invested is failing or likely to fail resulting in credit loss. Interest rate risk- if interest rates rise the risk that the council will be subject to higher interest costs. If there is a reduction in interest rates or fund prices are affected by a worsening economy lower dividends from funds invested in and a depreciation of the capital value. | The council will work closely with its Treasury advisors to mitigate interest rate risk. The council has an approved counterparty list contained in the Treasury Strategy setting out the institutions it can invest in, the maximum periods it can invest for and the total value for investing in individual institutions. This counterparty list is constantly under review by its Treasury advisors | 9 | The council has made a conscious decision not to put money in unsecured and low yielding banks and Building Societies deposits. |

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

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

(c) Human Rights Act and Other Legal Implications

None Identified

(d) Equalities Impact Assessment

No identified need for the completion of an EIA

5 Supporting Information

5.1 The Treasury Management Strategy for 2019/20 is required to set out how the Council intends to manage its Treasury Management Risk. The Council's Treasury Policy is set out in Appendix 1 of this report. The Treasury Management Strategy complies with the requirements set out in the Chartered Institute of Public Finance and Accountancy's (CIPFA) Code of Practice on Treasury Management, which includes the requirement for determining a Treasury Strategy on the likely financing and investment activity for the forthcoming financial year.

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

6 Key Principles

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

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

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

7 Service Delivery and Performance Issues

7.1.1 The Council currently has £459.841m of borrowing and an average investment balance of £44.674m throughout the year. The underlying need to borrow is measured by the Capital Financing Requirement (CFR) while usable reserves are the underlying resources available for investment.

7.1.2 CIPFA's prudential code for Capital Finance in Local Authorities recommends that the Authority's total debt should be lower than its highest forecast CFR over the next three years. The Highest forecast of CFR during the next 3 years is £671m. The

total debt for 2019/20 is expected to be £569m. The Council therefore will comply with this recommendation during 2019/20.

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

8 Comments of Other Committees

The draft Treasury Management Strategy 2019/20 was considered by the Overview and Scrutiny Committee on 31st January 2019. The Cabinet considered the strategy at its meeting on 4th February 2019 and agreed to recommend approval to Council.

9 Conclusion

The Council is requested to recommend approval of the Treasury Management Strategy for 2019/20.

10 Appendices Attached

'A' Treasury management Strategy 2019/20

11 Background Papers

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

SLOUGH BOROUGH COUNCIL

TREASURY MANAGEMENT STRATEGY 2019/20

1 Introduction & Background

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

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.

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

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

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

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

2 Key Principles

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

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

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

- The current treasury position and debt portfolio position
- The prospects for interest rates
- The approved Capital Programme
- Limits on treasury management activities and prudential indicators

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

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

3 External Context

External Context

Economic background: The UK's progress negotiating its exit from the European Union, together with its future trading arrangements, will continue to be a major influence on the Authority's treasury management strategy for 2019/20.

UK Consumer Price Inflation (CPI) for October was up 2.4% year/year, slightly below the consensus forecast and broadly in line with the Bank of England's November Inflation Report. The most recent labour market data for October 2018 showed the unemployment rate edged up slightly to 4.1% while the employment rate of 75.7% was the joint highest on record. The 3-month average annual growth rate for pay excluding bonuses was 3.3% as wages continue to rise steadily and provide some pull on general inflation. Adjusted for inflation, real wages grew by 1.0%, a level still likely to have little effect on consumer spending.

The rise in quarterly GDP growth to 0.6% in Q3 from 0.4% in the previous quarter was due to weather-related factors boosting overall household consumption and construction activity over the summer following the weather-related weakness in Q1. At 1.5%, annual GDP growth continues to remain below trend. Looking ahead, the BoE, in its November Inflation Report, expects GDP growth to average around 1.75% over the forecast horizon, providing the UK's exit from the EU is relatively smooth.

Following the Bank of England's decision to increase Bank Rate to 0.75% in August, no changes to monetary policy have been made since. However, the Bank expects that should the economy continue to evolve in line with its November forecast, further increases in Bank Rate will be required to return inflation to the 2% target. The Monetary Policy Committee continues to reiterate that any further increases will be at a gradual pace and limited in extent.

While US growth has slowed over 2018, the economy continues to perform robustly. The US Federal Reserve continued its tightening bias throughout 2018, pushing rates to the current

2%-2.25% in September. Markets continue to expect one more rate rise in December, but expectations are fading that the further hikes previously expected in 2019 will materialise as concerns over trade wars drag on economic activity.

Credit outlook: The big four UK banking groups have now divided their retail and investment banking divisions into separate legal entities under ring-fencing legislation. Bank of Scotland, Barclays Bank UK, HSBC UK Bank, Lloyds Bank, National Westminster Bank, Royal Bank of Scotland and Ulster Bank are the ring-fenced banks that now only conduct lower risk retail banking activities. Barclays Bank, HSBC Bank, Lloyds Bank Corporate Markets and NatWest Markets are the investment banks. Credit rating agencies have adjusted the ratings of some of these banks with the ring-fenced banks generally being better rated than their non-ring-fenced counterparts.

The Bank of England released its latest report on bank stress testing, illustrating that all entities included in the analysis were deemed to have passed the test once the levels of capital and potential mitigating actions presumed to be taken by management were factored in. The BoE did not require any bank to raise additional capital.

European banks are considering their approach to Brexit, with some looking to create new UK subsidiaries to ensure they can continue trading here. The credit strength of these new banks remains unknown, although the chance of parental support is assumed to be very high if ever needed. The uncertainty caused by protracted negotiations between the UK and EU is weighing on the creditworthiness of both UK and European banks with substantial operations in both jurisdictions.

Interest rate forecast: Following the increase in Bank Rate to 0.75% in August 2018, the Authority's treasury management adviser Arlingclose is forecasting two more 0.25% hikes during 2019 to take official UK interest rates to 1.25%. The Bank of England's MPC has maintained expectations for slow and steady rate rises over the forecast horizon. The MPC continues to have a bias towards tighter monetary policy but is reluctant to push interest rate expectations too strongly. Arlingclose believes that MPC members consider both that ultra-low interest rates result in other economic problems, and that higher Bank Rate will be a more effective policy weapon should downside Brexit risks crystallise when rate cuts will be required.

The UK economic environment remains relatively soft, despite seemingly strong labour market data. Arlingclose's view is that the economy still faces a challenging outlook as it exits the European Union and Eurozone growth softens. While assumptions are that a Brexit deal is struck and some agreement reached on transition and future trading arrangements before the UK leaves the EU, the possibility of a "no deal" Brexit still hangs over economic activity (at the time of writing this commentary in mid-December). As such, the risks to the interest rate forecast are considered firmly to the downside.

Gilt yields and hence long-term borrowing rates have remained at low levels but some upward movement from current levels is expected based on Arlingclose's interest rate projections, due to the strength of the US economy and the ECB's forward guidance on higher rates. 10-year and 20-year gilt yields are forecast to remain around 1.7% and 2.2% respectively over the interest rate forecast horizon, however volatility arising from both economic and political events are likely to continue to offer borrowing opportunities.

A more detailed economic and interest rate forecast provided by Arlingclose is attached at Appendix A.

4 Local Current Position

As at 31 December 2018, the Council held £459.841m borrowing (£125.841m being HRA self-financing) borrowing and £53.55m investments. Forecast changes in these sums are shown in the balance sheet analysis in table 1 below.

Table 1: Balance Sheet Forecast

| Slough Borough Council | | | | | |
|--|----------------------|------------------------|------------------------|------------------------|------------------------|
| Balance Sheet Summary and Projections | | | | | |
| 31st March | 2018 | 2019 | 2020 | 2021 | 2022 |
| | Actual £m | Estimate £m | Forecast £m | Forecast £m | Forecast £m |
| General Fund Capital Financing Requirement | 277 | 431 | 463 | 492 | 521 |
| HRA Capital Financing Requirement | 158 | 158 | 158 | 158 | 158 |
| Total Capital Financing Requirement | 435 | 589 | 621 | 650 | 679 |
| Less: Other long-term liabilities * | (44) | (43) | (40) | (38) | (37) |
| Loans Capital Financing Requirement | 389 | 546 | 581 | 612 | 642 |
| Less: External borrowing ** | (322) | (479) | (509) | (545) | (575) |
| Internal (over) borrowing | 67 | 72 | 72 | 67 | 67 |
| Less: Usable reserves | (108) | (112) | (117) | (119) | (122) |
| Net Borrowing Requirement/(Investments) | (41) | (40) | (45) | (52) | (55) |

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

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

The underlying need to borrow for capital purposes is measured by the Capital Financing Requirement (CFR), while usable reserves are the underlying resources available for investment. CIPFA's Prudential Code for Capital Finance in Local Authorities recommends that the Authority's total debt should be lower than its highest forecast CFR over the next three years. Table 1 shows that the Authority expects to comply with this recommendation during 2019/20.

The Council has an increasing CFR due to the capital programme, but minimal investments and will therefore be required to borrow up to £253m over the forecast period.

5 Borrowing Strategy

The Council currently holds £459 million of loans, an increase of £137 million on the previous year, as part of its strategy for funding previous years' capital programmes. The balance sheet forecast in table 1 shows that the Council expects to borrow an additional £20m in 2018/19

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

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

By doing so, the Council is able to reduce net borrowing costs (despite foregone investment income) and reduce overall treasury risk. The benefits of internal borrowing will be monitored regularly against the potential for incurring additional costs by deferring borrowing into future years when long-term borrowing rates are forecast to rise modestly. Arlingclose will assist the Council with this 'cost of carry' and breakeven analysis. Its output may determine whether the Council borrows additional sums at long-term fixed rates in 2019/20 with a view to keeping future interest costs low, even if this causes additional cost in the short-term.

Alternatively, the Council may arrange forward starting loans during 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 Council may borrow further short-term loans to cover unplanned cash flow shortages.

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

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

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

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

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

Municipal Bond Agency: 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 joint and several 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 Cabinet.

LOBOs: The Council holds £9m of LOBO (Lender's Option Borrower's Option) loans where the lender has the option to propose an increase in the interest rate as set dates, following which the Council has the option to either accept the new rate or to repay the loan at no

additional cost. None of these LOBOS have options during 2019/20, and although the Council understands that lenders are unlikely to exercise their options in the current low interest rate environment, there remains an element of refinancing risk. The Council will take the option to repay LOBO loans at no cost if it has the opportunity to do so.

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

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

Table 2: Current Borrowing Position

| PWLB/ Market /LA | Type | Loan | Start Date | Maturity | Principal (£) | Type |
|------------------------|---------------|--------|------------|------------|------------------|-----------------------|
| PWLB | Fixed | 487800 | 02/08/2004 | 25/03/2028 | 1,000,000 | Pooled |
| PWLB | Fixed | 488859 | 02/08/2004 | 25/03/2029 | 500,000 | Pooled |
| PWLB | Fixed | 489227 | 24/10/2004 | 15/10/2031 | 5,000,000 | Pooled |
| PWLB | Fixed | 490923 | 22/12/2005 | 01/05/2036 | 3,000,000 | Pooled |
| PWLB | Fixed | 490924 | 22/12/2005 | 01/08/2036 | 5,000,000 | Pooled |
| PWLB | Fixed | 494837 | 01/10/2008 | 01/08/2038 | 5,000,000 | Pooled |
| PWLB | Fixed | 497999 | 30/09/2010 | 29/09/2021 | 4,000,000 | Pooled |
| PWLB | Fixed | 498000 | 30/09/2010 | 29/09/2024 | 4,000,000 | Pooled |
| PWLB | Fixed | 498001 | 30/09/2010 | 30/09/2027 | 4,000,000 | Pooled |
| PWLB | Fixed- EIP | 507555 | 24/07/2018 | 26/07/2038 | 25,000,000 | Pooled |
| PWLB | Fixed- EIP | 507556 | 24/07/2018 | 24/07/2048 | 25,000,000 | Pooled |
| PWLB | Fixed | 507957 | 30/10/2018 | 30/10/2068 | 20,000,000 | Pooled |
| PWLB | Fixed | 508164 | 11/12/2018 | 13/12/2038 | 20,000,000 | Pooled |
| PWLB | Fixed | 500578 | 28/03/2012 | 28/03/2028 | 20,000,000 | HRA Self Financing |
| PWLB | Fixed | 500579 | 28/03/2012 | 28/03/2037 | 20,000,000 | HRA Self Financing |
| PWLB | Fixed | 500580 | 28/03/2012 | 28/03/2042 | 20,000,000 | HRA Self Financing |
| PWLB | Fixed | 500581 | 28/03/2012 | 28/03/2041 | 15,841,000 | HRA Self Financing |
| PWLB | Fixed | 500582 | 28/03/2012 | 28/03/2032 | 20,000,000 | HRA Self Financing |
| PWLB | Fixed | 500583 | 28/03/2012 | 28/03/2022 | 10,000,000 | HRA Self Financing |

| PWLB/ Market /LA | Type | Loan | Start Date | Maturity | Principal (£) | Type |
|------------------------|----------------|--------|------------|------------|------------------|-----------------------|
| PWLB | Fixed | 500584 | 28/03/2012 | 28/03/2039 | 20,000,000 | HRA Self Financing |
| Market | L/T Fixed | 64 | 12/07/2004 | 10/07/2054 | 4,000,000 | Pooled |
| Market | L-T LOBO | 65 | 07/04/2006 | 07/04/2066 | 5,000,000 | Pooled |
| Market | L-T LOBO | 66 | 28/04/2006 | 28/04/2066 | 4,000,000 | Pooled |
| LA | ST Variable | 2533 | 26/01/2018 | 25/01/2019 | 2,000,000 | General Fund |
| LA | ST Var | 2544 | 19/03/2018 | 21/01/2019 | 5,000,000 | General Fund |
| LA | ST Variable | 2545 | 26/03/2018 | 28/01/2019 | 4,000,000 | General Fund |
| LA | ST Variable | 2548 | 04/04/2018 | 03/04/2019 | 5,000,000 | General Fund |
| LA | ST Variable | 2549 | 25/04/2018 | 25/02/2019 | 5,000,000 | General Fund |
| LA | ST Variable | 2552 | 27/04/2018 | 27/02/2019 | 5,000,000 | General Fund |
| LA | ST Variable | 2559 | 24/05/2018 | 23/05/2019 | 2,000,000 | General Fund |
| LA | ST Variable | 2558 | 31/05/2018 | 29/03/2019 | 5,000,000 | General Fund |
| LA | ST Variable | 2564 | 26/06/2018 | 02/01/2019 | 5,000,000 | General Fund |
| LA | ST Variable | 2568 | 27/06/2018 | 02/01/2019 | 2,000,000 | General Fund |
| LA | ST Variable | 2567 | 27/06/2018 | 07/01/2019 | 2,000,000 | General Fund |
| LA | ST Variable | 2561 | 29/06/2018 | 28/06/2019 | 2,000,000 | General Fund |
| LA | ST Variable | 2566 | 02/07/2018 | 04/01/2019 | 5,000,000 | General Fund |
| LA | ST Variable | 2570 | 10/07/2018 | 15/03/2019 | 1,000,000 | General Fund |
| LA | ST Variable | 2569 | 10/07/2018 | 15/03/2019 | 5,000,000 | General Fund |
| LA | ST Variable | 2572 | 19/07/2018 | 21/01/2019 | 1,000,000 | General Fund |
| LA | ST Variable | 2571 | 19/07/2018 | 21/01/2019 | 5,000,000 | General Fund |
| LA | ST Variable | 2573 | 19/07/2018 | 21/01/2019 | 3,000,000 | General Fund |
| LA | ST Variable | 2576 | 30/07/2018 | 31/01/2019 | 5,000,000 | General Fund |
| LA | ST Variable | 2562 | 31/07/2018 | 30/07/2019 | 6,000,000 | General Fund |

| PWLB/ Market /LA | Type | Loan | Start Date | Maturity | Principal (£) | Type |
|------------------------|----------------|------|------------|------------|------------------|-----------------|
| LA | ST Variable | 2574 | 09/08/2018 | 11/02/2019 | 5,000,000 | General Fund |
| LA | ST Variable | 2581 | 13/08/2018 | 13/02/2019 | 2,000,000 | General Fund |
| LA | ST Variable | 2585 | 14/08/2018 | 14/02/2019 | 2,000,000 | General Fund |
| LA | ST Variable | 2578 | 20/08/2018 | 20/02/2019 | 3,000,000 | General Fund |
| LA | ST Variable | 2584 | 20/08/2018 | 20/02/2019 | 3,000,000 | General Fund |
| LA | ST Variable | 2582 | 20/08/2018 | 20/02/2019 | 2,000,000 | General Fund |
| LA | ST Variable | 2583 | 20/08/2018 | 20/02/2019 | 2,000,000 | General Fund |
| LA | ST Variable | 2575 | 21/08/2018 | 21/02/2019 | 10,000,000 | General Fund |
| LA | ST Variable | 2588 | 31/08/2018 | 28/03/2019 | 2,000,000 | General Fund |
| LA | ST Variable | 2579 | 10/09/2018 | 11/03/2019 | 5,000,000 | General Fund |
| LA | ST Variable | 2590 | 20/09/2018 | 20/03/2019 | 5,000,000 | General Fund |
| LA | ST Variable | 2592 | 28/09/2018 | 03/01/2019 | 5,000,000 | General Fund |
| LA | ST Variable | 2580 | 28/09/2018 | 30/07/2019 | 7,000,000 | General Fund |
| LA | ST Variable | 2593 | 01/10/2018 | 01/04/2019 | 5,000,000 | General Fund |
| LA | ST Variable | 2591 | 04/10/2018 | 04/03/2019 | 5,000,000 | General Fund |
| LA | ST Variable | 2594 | 08/10/2018 | 08/04/2019 | 5,000,000 | General Fund |
| LA | ST Variable | 2595 | 23/10/2018 | 23/04/2019 | 5,000,000 | General Fund |
| LA | ST Variable | 2596 | 24/10/2018 | 25/03/2019 | 3,000,000 | General Fund |
| LA | ST Variable | 2597 | 24/10/2018 | 25/03/2019 | 2,000,000 | General Fund |
| LA | ST Variable | 2598 | 31/10/2018 | 31/07/2019 | 3,000,000 | General Fund |
| LA | ST Variable | 2604 | 21/11/2018 | 21/05/2019 | 3,000,000 | General Fund |
| LA | ST Variable | 2605 | 22/11/2018 | 22/02/2019 | 1,000,000 | General Fund |
| LA | ST Variable | 3436 | 23/11/2018 | 23/05/2019 | 2,000,000 | General Fund |
| LA | ST Variable | 3437 | 23/11/2018 | 29/03/2019 | 3,000,000 | General Fund |

| PWLB/ Market /LA | Type | Loan | Start Date | Maturity | Principal (£) | Type |
|------------------------|----------------|------|------------|------------|--------------------|-----------------|
| LA | ST Variable | 2603 | 23/11/2018 | 23/05/2019 | 5,000,000 | General Fund |
| LA | ST Variable | 2600 | 26/11/2018 | 18/03/2019 | 2,000,000 | General Fund |
| LA | ST Variable | 2599 | 26/11/2018 | 28/05/2019 | 5,000,000 | General Fund |
| LA | ST Variable | 2601 | 30/11/2018 | 29/11/2019 | 5,000,000 | General Fund |
| LA | ST Variable | 3440 | 07/12/2018 | 28/06/2019 | 5,000,000 | General Fund |
| LA | ST Variable | 2602 | 07/12/2018 | 06/12/2019 | 5,000,000 | General Fund |
| LA | ST Variable | 3439 | 11/12/2018 | 11/06/2019 | 1,500,000 | General Fund |
| LA | ST Variable | 3441 | 14/12/2018 | 14/06/2019 | 1,000,000 | General Fund |
| LA | ST Variable | 3438 | 21/12/2018 | 25/03/2019 | 5,000,000 | General Fund |
| | | | | | 459,841,000 | |

6 Housing Revenue Account Self-Financing

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

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

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

7 Investment Strategy

The Council holds significant invested funds, representing income received in advance of expenditure plus balances and reserves held. In the past 12 months, the Council's investment balance has ranged between £18m and £64m. Levels are expected to decrease during the forthcoming year in order to finance an expanding capital programme.

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

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

Negative Interest Rates: If the UK enters into a recession in 2019/20, there is a small chance that the Bank of England could set its Bank Rate at or below zero, which is likely to feed through to negative interest rates on all low risk, short-term investment options. This situation already exists in many other European countries. In this event, security will be measured as receiving the contractually agreed amount at maturity, even though this may be less than the amount originally invested.

Strategy: Given the increasing risk and falling returns from short-term unsecured bank investments, the Council aims to further diversify into more secure and/or higher yielding asset classes during 2019/20 where opportunities arise. This is especially the case for the estimated £30m that is available for longer-term investment. The Council has reduced the amount it invests in short-term unsecured bank deposits, certificates of deposit and money market funds to around 35% of its total investments. Most of these investments are for the management of the Council's short term cash flow, and are invested in either instant access call accounts or notice accounts where the exposure is for a maximum of 95 days.

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

Table 3: Approved Investment Counterparties and Limits

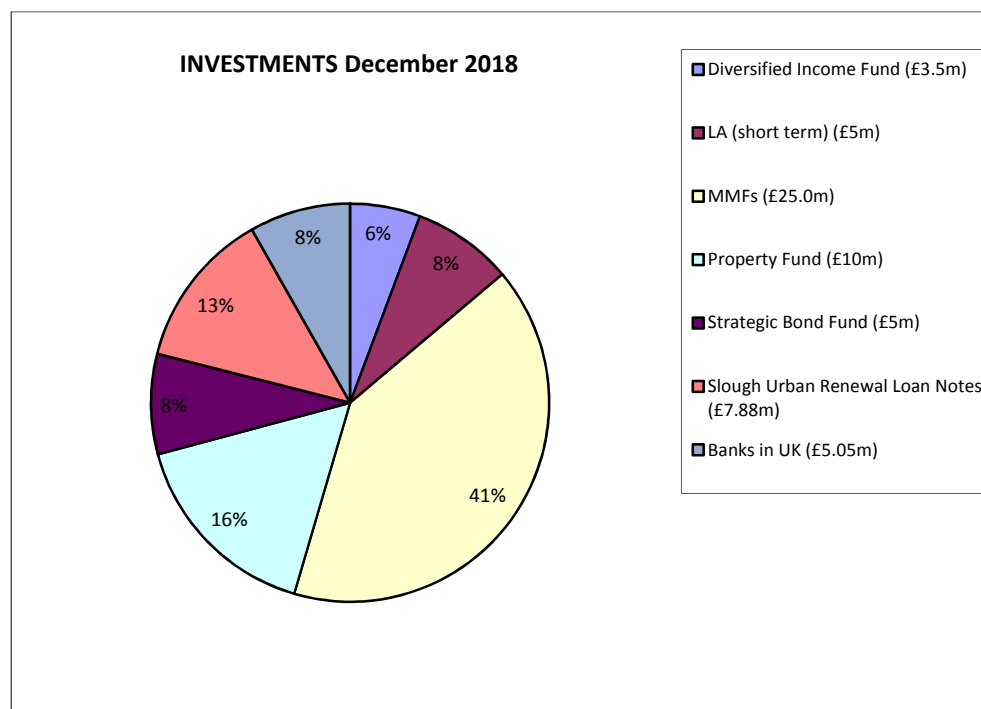
| Credit Rating | Banks Unsecured | Banks Secured | Government | Corporates | Registered Providers |
|----------------------|------------------------|----------------------|-------------------------|-------------------|-----------------------------|
| UK Govt | n/a | n/a | £ Unlimited 50 years | n/a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

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

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

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

Table 4: Current Investments



£30.05m of the above is in instant access accounts (i.e. Call Accounts and Money Market Funds).

8 Investment Opportunities

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

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

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

collateral upon which the investment is secured has a credit rating, the higher of the collateral credit rating and the counterparty credit rating will be used to determine cash and time limits. The combined secured and unsecured investments in any one bank will not exceed the cash limit for secured investments.

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

Corporates: Loans, bonds and commercial paper issued by companies other than banks and registered providers. These investments are not subject to bail-in, but are exposed to the risk of the company going insolvent. Loans to unrated companies will only be made as part of a diversified pool in order to spread the risk widely.

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

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

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

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

9 **Risk Management**

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

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

Where a credit rating agency announces that a credit rating is on review for possible downgrade (also known as "rating watch negative" or "credit watch negative") so that it may fall below the approved rating criteria, then only investments that can be withdrawn [on the next working day] will be made with that organisation until the outcome of the review is

announced. This policy will not apply to negative outlooks, which indicate a long-term direction of travel rather than an imminent change of rating.

Other Information on the Security of Investments: The Council understands that credit ratings are good, but not perfect, predictors of investment default. Full regard will therefore be given to other available information on the credit quality of the organisations, in which it invests, including credit default swap prices, financial statements, information on potential government support and reports in the quality financial press. No investments will be made with an organisation if there are substantive doubts about its credit quality, even though it may meet the credit rating criteria.

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

10

Investment Limits

The Council's revenue reserves available to cover investment losses are forecast to be £76 million on 31st March 2019. In order that no more than 20% of available reserves will be put at risk in the case of a single default, the maximum that will be lent to any one organisation (other than the UK Government) will be **£15 million**. A group of banks under the same ownership will be treated as a single organisation for limit purposes. Limits will also be placed on fund managers, investments in brokers' nominee accounts, foreign countries and industry sectors as below:

Table 5: Investment Limits

| | Cash limit |
|---|----------------------|
| Any single organisation, except the UK Central Government | £15m each |
| UK Central Government | unlimited |
| Any group of organisations under the same ownership | £15m per group |
| Any group of pooled funds under the same management | £25m per manager |
| Negotiable instruments held in a broker's nominee account | £25m per broker |
| Foreign countries | £10m per country |
| Registered Providers | £5m in total |
| Unsecured investments with Building Societies | £10m in total |
| Loans to unrated corporates | £5m in total |
| Money Market Funds | £60m in total |
| Slough Urban Renewal Loan Notes | £5m above land value |

11 **Non-Treasury Investments**

Although not classed as treasury management activities and therefore not covered by the CIPFA Code or the CLG Guidance, the Authority has purchased property for investment purposes and has also made loans and investments for service purposes- the Council has made equity loans totalling £24.924m to James Elliman Homes a wholly owned subsidiary of the council. The aims of James Elliman Homes include increasing housing supply whilst providing “affordable homes” and /or better quality homes for vulnerable client groups and key workers not currently entitled to council housing, or those facing too long a waiting time in temporary accommodation.

Such loans and investments will be subject to the Authority’s normal approval processes for revenue and capital expenditure and need not comply with this treasury management strategy. On 14 September 2015, Cabinet approved the introduction of the Strategic Acquisition Strategy, which provided a framework for the Council to operate commercially and undertake a new approach to asset investment through the acquisition of land and/or property generating income up to £25m (inclusive of acquisition costs). Following a subsequent report in November 2016, the budget for strategic asset purchases was increased to £50m. A further £50m budget for Strategic acquisitions was approved by Full Council in June 2018. In approving the Strategy, the drivers were to acquire income generating assets to offset continued reductions in central government grant and for the Council to realise the regenerative benefits associated with purchasing sites to bring forward housing and commercial development.

How investments are decided upon

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

a) Property Investments

Under commercial investment objectives, a strategic acquisition would typically:

- Generate income through a satisfactory level of return, with a net initial yield range between 5% and 9%, and/or
- Improve investment value of commercial assets over time in addition to the level of returns through rental growth.

b) Regeneration

Under regeneration objectives, a strategic acquisition will typically:

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

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

How decisions are made

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

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

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

The SAB has a remit to:

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

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

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

Any controls in place

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

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

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

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

1. Consider if the investment achieves corporate objectives.
2. Confirm that for the acquisition of land the price is reasonable (allowing for a special purchase consideration) and supported by an independent valuation.

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

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

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

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

12 **Treasury Management Indicators**

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

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

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

| LIMITS ON INTEREST RATE EXPOSURE | | | |
|--|----------------|----------------|----------------|
| | 2018/19 | 2019/20 | 2020/21 |
| Limit on Principal invested beyond year end | £45m | £45m | £45m |
| Upper limit on fixed interest rate exposure | £350m | £350m | £350m |
| Upper limit on variable interest rate exposure | £300m | £300m | £300m |

Fixed rate investments and borrowings are those where the rate of interest is fixed for at least 12 months, measured from the start of the financial year or the transaction date if later. All other instruments are classed as variable rate. Following recent discussions at the Council's Treasury Management Group and based on the Council's Current Strategy to utilise lower rates for short-term borrowing where possible in order to reduce pressure on the Revenue budgets, the above limits have been revised for 2019-20 financial year onwards.

Mature Structure of Borrowing:

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

| MATURITY STRUCTURE OF BORROWING | | | | |
|--|----------------------------|---------------------------|--------------|--------------|
| | Existing Level (£m) | Existing Level (%) | Lower | Upper |
| Under 12 months | 202,583 | 44.06% | 0% | 75% |
| 12 months and within 24 months | 3,083 | 0.67% | 0% | 50% |
| 24 months and within 5 years | 23,250 | 5.06% | 0% | 50% |
| 5 years and within 10 years | 44,417 | 9.66% | 0% | 75% |
| 10 years and within 15 years | 40,917 | 8.90% | 0% | 95% |
| 15 years and within 20 years | 48,417 | 10.53% | 0% | 95% |
| 20 years and within 25 years | 59,591 | 12.96% | 0% | 95% |
| Over 25 years | 37,583 | 8.17% | 0% | 95% |
| | 459,841 | | | |

13 Other Items

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

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

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

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

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

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

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

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

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

Financial Implications

The budget for investment income in 2019/20 is £2.258 million, based on an average investment portfolio of £50.714 million at an interest rate of 4.45%. The budget for debt interest paid in 2019/20 is £7.890 million, based on an average debt portfolio of £459.841 million at an average interest rate of 2.06%. If actual levels of investments and borrowing, and actual interest rates differ from those forecast, performance against budget will be correspondingly different. Also in order to alleviate pressure on the Revenue Budget the Council will Capitalise Borrowing Costs for qualifying assets. A qualifying asset constitutes an asset that takes a substantial period of time to get ready for its intended use (commonly Assets under Construction).

Other Options Considered

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

| Alternative | Impact on income and expenditure | Impact on risk management |
|---|--|--|
| Invest in a narrower range of counterparties and/or for shorter times | Interest income will be lower | Lower chance of losses from credit related defaults, but any such losses may be greater |
| Invest in a wider range of counterparties and/or for longer times | Interest income will be higher | Increased risk of losses from credit related defaults, but any such losses may be smaller |
| Borrow additional sums at long-term fixed interest rates | Debt interest costs will rise; this is unlikely to be offset by higher investment income | Higher investment balance leading to a higher impact in the event of a default; however long-term interest costs may be more certain |

| | | |
|--|--|---|
| Borrow short-term or variable loans instead of long-term fixed rates | Debt interest costs will initially be lower | Increases in debt interest costs will be broadly offset by rising investment income in the medium term, but long-term costs may be less certain |
| Alternative | Impact on income and expenditure | Impact on risk management |
| Reduce level of borrowing | Saving on debt interest is likely to exceed lost investment income | Reduced investment balance leading to a lower impact in the event of a default; however long-term interest costs may be less certain |

Appendix A – Arlingclose Economic & Interest Rate Forecast December 2018

Underlying assumptions:

- Our central interest rate forecasts are predicated on there being a transitional period following the UK's official exit from the EU.
- The MPC has a bias towards tighter monetary policy but is reluctant to push interest rate expectations too strongly. We believe that MPC members consider that: 1) tight labour markets will prompt inflationary pressure in the future, 2) ultra-low interest rates result in other economic problems, and 3) higher Bank Rate will be a more effective policy weapon if downside risks to growth crystallise.
- Both our projected outlook and the increase in the magnitude of political and economic risks facing the UK economy means we maintain the significant downside risks to our forecasts, despite the potential for slightly stronger growth next year as business investment rebounds should the EU Withdrawal Agreement be approved. The potential for severe economic outcomes has increased following the poor reception of the Withdrawal Agreement by MPs. We expect the Bank of England to hold at or reduce interest rates from current levels if Brexit risks materialise.
- The UK economic environment is relatively soft, despite seemingly strong labour market data. GDP growth recovered somewhat in the middle quarters of 2018, but more recent data suggests the economy slowed markedly in Q4. Our view is that the UK economy still faces a challenging outlook as the country exits the European Union and Eurozone economic growth softens.
- Cost pressures are easing but inflation is forecast to remain above the Bank's 2% target through most of the forecast period. Lower oil prices have reduced inflationary pressure, but the tight labour market and decline in the value of sterling means inflation may remain above target for longer than expected.
- Global economic growth is slowing. Despite slower growth, the European Central Bank is conditioning markets for the end of QE, the timing of the first rate hike (2019) and their path thereafter. More recent US data has placed pressure on the Federal Reserve to reduce the pace of monetary tightening – previous hikes and heightened expectations will, however, slow economic growth.
- Central bank actions and geopolitical risks have and will continue to produce significant volatility in financial markets, including bond markets.

Forecast:

- The MPC has maintained expectations of a slow rise in interest rates over the forecast horizon, but recent events around Brexit have dampened interest rate expectations. Our central case is for Bank Rate to rise twice in 2019, after the UK exits the EU. The risks are weighted to the downside.
- Gilt yields have remained at low levels. We expect some upward movement from current levels based on our central case that the UK will enter a transitional period following its EU exit in March 2019. However, our projected weak economic outlook and volatility arising from both economic and political events will continue to offer borrowing opportunities.

| | Dec-18 | Mar-19 | Jun-19 | Sep-19 | Dec-19 | Mar-20 | Jun-20 | Sep-20 | Dec-20 | Mar-21 | Jun-21 | Sep-21 | Dec-21 | Average |
|--------------------------------|--------|--------|--------|--------|--------|--------|--------|--------|--------|--------|--------|--------|--------|---------|
| Official Bank Rate | | | | | | | | | | | | | | |
| Upside risk | 0.00 | 0.00 | 0.00 | 0.00 | 0.25 | 0.25 | 0.25 | 0.25 | 0.25 | 0.25 | 0.25 | 0.25 | 0.25 | 0.17 |
| Arlingclose Central Case | 0.75 | 0.75 | 1.00 | 1.00 | 1.25 | 1.25 | 1.25 | 1.25 | 1.25 | 1.25 | 1.25 | 1.25 | 1.25 | 1.13 |
| Downside risk | 0.00 | -0.50 | -0.75 | -0.75 | -1.00 | -1.00 | -1.00 | -1.00 | -1.00 | -1.00 | -1.00 | -1.00 | -1.00 | -0.85 |
| 3-mth money market rate | | | | | | | | | | | | | | |
| Upside risk | 0.10 | 0.10 | 0.10 | 0.10 | 0.15 | 0.20 | 0.20 | 0.20 | 0.20 | 0.20 | 0.20 | 0.20 | 0.20 | 0.17 |
| Arlingclose Central Case | 0.90 | 0.95 | 1.10 | 1.30 | 1.40 | 1.40 | 1.40 | 1.35 | 1.35 | 1.35 | 1.35 | 1.35 | 1.35 | 1.27 |
| Downside risk | -0.20 | -0.45 | -0.60 | -0.80 | -0.90 | -0.90 | -0.90 | -0.85 | -0.85 | -0.85 | -0.85 | -0.85 | -0.85 | -0.76 |
| 1-yr money market rate | | | | | | | | | | | | | | |
| Upside risk | 0.20 | 0.30 | 0.30 | 0.35 | 0.35 | 0.35 | 0.35 | 0.35 | 0.35 | 0.35 | 0.35 | 0.35 | 0.35 | 0.33 |
| Arlingclose Central Case | 1.15 | 1.25 | 1.35 | 1.50 | 1.70 | 1.60 | 1.50 | 1.40 | 1.35 | 1.35 | 1.35 | 1.35 | 1.35 | 1.40 |
| Downside risk | -0.35 | -0.50 | -0.60 | -0.80 | -0.90 | -0.90 | -0.90 | -0.85 | -0.85 | -0.85 | -0.85 | -0.85 | -0.85 | -0.77 |
| 5-yr gilt yield | | | | | | | | | | | | | | |
| Upside risk | 0.25 | 0.30 | 0.30 | 0.35 | 0.35 | 0.40 | 0.40 | 0.40 | 0.40 | 0.40 | 0.40 | 0.40 | 0.40 | 0.37 |
| Arlingclose Central Case | 1.15 | 1.25 | 1.35 | 1.50 | 1.50 | 1.40 | 1.35 | 1.35 | 1.30 | 1.30 | 1.30 | 1.30 | 1.30 | 1.33 |
| Downside risk | -0.50 | -0.60 | -0.65 | -0.80 | -0.80 | -0.70 | -0.65 | -0.65 | -0.65 | -0.65 | -0.65 | -0.65 | -0.65 | -0.66 |
| 10-yr gilt yield | | | | | | | | | | | | | | |
| Upside risk | 0.25 | 0.30 | 0.30 | 0.35 | 0.35 | 0.40 | 0.40 | 0.40 | 0.40 | 0.40 | 0.40 | 0.40 | 0.40 | 0.37 |
| Arlingclose Central Case | 1.50 | 1.65 | 1.70 | 1.80 | 1.80 | 1.75 | 1.75 | 1.70 | 1.70 | 1.70 | 1.70 | 1.70 | 1.70 | 1.70 |
| Downside risk | -0.55 | -0.70 | -0.70 | -0.80 | -0.80 | -0.75 | -0.75 | -0.70 | -0.70 | -0.70 | -0.70 | -0.70 | -0.70 | -0.71 |
| 20-yr gilt yield | | | | | | | | | | | | | | |
| Upside risk | 0.25 | 0.30 | 0.30 | 0.35 | 0.35 | 0.40 | 0.40 | 0.40 | 0.40 | 0.40 | 0.40 | 0.40 | 0.40 | 0.37 |
| Arlingclose Central Case | 2.00 | 2.10 | 2.20 | 2.20 | 2.20 | 2.20 | 2.20 | 2.20 | 2.20 | 2.20 | 2.20 | 2.20 | 2.20 | 2.18 |
| Downside risk | -0.60 | -0.70 | -0.75 | -0.75 | -0.75 | -0.75 | -0.75 | -0.75 | -0.75 | -0.75 | -0.75 | -0.75 | -0.75 | -0.73 |
| 50-yr gilt yield | | | | | | | | | | | | | | |
| Upside risk | 0.25 | 0.30 | 0.30 | 0.35 | 0.35 | 0.40 | 0.40 | 0.40 | 0.40 | 0.40 | 0.40 | 0.40 | 0.40 | 0.37 |
| Arlingclose Central Case | 1.90 | 1.95 | 2.00 | 2.00 | 2.00 | 2.00 | 2.00 | 2.00 | 2.00 | 2.00 | 2.00 | 2.00 | 2.00 | 1.99 |
| Downside risk | -0.60 | -0.70 | -0.75 | -0.75 | -0.75 | -0.75 | -0.75 | -0.75 | -0.75 | -0.75 | -0.75 | -0.75 | -0.75 | -0.73 |

PWLB Certainty Rate (Maturity Loans) = Gilt yield + 0.80%

PWLB Infrastructure Rate (Maturity Loans) = Gilt yield + 0.60%

Appendix B – Non-Treasury Investments- Strategic Acquisitions

| Property | Capital Expenditure | Annual Rent Due | 2017-18 | % Return on Investment |
|--|----------------------------|------------------------|---------------------|-------------------------------|
| Leasehold interest of the 5th Floor, Hatfield Car Park | 228,042.00 | | | |
| Purchase of Cornwall House | 1,729,912.15 | | | |
| Land South Side Stoke Road (Stoke Wharf) | 1,898,828.06 | | | |
| Leaseplan 165 Bath Road | 19,808,190.24 | | | |
| Land at Norway Drive | 235,000.00 | | | |
| Halfords 380 Bath Road | 4,288,918.25 | | | |
| 5 Hillersdon | 368,000.00 | | | |
| 174-178 High Street (WH Smith) | 5,367,819.68 | | | |
| 202-206 High Street (BHS) | 2,931,502.99 | | | |
| Waitrose Gosport - Stoke Road | 3,716,132.76 | | | |
| Wickes West Street Wolverhampton | 7,014,436.27 | | | |
| Gala Bingo, 3 Bath Road | 4,243,904.11 | | | |
| Lego, 33 Bath Road | 13,597,950.00 | | | |
| Upton Lodge, 2A Yew Tree Road, Slough | 6,234,125.68 | | | |
| | 71,662,762.19 | 4,016,895.00 | 2,390,288.42 | 5.84% |

202-206 High Street the old BHS building was sold on 29th March 2018. Total Capital Receipt generated was £3.8m

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

James Elliman Homes

| Date of Loan | Principal | Equity 40% of Principal | Loan 60% of Principal | Annual Interest on Loan @ 5% |
|--------------|----------------------|-------------------------|-----------------------|------------------------------|
| 17/07/2017 | 2,223,610.00 | 889,444.00 | 1,334,166.00 | 66,708.30 |
| 19/07/2017 | 2,000,000.00 | 800,000.00 | 1,200,000.00 | 60,000.00 |
| 12/01/2018 | 2,500,000.00 | 1,000,000.00 | 1,500,000.00 | 75,000.00 |
| 17/04/2018 | 3,200,000.00 | 1,280,000.00 | 1,920,000.00 | 96,000.00 |
| 20/07/2018 | 3,000,000.00 | 1,200,000.00 | 1,800,000.00 | 90,000.00 |
| 09/08/2018 | 5,000,000.00 | 2,000,000.00 | 3,000,000.00 | 150,000.00 |
| 28/09/2018 | 5,000,000.00 | 2,000,000.00 | 3,000,000.00 | 150,000.00 |
| 19/12/2018 | 2,000,000.00 | 800,000.00 | 1,200,000.00 | 60,000.00 |
| | 24,923,610.00 | 9,969,444.00 | 14,954,166.00 | 747,708.30 |

James Elliman Homes is a wholly owned subsidiary of Slough Borough Council set up to acquire properties in the Slough area for rental to the following principal customers- those in need of temporary accommodation, those considered to be key workers and for market rental. Thus far the council has made loans to James Elliman Homes totalling £24,923,610. For this sum the council receives interest, payable at 5% on 60% of the principle sum loaned. For the remaining 40% the council receives equity shares.

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SLOUGH BOROUGH COUNCIL

REPORT TO: Council **DATE:** 21st February 2019

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

WARD(S): All

PART I
FOR DECISION**RECOMMENDATIONS OF CABINET, 4TH FEBRUARY 2019:**
CAPITAL STRATEGY: 2019/24**1 Purpose of Report**

To consider the recommendation of the Cabinet from its meeting held on 4th February 2019 to approve the capital strategy 2019 to 2024 and the capital programme for 2019/20.

2 Recommendation(s)/Proposed Action

The Council is requested to resolve:

- (a) That the capital strategy of **£239.3m** and the Minimum Revenue Provision be approved.
- (b) That Council notes the notional costs of borrowing for the capital programme to the revenue budget would be an increase of up to **£4.188m** per annum - commencing during the period of the capital strategy to fund borrowing.
- (c) That the principles underpinning the capital programme in paragraph 5.1.2 and the Minimum Revenue Provision principles in Section 6 be approved.
- (d) That Appendices A and B detailing the capital programmes be approved.

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

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

3b Five Year Plan Outcomes

The report helps achieve the Five Year Plan outcomes by contributing to the Council's financial planning.

4 Other Implications

- (a) Financial: As detailed within the report.

(b) Risk Management

| Recommendation from section 2 above | Risks/Threats/ Opportunities | Current Controls | Using the Risk Management Matrix Score the risk | Future Controls |
|--|--|--|--|---|
| That the Capital Strategy Of £239.3m and the Minimum Revenue Provision is approved and recommended to full council | The Capital strategy should be both affordable and Prudent and there are Prudential Indicators in Section 6 that demonstrate these criteria being met. The Capital strategy is supported by £171m in borrowing. There are estimates of the revenue implications in terms of Interest costs and Minimum Revenue Provision. If interest rates rise faster than expected interest payable costs could impact on revenue budgets. There is the risk of escalating capital costs and overspends against budget. This could also impact on the Revenue budget going forward. | The council will work with its Treasury advisors in order to mitigate interest rate risk and ensure long term borrowing decisions are taken at the most advantageous time. | 9- | The Council will look to convert some of its Temporary Borrowing which has funded Capital Expenditure in recent years to Longer Term Borrowing. This may be more expensive initially but will reduce risk in the medium term. |

| Risk | Mitigating action | Opportunities |
|--|---|--|
| Legal | None | none |
| Property | None | None |
| Human Rights | None | None |
| Health and Safety | None | None |
| Employment Issues | None | None |
| Equalities Issues | None | None |
| Community Support | None | None |
| Communications | None | None |
| Community Safety | None | None |
| Financial | Detailed within the report | None |
| Timetable for delivery – capital programme delivered under the | Monthly review at Capital Strategy Board and quarterly by O&S / Cabinet | Ability to increase the deliver of capital schemes |

| | | |
|------------------|------|------|
| 80% mark | | |
| Project Capacity | None | None |
| Other | None | None |

(c) Human Rights Act and Other Legal Implications

No specific legal implications arising from this report.

(d) Equalities Impact Assessment

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

5 Supporting Information

5.1 Purpose

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

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

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

5.2 Current Medium Term Financial Position

5.2.1 As detailed in the Council's Revenue Budget report 2019/20 the Council is facing a significant reduction in its anticipated financial resources. During this period the Council will face a number of demand and policy led pressures. Further details can be found within the revenue budget report for separate approval in February.

5.2.2 For there to be any net growth in the Council financed element of the capital strategy, the Council will need to increase the amount of revenue monies set aside to pay back potential future borrowing, or assume greater investment returns to mitigate the use of internal balances. As detailed within the Treasury Management Strategy, the Council will only borrow as a last resort once it has exhausted all other sources of funding; however, revenue monies need to be set aside to fund any additional borrowing costs otherwise the Council will not have sufficient resources to repay its borrowings if that occurs. The council is currently utilising short-term borrowing rates as these are currently at very low levels. There is however some interest rate risk in adopting this approach, i.e. a risk to the council if interest rates start to rise. The council will work with it's Treasury Management advisers to calculate the best time to borrow longer-term through the Public Works Loans Board 9or other sources) in order to reduce funding risk..

5.2.3 The summarised capital programme has been provided below in table 1.1. This table highlights the key expenditure areas and the financing requirement for the capital programme over the period of the strategy. As noted in the introductory section of this paper, the Council's capital strategy is now over a six year period, and it is over this period that the Council needs to consider if additional borrowing will need to be undertaken. For example, if the first year showed a net cost of £10m but the subsequent four years showed £2.5m p.a. of net capital receipts, then the Council could take the decision not to borrow the £10m over the longer term, and finance the capital programme through short term borrowing initially that would be reduced by the net receipts coming into the capital programme.

Table 1.1 Summarised Capital Programme

| Capital Expenditure and Financing (estimate) | 18-19 | 19-20 | 20-21 | 21-22 | 22-23 | 23-24 | 2019-2024 Total |
|--|--------------|--------------|-------------|-------------|-------------|-------------|-----------------|
| | £m | £m | £m | £m | £m | £m | £m |
| General Fund | 216.8 | 90.9 | 49.7 | 28.6 | 7.0 | 1.5 | 177.8 |
| HRA | 21.5 | 27.2 | 4.8 | 4.8 | 4.8 | 19.9 | 61.5 |
| Total Expenditure | 238.3 | 118.1 | 54.5 | 33.4 | 11.8 | 21.4 | 239.3 |
| Grant Funded | 29.7 | 20.3 | 7.9 | 1.9 | 1.0 | 1.5 | 32.6 |
| Section 106 | 7.7 | 3.0 | 2.0 | 0.5 | 0.1 | 0.0 | 5.7 |
| Capital Receipts | 3.2 | 6.6 | 0.0 | 0 | 0.0 | 3.3 | 9.9 |
| Major Repairs Reserve | 9.3 | 10.6 | 4.8 | 4.8 | 4.8 | 8.6 | 33.6 |
| RCCO | 8.9 | 10.0 | 0.0 | 0 | 0.0 | 8.0 | 18.0 |
| Borrowing * | 179.4 | 67.6 | 39.8 | 26.2 | 5.9 | 0.0 | 139.5 |
| Total Financing | 238.3 | 118.1 | 54.5 | 33.4 | 11.8 | 21.4 | 239.3 |

5.2.4 The total revenue financing required to fund the capital strategy's borrowing requirement of **£139.5m** is **£4.188m** over 5 years. This is where there is a strong alignment between the treasury management strategy and the capital strategy. On the latest estimates on the Treasury Management strategy and the actual cash available to fund the capital programme, once reserves and grants received, but not applied, have been taken into account, the Council has some short term cash funding available for the first year of the capital strategy, but will be required to fund the remaining programme. It is absolutely vital that the Council begins to set aside revenue funding to finance long term capital commitments during the life of the capital strategy, and this is linked to the Minimum Revenue Provision detailed further below in this report.

5.2.5 Table 1.2 shows the cost of borrowing to finance the capital programme. The annual minimum required to be set aside for **£139.5m** of capital borrowing (given the main assets being built this would be over an assumed 60 year lifecycle) would equate to an increase in revenue cost of borrowing of **£1.321m** from 2019/20 rising to **£4.188m** in 2023/24 if the Council went out to borrow from the PWLB¹. As noted above, at present, the Council will utilise any internal balances first before undertaking any new borrowings. There is a cost of doing this, but this is far lower than borrowing with average returns realising approximately 1%.

Table 1.2 Cost of borrowing to finance the capital programme

| * Cost of borrowing | 19-20 | 20-21 | 21-22 | 22-23 | 23-24 |
|-------------------------|------------|-------------|-------------|-------------|-------------|
| Cumulative borrowing | 67,600,000 | 107,400,000 | 133,600,000 | 139,500,000 | 139,500,000 |
| PWLB interest cost p.a. | 1,321,960 | 1,791,100 | 2,260,240 | 2,729,380 | 2,729,380 |
| MRP | | 542,373 | 729,233 | 916,093 | 1,458,609 |
| Revenue | 1,321,960 | 2,333,473 | 2,989,473 | 3,645,473 | 4,187,989 |

5.3 Key elements

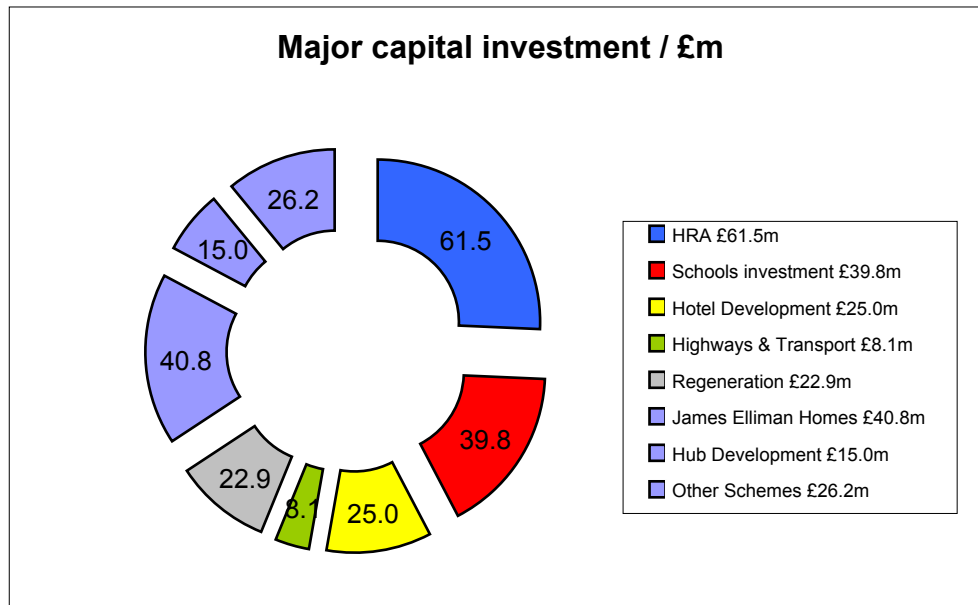
5.3.1 As can be seen from table 1.1, of the capital programme funded via general sources, broadly 30% relates to expenditure through the Housing Revenue Account and 70% on other general fund activity.

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

- Expansions to the Borough's Primary and Secondary schools- £39.8m
- Improvements to the Council's housing stock and infrastructure- £61.5m
- James Elliman Homes Capital Loans- £40.8m
- New hotel on the Old Library site in the centre of Slough- £25.0m
- Development of new Community Centres/Hubs - £15.0m

¹ Assuming borrowing from the Public Works Loans Board at the rate as at 15th January 2019 of 2.11%

Chart 2.1: Key items included in the Capital Strategy

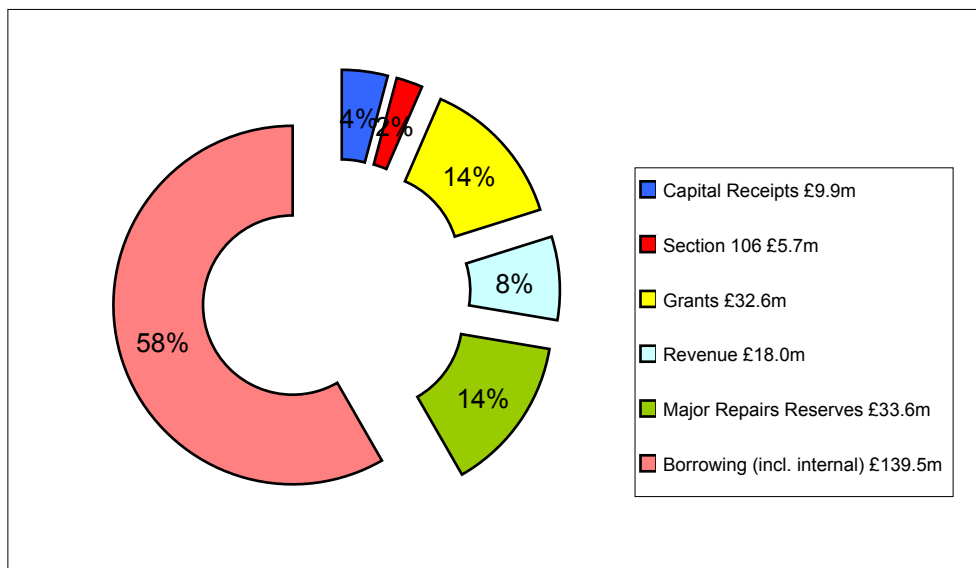


Key elements

5.4 Financing the capital programme & prudential code

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

Chart 2.2: Capital financing / £m: 2019-24



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

5.5 The main sources of income are:

5.5.1 Capital Receipts

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

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

5.5.2 Grant Funding

The Council receives a variety of capital funding streams, with the main areas of grant funding coming from the various Government departments. The Council will seek every opportunity to maximise its use of grant funding across the organisation as well as utilise any opportunities from HRA funding.

5.5.3 S106 receipts

The Council receives some funding of its capital programme from s106 receipts. The Council holds approximately £14.4m s106 receipts, which can be used on various projects over the next 10 years. It is planned to use £7.7m of Section 106 Contributions to fund the 2018-19 Capital Programme, with the remaining £6.7m to be used to part fund the 2019-24 Capital Strategy. Additional section 106 Contributions are likely to be realised during the period of the 2019-24 Capital strategy and will always be used where possible in order to reduce the need to borrow. A summary of Section 106 Contributions currently available is shown in Table 1.3 below.

Table 1.3 Section 106 Contributions

| | Total Deposited | Total Spent | Current Balance |
|---|----------------------|---------------------|----------------------|
| Public Open Space-maintenance | 618,392.54 | 0.00 | 618,392.54 |
| Open Space | 51,797.60 | | 51,797.60 |
| Public Realm | 294,837.87 | 23,273.40 | 271,564.47 |
| Kennedy Park | 1,890,263.95 | 30,000.00 | 1,860,263.95 |
| Parks | 124,611.00 | | 124,611.00 |
| Play Equipment Maintenance | 9,619.99 | 0.00 | 9,619.99 |
| Affordable Housing | 1,362,005.15 | 924,688.75 | 437,316.40 |
| Education | 7,147,712.21 | 1,256,867.63 | 5,890,844.58 |
| Highways & Transport | 5,336,967.01 | 686,575.84 | 4,650,391.17 |
| Travel Plan | 152,909.74 | 13,500.00 | 139,409.74 |
| Bus Pass Contribution | 55,200.00 | 0.00 | 55,200.00 |
| Highway Cleansing | 49,187.18 | 0.00 | 49,187.18 |
| Air Quality/Electric Vehicle & Car Club | 267,422.55 | 23,030.09 | 244,392.46 |
| Total | 17,360,926.79 | 2,957,935.71 | 14,402,991.08 |

5.5.4 Flexible use of Capital Receipts

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

5.6 Revenue Contributions

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

5.7 Borrowing

- 5.7.1 Where the Council has capital commitments that exceed its funding sources from the above, the Council is required to borrow in line with the prudential code. CIPFA's prudential code governs how Council borrows funds and ensures that it does so within an affordable framework. The Local Government Act 2003 requires the Council to have regard to the Chartered Institute of Public Finance and Accountancy's Prudential Code for Capital Finance in Local Authorities (the Prudential Code) when determining how much money it can afford to borrow. The objectives of the Prudential Code are to ensure, within a clear framework, that the capital investment plans of local authorities are affordable, prudent and sustainable, and that treasury management decisions are taken in accordance with good professional practice. Where the Authority finances capital expenditure by debt, it must put aside resources to repay that debt in later years. The amount charged to the revenue budget for the repayment of debt is known as Minimum Revenue Provision (MRP), although there has been no statutory minimum since 2008. The Local Government Act 2003 requires the Authority to have regard to the Department for Communities and Local Government's Guidance on Minimum Revenue Provision.
- 5.7.2 The broad aim of the Guidance is to ensure that debt is repaid over a period that is either reasonably commensurate with that over which the capital expenditure provides benefits, or, in the case of borrowing supported by Government Revenue Support Grant, reasonably commensurate with the period implicit in the determination of that grant.
- 5.8 Revenue contributions (HRA). The abolition of the HRA subsidy system and its replacement by the self-financing regime from April 2012 has enabled the HRA to retain more of its rental income. This additional income is being used to support the building of affordable homes in the capital programme as well as other elements of the capital programme. As a result, new affordable/social homes will be built within the Borough to help replace those sold under the Right to Buy (RTB) regime.
- 5.9 Major Repairs Reserve (HRA). This reserve is a revenue funded reserve used to maintain the Council's housing stock at a 'Decent Homes' standard and is a major contributor to funding the HRA capital programme.

6 Prudential Indicators

- 6.1 The Local Government Act 2003 requires the Council to have regard to the Chartered Institute of Public Finance and Accountancy's Prudential Code for Capital Finance in Local Authorities (the Prudential Code) when determining how much money it can afford to borrow.
- 6.2 The objectives of the Prudential Code are to ensure, within a clear framework, that the capital investment plans of local authorities are affordable, prudent and sustainable, and that treasury management decisions are taken in accordance with good professional practice. To demonstrate that the Authority has fulfilled these objectives, the Prudential Code sets out the following indicators that must be set and monitored each year.

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

Table 1.4: Capital Programme

| Capital Expenditure and Financing | 31.03.19 Revised | 31.03.20 Estimate | 31.03.21 Estimate | 31.03.22 Estimate |
|--|-------------------------|--------------------------|--------------------------|--------------------------|
| | £m | £m | £m | £m |
| General Fund | 217 | 80 | 44 | 23 |
| HRA | 21 | 27 | 5 | 5 |
| Total Expenditure | 238 | 107 | 49 | 28 |
| Capital Receipts | 3 | 7 | | |
| Grants & Contributions | 37 | 21 | 5 | 2 |
| Revenue | 9 | 10 | | 0 |
| Reserves | 9 | 11 | 5 | 5 |
| Borrowing (incl. internal) | 180 | 58 | 39 | 21 |
| Total Financing | 238 | 107 | 49 | 28 |

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

| Capital Financing Requirement | 31.03.19 Revised | 31.03.20 Estimate | 31.03.21 Estimate | 31.03.22 Estimate |
|--------------------------------------|-------------------------|--------------------------|--------------------------|--------------------------|
| | £m | £m | £m | £m |
| General Fund | 431 | 462 | 491 | 512 |
| HRA | 159 | 159 | 159 | 159 |
| Total CFR | 590 | 621 | 650 | 671 |

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

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

Table 1.6 Estimates of Gross Debt

| Debt | 31.03.19 Revised | 31.03.20 Estimate | 31.03.21 Estimate | 31.03.22 Estimate |
|-------------------|-------------------------|--------------------------|--------------------------|--------------------------|
| | £m | £m | £m | £m |
| Borrowing | 470 | 530 | 565 | 585 |
| Finance leases | 7 | 6 | 5 | 5 |
| PFI liabilities | 34 | 33 | 31 | 29 |
| Total Debt | 511 | 569 | 601 | 619 |

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

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

Table 1.7 Operational Boundary

| Operational Boundary | 2018/19 Limit | 2019/20 Limit | 2020/21 Limit | 2021/22 Limit |
|-----------------------------|--------------------------|--------------------------|--------------------------|--------------------------|
| Borrowing | 528 | 584 | 621 | 641 |
| Other long-term liabilities | 41 | 39 | 36 | 34 |
| Total Debt | 569 | 623 | 657 | 675 |

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

Table 1.8 Authorised Limit

| Authorised Limit | 2018/19 Limit | 2019/20 Limit | 2020/21 Limit | 2021/22 Limit |
|-----------------------------|--------------------------|--------------------------|--------------------------|--------------------------|
| | £m | £m | £m | £m |
| Borrowing | 538 | 594 | 631 | 651 |
| Other long-term liabilities | 41 | 39 | 36 | 34 |
| Total Debt | 579 | 633 | 667 | 685 |

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

Table 1.9 Ratio of Financing Costs to Net Revenue Stream

| Ratio of Financing Costs to Net Revenue Stream | 2018/19 Revised % | 2019/20 Estimate % | 2020/21 Estimate % | 2021/22 Estimate % |
|---|----------------------------------|-----------------------------------|-----------------------------------|-----------------------------------|
|---|----------------------------------|-----------------------------------|-----------------------------------|-----------------------------------|

| | | | | |
|--------------|------|------|-------|------|
| General Fund | 2.8 | 4.3 | 5.1 | 5.9 |
| HRA | 12.8 | 13.0 | 12.94 | 12.8 |

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

7 Minimum Revenue Provision Statement

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

useful life, using either a straight line or an annuity method, starting in the year after the asset becomes operational. This may also be used for supported Non-HRA capital expenditure if the Council chooses. There is no requirement to charge MRP in respect of HRA capital expenditure funded from borrowing.

Here, the Council has three broad options:

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

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

Based on the Council's latest estimate of its Capital Financing Requirement on 31st March 2019, the budget for MRP is shown in Table 1.10 below. The table below differs from Table 1.2 as it includes the charging of MRP on unfinanced capital expenditure incurred prior to the 2019-20 financial year. Also where resources allow the council will consider using capital receipts to fund MRP in order to relieve pressure on the Revenue budget.

Table 1.10 MRP Method – Option 3 (Annuity)

| 31 March | 2019 | 2020 | 2021 | 2022 | 2023 |
|---|-------|-------|-------|-------|-------|
| | £k | £k | £k | £k | £k |
| 60 Year Annuity MRP charge | 1,184 | 2,354 | 2,854 | 3,184 | 3,364 |
| Over provision of £3.6m spread over 10 years: | (360) | (360) | (360) | (360) | (360) |
| MRP Charge | 824 | 1,994 | 2,496 | 2,824 | 3,004 |

8 Community Investment Fund

- 8.1 The Community Investment Fund programme for 2019/20 has an indicative budget of £1.050m with the majority to be spent on neighbourhood enhancements through identified member need in the wards across the Borough. All elected Councillors will have £20,000 each to spend on Capital projects of their choosing and Cabinet has an additional Community Investment Fund Capital Allocation of £210,000. The only stipulation is that this must be capital and not revenue expenditure, though Councillors now have an additional Revenue allocation of £5,000 each. Allocations are for individual councillors but two or more Councillors can pool resources in order to fund a larger project. Thus far orders have been raised for Park and Recreation Ground improvements, footway and alleyway resurfacing and improvements to green verges.

9 Comments of Other Committees

This report was considered by the Overview & Scrutiny Committee on 31st January 2019. The Cabinet considered the report on 4th February 2019 and agreed to recommend to Council for approval.

10 Conclusion

The Council is requested to approve the capital strategy.

11 Appendices Attached

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

12 Background Papers

- '1' - Local Government Finance consultation and final settlement – 2019
'2' - Revenue Budget Report 2019/20

Appendix A – General Fund Capital programme

| Cost Centre | Scheme Name | 18-19 revised budget | 19-20 Revised | 20-21 Revised | 21-22 Revised | 22-23 Revised | 23-24 Revised | Total 2019-24 |
|-------------|---|----------------------|---------------|---------------|---------------|---------------|---------------|---------------|
| | Children, Learning and Skills | £'000 | £'000 | £'000 | £'000 | £'000 | £'000 | £'000 |
| P051 | Primary Expansions (Phase 2 for 2011) | 1,619 | 500 | | | | | 500 |
| P076 | Town Hall Conversion | 400 | 0 | | | | | 0 |
| P093 | Schools Modernisation Programme | 395 | 862 | 700 | 600 | 600 | | 2,762 |
| P101 | SEN Resources Expansion | 489 | 3,710 | 1,250 | 250 | 250 | | 5,460 |
| P749 | Children's Centres Refurbishments | 48 | 40 | 0 | | | | 40 |
| P783 | Schools Devolved Capital | 110 | 100 | 90 | 80 | 80 | | 350 |
| P673 | DDA/SENDA Access Works | | 50 | 0 | | 0 | | 50 |
| P139 | 323 High St/Haybrook | 118 | | 0 | | | | 0 |
| P123 | 2 year old expansion programme | 40 | 0 | 0 | | | | 0 |
| P153 | Special School Expansion | 2,693 | 10,700 | 5,850 | | | | 16,550 |
| P142 | Children's Centres IT | 81 | | 0 | | | | 0 |
| P095 | Secondary Expansion Programme | 10,893 | 12,800 | 0 | 0 | 0 | | 12,800 |
| | I-Connect Children's Centres | 20 | | 0 | | | | 0 |
| | Provision Wi-Fi in 6 Children's Centres | 20 | | 0 | | | | 0 |
| | Early Years Service Capital Development Programme | | 500 | 250 | 250 | 250 | | 1,250 |
| | Total Children, Learning & Skills | 16,926 | 29,262 | 8,140 | 1,180 | 1,180 | 0 | 39,762 |

| Cost Centre | Scheme Name | 18-19 revised budget | 19-20 Revised | 20-21 Revised | 21-22 Revised | 22-23 Revised | 23-24 Revised | Total 2019-24 |
|-------------|---|----------------------|---------------|---------------|---------------|---------------|---------------|---------------|
| | Chief Executive | £'000 | £'000 | £'000 | £'000 | £'000 | £'000 | £'000 |
| P580 | Mayrise Insourcing | 38 | 0 | | | | | 0 |
| P176 | Refuse fleet & Grounds Plant equipment | 667 | 0 | | | | | 0 |
| P581 | Domestic Wheeled Bins & Containers | 125 | 125 | 125 | 125 | 125 | 125 | 625 |
| | Total Chief Executive | 830 | 125 | 125 | 125 | 125 | 125 | 625 |
| Cost Centre | Scheme Name | 18-19 revised budget | 19-20 Revised | 20-21 Revised | 21-22 Revised | 22-23 Revised | 23-24 Revised | Total 2019-24 |
| | Regeneration | £'000 | £'000 | £'000 | £'000 | £'000 | £'000 | £'000 |
| P006 | Disabled Facilities Grant | 550 | 550 | 550 | 550 | 550 | | 2,200 |
| P005 | Housing Renovation Grant | 79 | 0 | 0 | 0 | | | 0 |
| P179 | James Elliman Homes | 25,950 | 7,950 | 16,200 | 16,600 | | | 40,750 |
| P102 | Local Sustainable Transport Fund | 299 | 0 | 0 | 0 | | | 0 |
| P111 | Major Highways Programmes | 863 | 765 | 765 | 765 | 765 | | 3,060 |
| P174 | Highways Maintenance Annual Programme | 849 | 524 | 0 | 0 | | | 524 |
| P160 | LED Upgrade | 7,892 | 0 | 0 | 0 | | | 0 |
| P728 | Highway Reconfigure & Resurface | 512 | 500 | 500 | 500 | 500 | | 2,000 |
| P881 | Colnbrook Bypass | 0 | 131 | 0 | 0 | | | 131 |
| P149/P098 | A332 Windsor Road Widening Scheme LEP | 4,637 | 0 | 0 | 0 | | | 0 |
| P148 | A355 Tuns Lane LEP Transport Scheme | 1,031 | 0 | 0 | 0 | | | 0 |
| | Flood Defence Measures SBC/EA Partnership | 100 | 0 | 0 | 0 | | | 0 |
| P189 | Potholes | 500 | 0 | 0 | 0 | | | 0 |
| P157 | Burnham Station LEP | 1,056 | 0 | 0 | 0 | | | 0 |
| P053 | Langley Station LEP | 1,314 | 0 | 0 | 0 | | | 0 |

| Cost Centre | Scheme Name | 18-19 revised budget | 19-20 Revised | 20-21 Revised | 21-22 Revised | 22-23 Revised | 23-24 Revised | Total 2019-24 |
|-------------|--|----------------------|---------------|---------------|---------------|---------------|---------------|---------------|
| P186 | Bridge Capital Works | 150 | 800 | 800 | 0 | | | 1,600 |
| | LTP Implementation Plan | 400 | 400 | 400 | 0 | | | 800 |
| P579 | A4 Cycle | 572 | 0 | 0 | 0 | | | 0 |
| | Community Transport Fleet | 981 | 0 | 0 | 0 | | | 0 |
| P155 | Air Quality Monitoring | 116 | 0 | 0 | 0 | | | 0 |
| P147 | DEFRA Air Quality | 15 | 0 | 0 | 0 | | | 0 |
| P125 | Electric Vehicle Network | 550 | 600 | 200 | 0 | | | 800 |
| P170 | Carbon Management-Fleet Challenge | 191 | 150 | 670 | 0 | | | 820 |
| P168 | Re-fit Programme | 587 | 1,300 | 484 | 0 | | | 1,784 |
| P054 | Slough Transport Model | 92 | 0 | 0 | 0 | | | 0 |
| | Car Club | 0 | 500 | 100 | 100 | 100 | | 800 |
| P194 | CPO Reserve | 200 | 1,900 | 0 | 0 | | | 1,900 |
| P185 | Manor Park Hall & Community Centre Refurbishment | 510 | 0 | 0 | 0 | | | 0 |
| P181 | Nova House Capital Loan | | 7,000 | 0 | 0 | | | 7,000 |
| P191 | Fire Risk Assessment Works | 500 | 0 | 0 | 0 | | | 0 |
| P184 | Refurbishment 2 Victoria St and 34 Herschel St | 431 | 0 | 0 | 0 | | | 0 |
| P128 | Corporate Property Asset Management | 250 | 250 | 0 | 0 | | | 250 |
| | Hub Development | 100 | 5,000 | 5,000 | 5,000 | | | 15,000 |
| P135 | Plymouth Road (dilapidation works) | 140 | 0 | 0 | 0 | | | 0 |
| P172 | TVU Development | 9,962 | 8,000 | | 0 | | | 8,000 |
| P156 | Strategic Acquisition fund | 52,243 | 0 | 0 | 0 | | | 0 |

| Cost Centre | Scheme Name | 18-19 revised budget | 19-20 Revised | 20-21 Revised | 21-22 Revised | 22-23 Revised | 23-24 Revised | Total 2019-24 |
|-------------|--|----------------------|---------------|---------------|---------------|---------------|---------------|----------------|
| P159 | Hotel development | 4,010 | 15,000 | 10,000 | 0 | | | 25,000 |
| P180 | Capital works following Stock Condition Survey | 2,400 | 2,400 | 2,400 | 2,400 | 2,400 | | 9,600 |
| P178 | Lease surrender Serena Hall | 162 | 0 | 0 | 0 | | | 0 |
| P193 | Purchase new Corporate HQ | 50,000 | 0 | 0 | 0 | | | 0 |
| P127 | Demolition Montem/TVU Site | | 1,950 | 1,950 | 0 | | | 3,900 |
| | Total Regeneration | 170,194 | 55,670 | 40,019 | 25,915 | 4,315 | 0 | 125,919 |
| | | | | | | | | |
| | Finance and Resources | £'000 | £'000 | £'000 | £'000 | £'000 | £'000 | £'000 |
| P143 | LAAP Mortgage Scheme | 1,000 | | | | | | 0 |
| P145/P161 | Financial Systems Upgrade | 0 | 1,000 | | | | | 1,000 |
| P578 | Digital Transformation | 162 | | | | | | 0 |
| P084 | IT Infrastructure Refresh | 781 | 3,000 | 350 | 350 | 350 | 350 | 4,400 |
| P109 | Superfast Broadband | 20 | | | | | | 0 |
| P871 | Community Investment Fund | 1,817 | 1,050 | 1,050 | 1,050 | 1,050 | 1,050 | 5,250 |
| | Total Finance and Resources | 3,780 | 5,050 | 1,400 | 1,400 | 1,400 | 1,400 | 10,650 |
| | | | | | | | | |
| | Adults and Communities | £'000 | £'000 | £'000 | £'000 | £'000 | £'000 | £'000 |
| P331 | Care Act: Social Care IT Developments | 518 | | | | | | 0 |
| P577 | Learning Disability Change Programme | 2,170 | | | | | | 0 |
| P133 | Extra Care Housing | 1,849 | 800 | | | | | 800 |
| P183 | Management Information Centre | 140 | | | | | | 0 |
| P083 | Cemetery Extension | 2,240 | | | | | | 0 |
| P873 | Crematorium Project | 84 | | | | | | 0 |
| | Autism Capital Grant | 18 | | | | | | 0 |
| P107 | Repairs to Montem | 140 | | | | | | 0 |

| Cost Centre | Scheme Name | 18-19 revised budget | 19-20 Revised | 20-21 Revised | 21-22 Revised | 22-23 Revised | 23-24 Revised | Total 2019-24 |
|-------------|--------------------------------------|----------------------|---------------|---------------|---------------|---------------|---------------|----------------|
| P162 | Community Leisure Facilities | 251 | | | | | | 0 |
| P141 | Langley Leisure Centre | 2,197 | | | | | | 0 |
| P969 | Salt Hill Leisure | 1,941 | | | | | | 0 |
| P165 | Leisure Centre Farnham Road | 11,938 | | | | | | 0 |
| P164 | New Ice | 1,581 | | | | | | 0 |
| | Total Adult & Communities | 25,067 | 800 | 0 | 0 | 0 | 0 | 800 |
| | Total | 216,797 | 90,907 | 49,684 | 28,620 | 7,020 | 1,525 | 177,756 |
| | | | | | | | | |
| | FUNDING | | | | | | | |
| | Grant Funded | 29,674 | 20,292 | 7,875 | 1,895 | 1,030 | 1,525 | 32,617 |
| | Borrowing | 179,448 | 67,615 | 39,809 | 26,200 | 5,865 | | 139,489 |
| | Section 106 | 7,675 | 3,000 | 2,000 | 525 | 125 | | 5,650 |
| | Total | 216,797 | 90,907 | 49,684 | 28,620 | 7,020 | 1,525 | 177,756 |

Appendix B – HRA Capital programme

| Cost Centre | Scheme name | 18/19 revised | 19-20 revision | 20-21 revision | 21-22 revision | 22-23 revision | 23-24 revision | 23-24 revision |
|-------------|--|---------------|----------------|----------------|----------------|----------------|----------------|----------------|
| | | £'000 | £'000 | £'000 | £'000 | £'000 | £'000 | £'000 |
| | Housing Revenue Account | | | | | | | |
| | Decent Homes | | | | | | | |
| P409 | Boiler Replacement | 500 | 500 | 500 | 500 | 500 | 1,805 | 3,805 |
| P410 | Heating / Hot Water Systems | 317 | 317 | 317 | 317 | 317 | 703 | 1,971 |
| P412 | Front / Rear Door replacement | 237 | 125 | 125 | 125 | 125 | 424 | 924 |
| P413 | Kitchen Replacement | 410 | 410 | 410 | 410 | 410 | 348 | 1,988 |
| P414 | Bathroom replacement | 256 | 256 | 256 | 256 | 256 | 277 | 1,301 |
| P415 | Electrical Systems | 136 | 136 | 136 | 136 | 136 | 419 | 963 |
| P417 | Roof Replacement | 628 | 628 | 628 | 628 | 628 | 1,243 | 3,755 |
| P418 | Structural | 802 | 802 | 802 | 802 | 802 | 1,118 | 4,326 |
| | Total Decent Homes | 3,286 | 3,174 | 3,174 | 3,174 | 3,174 | 6,337 | 19,033 |
| | Planned Maintenance - Capital | | | | | | | |
| P419 | Garage Improvements | 344 | 150 | 150 | 150 | 150 | 194 | 794 |
| P420 | Mechanical Systems /Lifts | 200 | 200 | 110 | 110 | 110 | 52 | 582 |
| P421 | Capitalised Repairs | 46 | 46 | 46 | 46 | 46 | | 184 |
| P423 | Darvills Lane - External Refurbs | 400 | 200 | 200 | 200 | 200 | | 800 |
| P565 | Estate Improvements/Environmental Works | 221 | 221 | 221 | 221 | 221 | 259 | 1,143 |
| P424 | Replace Fascias, Down pipes | 250 | 250 | | | | 236 | 486 |
| P425 | Upgrade Lighting/Communal Areas | 71 | 71 | 71 | 71 | 71 | 324 | 608 |
| P426 | Communal doors | 78 | 78 | 78 | 78 | 78 | 121 | 433 |
| P427 | Balcony / Stairs / Walkways areas | 171 | 171 | 171 | 171 | 171 | 62 | 746 |
| P428 | Paths | 91 | 90 | 91 | 91 | 91 | 382 | 745 |
| P429 | Store areas | 250 | | | | | 97 | 97 |
| P430 | Sheltered / supported upgrades | 0 | | | | | 324 | 324 |
| | Total Planned Maintenance - Capital | 2,122 | 1,477 | 1,138 | 1,138 | 1,138 | 2,051 | 6,942 |
| | Other | | Other | Other | Other | Other | | Other |
| P546 | Environmental Improvements | 498 | 100 | 100 | 100 | 100 | 130 | 530 |
| P406 | Stock Condition Survey | 469 | 160 | 160 | 160 | 160 | | 640 |

| Cost Centre | Scheme name | 18/19 revised | 19-20 revision | 20-21 revision | 21-22 revision | 22-23 revision | 23-24 revision | 23-24 revision |
|-------------|--|-----------------|-----------------|----------------|----------------|----------------|-----------------|-----------------|
| P407 | Commissioning of Repairs Maintenance and Investment Contract | 253 | | | | | | 0 |
| P405 | Tower and Ashbourne | 3,933 | | | | | | 0 |
| P547 | Major Aids & Adaptations | 144 | 250 | 250 | 250 | 250 | 324 | 1,324 |
| P575 | Affordable Homes | 10,758 | 22,000 | | | | 11,017 | 33,017 |
| P779 | Britwell Regeneration | 0 | | | | | | 0 |
| P408 | Broom and Poplar Fire Upgrade | 2,963 | | | | | | 0 |
| | Budget Virement from HRA Projects for Broome and Poplar | -2,963 | | | | | | |
| | Total Other | 16,055 | 22,510 | 510 | 510 | 510 | 11,471 | 35,511 |
| | TOTAL | 21,463 | 27,161 | 4,822 | 4,822 | 4,822 | 19,859 | 61,486 |
| | Funding | | | | | | | |
| | Section 106 (AH) | | | | | | | |
| | Capital Receipts | (3,227) | (6,600) | 0 | 0 | 0 | (3,305) | (9,905) |
| | Major Repairs Reserve | (9,300) | (10,561) | (4,822) | (4,822) | (4,822) | (8,554) | (33,581) |
| | RCCO | (8,936) | (10,000) | | | | (8,000) | (18,000) |
| | TOTAL | (21,463) | (27,161) | (4,822) | (4,822) | (4,822) | (19,859) | (61,486) |

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SLOUGH BOROUGH COUNCIL

REPORT TO: Council **DATE:** 21st February 2019

CONTACT OFFICER: Shabana Kauser, Senior Democratic Services Officer
(For all Enquiries) (01753 787503)

WARD(S): ALL

PART I
FOR DECISION**RECOMMENDATION OF THE LICENSING COMMITTEE FROM ITS MEETING HELD ON 14TH FEBRUARY 2019****LICENSING ACT 2003: REVIEW OF STATEMENT OF LICENSING POLICY 2019-2024**1. **Purpose of Report**

To consider a recommendation of the Licensing Committee from its meeting held on 14th February 2019 for the Council to formally adopt the revised Statement of Licensing Policy for the period 2019 -2024.

2. **Recommendation**

The Council is requested to recommend that the draft revised Statement of Licensing Policy 2019-2024 is adopted as the Council's Licensing Policy.

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

The review of the Statement of Licensing Policy under the Licensing Act 2003 is a statutory requirement. The Act requires each licensing authority to prepare and publish a statement of licensing policy. The policy statement sets out how the authority intends to approach its licensing responsibilities and in particular how it intends to promote the four Licensing Objectives.

Each authority is required to keep its statement of policy under review and make any revisions it considers appropriate.

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

The Licensing Act 2003 imposes a duty on the Council, as the licensing authority, to carry out its functions under the 2003 Act with a view to promoting the four licensing objectives of:

- The prevention of crime and disorder
- Public safety
- The prevention of public nuisance
- The protection of children from harm

Each of these objectives is of paramount and equal importance.

The revised Statement of Licensing Policy contributes to the following wellbeing priorities:

Priorities:

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

3b. **Five Year Plan Outcomes**

The report outlines the statutory requirement for each licensing authority to prepare and publish a Statement of Licensing Policy and that it must be kept under review during each 5 year period. If a revision is conducted during the 5 year period, it will not require a further review until 5 years after the date of the publication of the revised Policy.

The statutory requirement to prepare and publish a Statement of Licensing Policy contributes toward the Five Year Plan with the specific outcomes of:

1. Our children and young people will have the best start in life and opportunities to give them positive lives.
2. Slough will be an attractive place where people choose to live, work and visit.
3. Slough will attract, retain and grow businesses and investment to provide jobs and opportunities for our residents.

4. **Other Implications**

(a) Financial

There are no financial implications of the proposed action.

(b) Risk Management

| Recommendation | Risk/Threat/Opportunity | Mitigation(s) |
|--|--|--|
| The Committee is requested to recommend to Full Council that the draft revised Statement of Licensing Policy 2019-2024 is adopted as the Council's Licensing Policy. | The Licensing Act 2003 requires that the Licensing Authority have in place a policy document to adhere to in order to carry out its functions under the Licensing Act 2003 | Licensing functions cannot be carried out without a policy document in place |

(c) Human Rights Act and Other Legal Implications

Section 1 and Schedule 1 Part 1 and 11 of The Human Rights Act 1998 apply:

Article 1 – Every person is entitled to a peaceful enjoyment of his or her possessions including the possession of a licence and shall not be deprived of the possession except in the public interest.

Article 6 – That in the determination of civil rights and obligations everyone is entitled to a fair and public hearing within a reasonable time by an independent and impartial tribunal by law.

The Licensing Act 2003 requires the Council, as the licensing authority, to prepare and publish a statement of its licensing policy every 5 years. In determining its policy, the Council is exercising a licensing function and as such must have regard to the Guidance issued by the Secretary of State under section 182 of the 2003 Act. It must also give appropriate weight to the views of those persons/bodies which it is required to consult before determining its policy. Although the Guidance represents best practice, it is not binding on the Council. As long as the Guidance has been properly and carefully understood and considered, licensing authorities may depart from it if they have reason to do so. In this event they will need to give full justifiable reasons for their decisions, which must be consistent with the objectives of the 2003 Act.

The Council is required to have regard to the statement of licensing policy and make decisions in accordance with it. Licensing authorities may depart from their policy if the individual circumstances of any case merit such a decision in the interests of promoting the licensing objectives. In this event it is important that full justifiable reasons are given for departing from the published statement of licensing policy.

Members should note that the 2003 Act imposes a duty on the Council, as the licensing authority, to carry out its functions under the Act with a view to promoting the four licensing objectives. Each of these objectives is of paramount and equal importance.

Members should note that the statement of licensing policy must not be inconsistent with the provisions of the 2003 Act and must not override the right/s of any individual as provided for in that Act. Nor must the statement of licensing policy be inconsistent with obligations placed on the Council under any other legislation, including human rights legislation. Members should also note that the Council has a duty under Section 17 of the Crime and Disorder Act 1998, when carrying out its functions as a licensing authority under the 2003 Act, to do all it reasonably can to prevent crime and disorder within the Borough.

Under the Local Authorities (Functions and Responsibilities) (England) Regulations 2000, decisions relating to licensing matters are not the responsibility of an authority's executive. The 2003 Act provides that whilst the majority of the functions of the licensing authority, are to be taken or carried out by its licensing committee, decisions relating to the statement of licensing policy cannot be delegated in such a way. The decision on whether to adopt the statement of licensing policy must therefore be taken by Full Council.

(d) Equalities Impact Assessment

An Equality Impact Assessment has been carried out that indicates that there are no negative impacts of opportunity for any equality target group or for any reasons.

5. Supporting Information

- 5.1 The Licensing Act 2003 introduced a new regime for the licensing of alcohol, regulated entertainment and late night refreshment, administered by a local licensing authority.
- 5.2 The Act requires each licensing authority to prepare and publish a Statement of Licensing Policy. The policy statement sets out how the authority intends to approach its licensing responsibilities and in particular how it intends to promote the four Licensing Objectives.
- 5.3 Each authority is required to keep its statement of policy under review and make any revisions it considers appropriate. Previously the statutory requirement under the 'Act' was for the Local Authority to review the Statement of Licensing Policy every 3 years. However the Police Reform and Social Responsibility Act 2011 amended the 2003 Act as follows:
- a) The period for which full revisions are to be made is now 5 years
 - b) It must be kept under review during that period
 - c) If a revision is conducted during the 5 years period, it will not require a further review until 5 years after the date of the publication of the revised Policy.
- 5.4 The current policy approved in 2014 - 2019, took effect in January 2014 to cover the period up to January 2019.
- 5.5 The five year review of the Statement of Licensing Policy has now been conducted and the summary of minor changes, deletions and additions to the revised policy document are detailed at **Appendix A**.
- 5.6 The revised draft Policy was subject to public consultation, which commenced on the 13th December 2018 and concluded on the 18th January 2019. The Council is required to follow a prescribed process and a list of the consultees is attached at **Appendix B**.
- 5.7 Although a number of requests were made for copies of the revised draft policy, there has been very little response to the consultation, as it is generally realised that the discretion of the Council in reviewing the Policy is very limited as the Licensing Act 2003, the Regulations under the Act and the Government Guidance closely prescribe how licensing authorities carry out the licensing functions.
- 5.8 Only one response has been received to the consultation which is attached at **Appendix C**.
- 5.9 The draft revised policy, which is attached at **Appendix D**, reflects the necessary changes, deletions and amendments.

6. Comments of Other Committees

This report will be considered by the Licensing Committee at its meeting on 14th February and any comments will be reported to the meeting.

7. Conclusion

That the Council consider details of and approve the Statement of Licensing Policy 2019-2024.

8. Appendices Attached

'A' - Summary of changes and additions

'B' - List of consultees

'C' - Response to consultation

'D' - Revised draft Statement of Licensing Policy

9. Background Papers

'1' - Licensing Act 2003

'2' - Secretary of States Guidance issued under Section 182 of the Licensing Act 2003 (Revised Aril 2018).

'3' - Equality Impact Assessment.

APPENDIX A

SUMMARY OF MAIN CHANGES AND ADDITIONS

Contents Pages

1. Reformatting with deletions and new insertions.
2. Page and paragraph numbering following deletions and new insertions.
3. Deletion of reference for Designated Public Places Order and Appendix E.

Page 8 - Reformatting of Licensable Activities

Page 11 – Amendments to reference to section 182 Guidance

Page 12 – Insertion of reference to Human Rights Act 1998

Page 13 – Safer Clubbing Guide amended to Safer Nightlife Guide

Page 13 – Removal of reference to Section 40 & 41 Anti-Social Behaviour Act 2003

Page 13 – Inclusion of Section 35 Anti-Social Behaviour, Crime and Policing Act 2014

Page 14 – Insertion of Closure Notices and Closure Orders

Page 15 – Amendment and rewording to Equality of Opportunity

Page 29 – Insertion of Immigration Matters

Page 38 – Deletion of Film Exhibitions

Page 38 – Insertion of Exhibition of Films (Condition)

Page 39 – Deletion of Drinks Promotions and Binge Drinking

Page 38 – Insertion of Door Supervision (Condition)

Page 39 – Insertion of Authorisation of Alcohol (Condition)

Page 39 – Insertion of Mandatory Conditions (2014)

Deletion of Designated Public Places Order maps

APPENDIX B

| |
|--|
| All Responsible Authorities <ul style="list-style-type: none">- Thames Valley Police- Royal Berkshire Fire and Rescue Service- SBC Neighbourhood Enforcement Team- SBC Planning Development Control Services- SBC Trading Standards and Food Teams- Environmental Health- Local Safeguarding Children's Board- Service Lead Public Health |
| All current Premises Licence holders, with and without alcohol |
| All current holders of Club Premises Certificates |
| All elected Members of Slough Borough Council |
| All religious establishments |
| Residents Associations |
| All neighbouring and other Berkshire Local Authorities |
| Placing the consultation on the Council website for public consultation |
| Safer Slough Partnership |

APPENDIX C

One response received from a Club Premises Operator.

We have been through the new licencing policy our observations are as follows

We are surprised to see that the population of slough is exactly the same, and also the amount of licence premises are the same.

We notice that you have incorporated European Convention on human rights act 1998 will remain after Brexit.

We note the inclusion of immigration matters 5.1

Could the reference 5.17 in the yellow and red card review applications read 5.20

Sections 6.9 to 6.20 have been expanded.

The changes to appendix B are noted

APPENDIX D

STATEMENT OF LICENSING POLICY

LICENSING ACT 2003

2019 - 2024

DRAFT

Licensing Policy

| | |
|-----------------|-------------------|
| Document Number | 01 |
| Version Number | 6.00 |
| Date approved | |
| Effective | |
| Contact Officer | Licensing Manager |

| Change History | | |
|----------------|----------|--|
| Version No | Date | Change Details |
| 1.00 | 30/07/13 | Initial Draft |
| 2.00 | 08/08/13 | Revised Draft consultation with Legal Services |
| 3.00 | 30/08/13 | Legal Services comments included |
| 4.00 | 21/11/13 | Following consultation |
| 5.00 | 29/11/18 | Revised Draft for Consultation |
| 6.00 | 18/01/19 | Final draft following consultation. |
| | | |
| | | |

| Related Documents | |
|--|----------|
| Document Title | Location |
| Licensing Act 2003 | |
| Guidance issued under section 182 of the Licensing Act 2003 (April 2018) | |

If you have any further questions about this Policy or for further information, including applications forms, please contact:

Licensing Manager,
 Slough Borough Council,
 Landmark Place,
 High Street,
 Slough
 Berkshire
 SL1 1JL

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1. Introduction

- 1.1. The Borough of Slough is located In the Thames Valley, 20 miles to the west of the centre of London and close to Windsor, Maidenhead and Reading. The Borough covers an area of 32.5 square kilometres. These areas are shown in the map below.
- 1.2 The population of Slough is 149,400. It is a culturally diverse Borough with a range of communities. Slough is often described as a “fusion of different cultures.” There are strong Indian and Pakistani communities and more than a third of the population are from minority ethnic communities.
- 1.3 Slough Borough Council currently licences 308 premises licensed to serve Alcohol, supply late night refreshment and regulated entertainment. In doing so the Council has regard to drinking habits, sales to underage persons and crime and disorder which are relevant to the Authority’s licensing functions and which applicants and existing licenses also need to consider.
- 1.4 There are varied entertainment venues in the Borough including Members’ Clubs. There are betting premises in Slough Town Centre and in suburban locations. There are 3 amusement arcades and a Bingo Hall in Slough Town Centre.
- 1.5 A map of the Borough is appended at **Appendix D**.

2. Scope of the Licensing Policy

- 2.1 Slough Borough Council is a Licensing Authority for the purpose of the Licensing Act 2003. In pursuance of its duties and powers under the Licensing Act 2003 (as amended), the Authority makes a statement as to its Policy in respect of the provisions of the Act and will use this Policy as a framework against which licensing decisions will be made.
- 2.2 The Statement of Licensing Policy aims to promote the Licensing Objectives whilst facilitating a sustainable entertainment and cultural industry. In adopting the Licensing Policy the Council recognises both the needs of residents for a safe and healthy environment in which to live and work together with the importance of safe and well run entertainment premises, all of which promote the local economy and vibrancy of the Borough.
- 2.3 The Licensing Objectives are:
- (a) The prevention of crime and disorder**
 - (b) Public safety**
 - (c) The prevention of public nuisance**
 - (d) The protection of children from harm**

The Authority has a duty under the Act to carry out its functions so as to promote the four licensing objectives, which are equally important.

- 2.4 The Licensing Authority has had regard to the Guidance issued by the Secretary of State in drawing up this Statement of Licensing Policy¹.

Integrating strategies, policies, objectives and legislation

- 2.5 The Policy provides guidance to applicants, objectors and interested residents on the general approach the Authority will take in terms of licensing. Although each licence application must be considered separately on its merits, in adopting the licensing policy, the Authority is making it clear that wider considerations other than the fitness of the applicant and suitability of the premises
- 2.6 The Authority liaises with local crime prevention agencies, planning, transport, health groups, cultural bodies and licensed premises.
- 2.7 The Authority has endeavoured to secure proper integration with local crime prevention, public health planning, transport, tourism and cultural

1

<https://www.gov.uk/government/publications/explanatory-memorandum-revised-guidance-issued-under-s-182-of-licensing-act-2003>

- strategies. It will seek to discharge all such responsibilities so far as they impact the Licensing Objectives. It is also bound by a range of legislation, to which it will have due regard.
- 2.8 The Policy is not intended to duplicate existing legislation and regulatory regimes that already place obligations on employers and operators e.g. Health and Safety at Work etc Act 1974, the Environmental Protection Act 1990, Regulatory Reform (Fire Safety) Order 2005, Equality Act 2010, building regulations. Therefore, the Authority will not attach conditions to a licence unless they are considered appropriate for the promotion of the licensing objectives and are not already adequately covered by other legislation.
- 2.9 In preparing this Policy, the Authority has consulted in accordance with the requirements of the Act and has had due regard to the Guidance issued under section 182 Licensing Act 2003.
- 2.10 This Policy is prepared in accordance with Section 5 of the Act, having regard to the Secretary of State's guidance issued under Section 182 of the Act. The Policy statement will remain in existence for a period of five years during which period it will again be subject to review as and when necessary.
- 2.11 The Authority shall, as required by Section 4 of the Act, have regard to this Policy in its decision-making. The Policy may be departed from if the individual circumstances of any case merit this and it is in the interests of the licensing objectives. In such cases the Authority shall give full reasons for departing from this Policy.
- 2.12 Where revisions are made by legislation or guidance issued by the Secretary of State, there may be a period of time when the Statement of Licensing Policy is inconsistent with these revisions. In these circumstances, the Licensing Authority will have regard, and appropriate weight, to the relevant changes, guidance and its own Statement of Licensing Policy.

Fundamental principles

- 2.13 The Authority recognises that its power to reject applications or to apply conditions to Premises Licences and Club Premises Certificates is constrained by the terms of the Act.
- 2.14 The Authority recognises that in relation to TENs it has no power to:
- (a) Attach any condition(s) to a Temporary Event Notice. Unless the police or Environmental Health Officer have made a relevant representation which has not been withdrawn, and conditions may

- only be attached by a Licensing Committee only where the venue at which the event is to be held has an existing Premises Licence or a Club Premise Certificate;
- (b) Modify mandatory conditions;
- 2.15 The Authority recognises that in relation to Premises Licences and Club Premises Certificates it has no power to:
- (a) Attach conditions to a Premises Licence or Club Premises Certificate (other than appropriate Mandatory Conditions), unless those conditions are consistent with the operating schedule, submitted with an application or further to a relevant representation.
 - (b) To exclude from the scope of a Premises Licence or a Club Premises Certificate any of the licensable or qualifying activities to which the application relates (other than by way of determining a Review Application);
 - (c) Refuse to specify a person in a Premises Licence as the Designated Premise Supervisor;
 - (d) Reject the application - unless it has received a relevant representation about the application and then only to such extent as the Authority considers appropriate for the promotion of the licensing objectives and in the case of 2.16 to such extent as the crime prevention objective will be undermined.
- 2.16 The Authority can refuse a minor variation if the application undermines one or more of the licensing objectives.
- 2.17 Throughout this Policy the Authority has outlined the standards which it expects to be addressed in applications.
- 2.18 This Policy does not override the right of any person to make representations on an application or to seek a Review of a licence or certificate where provision has been made for them to do so in the Act.
- 2.19 It is recognised that the licensing function is only one means of securing the delivery of the licensing objectives and should not therefore be seen as a panacea for solving all problems within the community. The licensing process can only seek to control those measures within the control of the licensee and in the vicinity of the licensed premises. The Authority will continue to work in partnership with neighbouring local authorities, the police, local businesses and residents to promote the licensing objective as outlined.

Licensable activities

- 2.20 The Council is the “Licensing Authority” for the purposes of the Licensing Act 2003 (“the Act”) and is responsible for granting licences, certificates and notices in the Borough of Slough for the activities described by the

Act as “Licensable Activities”.

These activities include:-

- (a) Retail sale of alcohol, including pubs, nightclubs and shops
- (b) Supply of alcohol to club members
- (c) Provision of “regulated entertainment” (listed below) – to the public, to Club members or with a view to profit
- (d) The supply of hot food and/or drink from any premises between 11.00 pm and 5.00 am – the provision of “Late Night Refreshment”.

Regulated Entertainment

- (1) A performance of a play (more than 500 persons and/or between 2300 and 0800)
- (2) A showing of a film
- (3) An indoor sporting event (more than 1000 persons and/or between 2300 and 0800)
- (4) Boxing or wrestling entertainment (whether indoor or outdoor for more than 1000 persons and/or between 2300 and 0800))
- (5) A performance of live music (but note the changes brought in by the Live Music Act 2012-see ‘NOTE’ below;
- (6) Any playing of recorded music (but note the changes brought in by the Live Music Act 2012-see ‘NOTE’ below;
- (7) A performance of dance (more than 500 persons and/or between 2300 and 0800)
- (8) Entertainment of a similar description to that falling within the performance of live music, the playing of recorded music and the performance of dance, and including karaoke

NOTE- The Live Music Act 2012 and Deregulation Act 2015 amended the Licensing Act 2003 by deregulating aspects of the performance of live and recorded music so that, in certain circumstances, it is not a licensable activity.

However, live and recorded music remains licensable;

- Where a performance of live (amplified or unamplified) and/or recorded music– whether amplified or unamplified – takes place before 0800 and after 2300 on any day

- Where a performance of amplified live and/or recorded music does not take place either on relevant licensed premises, or at a workplace that is not licensed other than for the provision of late night refreshment
- Where a performance of amplified live and/or recorded music takes place at relevant licensed premises, at a time when those premises are not open for the purposes of being used for the supply of alcohol for consumption on the premises
- Where a performance of amplified live and/or recorded music takes place at relevant licensed premises, or workplaces, in the presence of an audience of more than 500 people or
- Where a licensing authority intentionally removes the effect of the deregulation provided for by the 2003 Act when imposing a condition on a premises licence or certificate as a result of a licence review

NOTE- The Licensing Act 2003 (Descriptions of Entertainment) (Amendment) Order 2013 (from 27 June 2013) deregulates aspects of the performance of a play, performance of dance and indoor sporting events.

- It deregulates performance of plays / dance for audiences of up to 500 people, between the hours of 08:00 and 23:00 (with the exception of dancing for which a Sexual Entertainment Venue Licence is required);
- It deregulates indoor sporting events for audiences of up to 1000 people, between the hours of 08:00 and 23:00; and
- It clarifies that Combined Fighting Sports (Mixed Martial Arts etc) are a form of Boxing and Wrestling and will continue to be regulated.

3. Integration with other strategies and policies

Planning

- 3.1 The Authority recognises that licensing applications should not be seen as a re-run of the planning application process and that there should be a clear separation of the planning and licensing regimes to avoid duplication and inefficiency. However, the Authority will normally expect applicants to demonstrate that, their proposed use of the premises is lawful in planning terms, including complying with any conditions that may be imposed upon a planning consent, prior to applications under this Act being submitted. Nevertheless, the Council recognises that it is permissible for applications for licences to be made before any relevant planning permission has been sought or granted by the planning authority.
- 3.2 As outlined at paragraph 14.65 of the Consolidated Guidance issued under Section 182 of the Licensing Act 2003 (April 2018 version)², there are also circumstances when as a condition of planning permission a terminal hour has been set for the use of premises for commercial purposes. Where these hours are different to the licensing hours, the applicant MUST observe the earlier closing time. Premises operating in breach of their planning permission would be liable to prosecution under planning law.
- 3.3 Where a licence application is to be determined by the Licensing Sub Committee, the Sub Committee in such cases will normally impose a condition to the effect that the licence will not become effective until the relevant planning consent has been obtained.
- 3.4 Slough Borough Council's planning policies relating to the assessment of planning applications are contained in the Slough Local Government Framework Core Strategy 2006-2026, and the saved policies in the Slough Local Plan. A draft of the Site Allocations Development Plan Document has been prepared. This contains more details on specific sites and a boundary of the town centre within which particular sites are identified for regeneration purposes.

Portman Group Code of Practice on the Naming, Packaging and Promotion of Alcoholic Drinks

- 3.5 The Portman Group operates, on behalf of the alcohol industry, a Code of Practice on the Naming, Packaging and Promotion of Alcoholic Drinks. The Code seeks to ensure that drinks are packaged and promoted in a

<https://www.gov.uk/government/publications/explanatory-memorandum-revised-guidance-issued-under-s-182-of-licensing-act-2003>

socially responsible manner and only to those who are 18 years or older. The Code is an important weapon in protecting children from harm because it addresses the naming, marketing and promotion of alcohol products sold in licensed premises in a manner which may appeal to or attract minors. The Authority commends the Portman Group Code and licence holders should have regard to it.

Alcohol Harm Reduction Strategy

- 3.6 In applying this Policy, the Authority will have regard to the Government's Alcohol Harm Reduction Strategy and the Berkshire East Alcohol Harm Reduction Strategy in promoting the licensing objectives.

Crime & Disorder Act 1998

- 3.7 Further to section 17 of the Crime & Disorder Act 1998, in applying this Policy the Authority will exercise its various functions with due regard to the likely effect of these functions on, and will do all that it reasonable can to prevent, crime and disorder in the Slough area. The Authority will also have regard to the Safer Slough Partnership, which incorporates both local and national strategies. In addition the Authority will liaise with the Slough Crime Reduction Partnership in order to reduce crime, misuse of drugs and the fear of crime.

Policing and Crime Act 2009

- 3.8 In applying this Policy, the Authority will have regard to their obligations under Part 3 relating to alcohol misuse, (children) changes to the mandatory condition, and the licensing authority as a Responsible Authority.

Human Rights Act 1998

- 3.9 The Human Rights Act 1998, incorporating the European Convention on Human Rights, makes it unlawful for a local authority to act in a way, which is incompatible with a Convention right. The Licensing Authority will have regard to the Human Rights Act when exercising its licensing functions, with particular reference to the following relevant provisions of the European Convention on Human Rights:-

- Article 6 – In the determination of civil rights and obligations every person is entitled to a fair and public hearing within a reasonable time by an independent and impartial tribunal established by law.
- Article 8 – Every person has the right to respect for his home and private and family life.
- Article 1 of the First Protocol – Every person is entitled to the peaceful

enjoyment of his or her possessions.

Slough Pub Watch

- 3.10 In Slough a 'Pub Watch' Scheme has been established by licensees with the support of the Police and the Council. The Borough has been divided into areas, with a total of four meetings being held each month at different venues throughout the Borough. The Authority recognises the significant support and value that these associations give to the achievement of the licensing objectives. The meetings are currently well supported by both 'on licence' and 'off licence' venues.
- 3.11 The Authority will support these associations and their aims and objectives.

Drug use and safer clubbing

- 3.12 The Authority recognises that drug use by young people in a club environment is not something that applies to all licensed premises. However, it is also recognised that special conditions will need to be imposed for certain types of venues to reduce the sale and consumption of drugs and to create a safer environment for those who may have taken them.
- 3.13 The Home Office, in partnership with the London Drugs Policy Forum has produced the Safer Nightlife Guide that provides Best practice for those concerned about drug use and the night-time Economy. The latest Guide can be viewed or downloaded in full from the 'Safernightlife' website.
http://newip.safernightlife.org/pdfs/digital_library/uk_safer_nightlife_guideline.pdf
- 3.14 In applying this Policy in respect of nightclubs and dance events the Authority will have regard to their obligations under section 17 of the Crime and Disorder Act 1998, in that the Authority will do all that it reasonably can to prevent crime and disorder in the Slough area. The Authority, will liaise with the Slough Crime Reduction Partnership and the Drug and Alcohol Action Team in order to reduce crime, misuse of drugs and the fear of crime.

Anti-social behaviour

- 3.15 The Authority is also aware and will support the use by police of the issue of written directions under Section 35 of the Anti-Social Behaviour, Crime and Policing Act 2014, whereby a person may receive, a '48 hour' ban from a specific area. A person given a direction under Section 35 who fails without reasonable excuse to comply with it commits an offence.

Closure Notices and Closure Orders.

- 3.16 The Anti-Social Behaviour, Crime and Policing Act 2014 provides both the Police and the local authority with powers to close premises for a certain period of time:
- 3.17 Section 76 of the Anti-social Behaviour, Crime and Policing Act 2014, states that a police officer of at least the rank of inspector, or the local authority, may issue a closure notice if satisfied on reasonable grounds that the use of the particular premises has resulted or is likely soon to result in nuisance to members of the public, or that there has been or is likely soon to be disorder near those premises associated with the use of those premises, and that the notice is necessary to prevent the nuisance or disorder from continuing, recurring or occurring. A closure notice prohibits access to the premises for a period specified in the notice (up to 48 hours) and may prohibit access by all persons except those specified, at all times and in all circumstances (or those specified).
- 3.18 Whenever a closure notice is issued an application can be made to a magistrates' court for a closure order. This can be made by a constable or the local authority and must be heard by the magistrates' court not later than 48 hours after service of the closure notice. A closure order can be for up to 3 months.

Door supervisors

- 3.19 Whenever persons are employed at licensed premises to carry out any security function they must be licensed with the Security Industry Authority (SIA). Competent and professional door supervisors are key to public safety at licensed premises and the provision of door supervisors is an action point for the leisure industry to consider in the Home Office Alcohol Harm Reduction Strategy. If a licensee directly employs security operatives he/she will need to be licensed by the SIA.
- 3.20 The Police may consider that certain premises require strict supervision for the purpose of promoting the reduction of crime and disorder. In particular, the Authority will normally support an approach that requires door supervisors to be employed at premises that open beyond midnight, unless it can be demonstrated that this is unnecessary, having regard to the licensing objectives.
- 3.21 Applicants for premises licences and club premises certificates should note, that the Authority may only attach conditions to licences, if such conditions are consistent with the operating schedule submitted as part of the application process, or if relevant representations are received.
- 3.22 Where premises close before midnight, door supervisors may still have to be employed, if the risks associated with the operation warrant such an

approach. The number of door supervisors to be employed, would need to be determined as a result of a risk assessment, carried out by the designated premises supervisor. However, it is recommended that a minimum of one door supervisor per 100 customers be used. Consideration also needs to be given to the ratio of male and female door supervisors, which are appropriate for particular premises.

Crime prevention

- 3.23 Conditions attached to premises licences and club premises certificates will, so far as possible, reflect local crime prevention strategies.
- 3.24 Where relevant representations are received the Authority may impose conditions, for example, requiring the use of CCTV both inside and outside of licensed premises for the purpose of minimising crime disorder and disturbance. Again, applicants for licences should note that the Authority might only attach conditions to licences if such conditions are consistent with the operating schedule submitted as part of the application process, or if relevant representations are received.

CCTV

- 3.25 The Authority must have regard to the 'Surveillance Camera Code of Practice' with regards to considering the imposition of conditions relating to CCTV and in particular to Section 1.15 as follows:

"1.15 When a relevant authority has licensing functions and considers the use of surveillance camera systems as part of the conditions attached to a licence or certificate, it must in particular have regard to guiding principle one in this code. Any proposed imposition of a blanket requirement to attach surveillance camera conditions as part of the conditions attached to a licence or certificate is likely to give rise to concerns about the proportionality of such an approach and will require an appropriately strong justification and must be kept under regular review. Applications in relation to licensed premises must take into account the circumstances surrounding that application and whether a requirement to have a surveillance camera system is appropriate in that particular case. For example, it is unlikely that a trouble-free community pub would present a pressing need such that a surveillance camera condition would be justified. In such circumstances where a licence or certificate is granted subject to surveillance camera system conditions, the consideration of all other guiding principles in this code is a matter for the licensee as the system operator."

Equality of opportunity

- 3.26 In carrying out its functions under the Licensing Act 2003, the Licensing Authority will be mindful of its duties under the Equality Act 2010 "to have

due regard to” the need to eliminate discrimination, advance equality of opportunity and foster good relations in regard to age, disability, gender reassignment, pregnancy and maternity, race, religion or belief, sex and sexual orientation

The Provision of Services Regulations 2009

- 3.27 Under the 2009 Regulations³, the Council is to ensure that all procedures relating to the access to or exercise of licensing may be easily completed, at a distance and by electronic means.

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³ <http://www.legislation.gov.uk/ukdsi/2009/9780111486276/contents>

4. Policies

General

- 4.1 This policy will apply to any licence application determined after the date the Authority resolved to make these policies operational, irrespective of the date on which the application was made.
- 4.2 In determining any licence application, the overriding principle adopted by the Authority will be that each application will be determined on its individual merits.

Children and licensed premises

- 4.3 The Act makes it an offence to permit children under the age of 16 who are not accompanied by an adult to be present on premises being used exclusively or primarily for supply of alcohol for consumption on those premises.
- 4.4 The Authority will take the necessary measures to protect children from harm. Harm to children includes physical, moral, and psychological harm in some way. The Authority will not seek to limit access by children to all types of premises. Additional controls may be necessary where:
 - (a) adult entertainment is provided;
 - (b) there have been convictions of members of the current management for serving alcohol to minors or with a reputation for underage drinking (other than in the context of the exemption in the 2003 Act relating to 16 and 17 year olds consuming beer, wine and cider in the company of adults during a table meal);
 - (c) requirements for proof of age cards or other age identification to combat the purchase of alcohol by minors is not the norm;
 - (d) there is a known association with drug taking or dealing;
 - (e) there is a strong element of gambling on the premises, but not small numbers of cash prize gaming machines;
 - (f) the supply of alcohol for consumption on the premises is the exclusive or primary purposes of the services provided at the premises.
- 4.5 The Council will impose conditions restricting access only to those who meet the required age limit in line with any certificate granted by the British Board of Film Classification or, in specific cases, a certificate given to the film by the Authority itself.
- 4.6 In the case of premises which are used for film exhibitions, licensees must include within their operating schedules arrangements for restricting children from viewing age restricted films classified according to the

recommendations of the British Board of Film Classification or the licensing authority itself.

- 4.7 Where a large number of children are likely to be present on any licensed premises, for example a children's show, pantomime, youth disco or similar event, an appropriate number of adult staff should be present to control the access and egress of children and to ensure their safety and protection from harm, and conditions to this effect will be necessary upon the licence.
- 4.8 Where staff have unaccompanied contact with and responsibility for direct supervision of children, the suitability of these staff must be verified by carrying out Criminal Records Bureau checks.
- 4.9 Some options available for limiting access by children would include:
- (a) limitations on the hours when children may be present;
 - (b) limitations on the presence of children under certain ages when particular specified activities are taking place;
 - (c) limitations on the parts of premises to which children may have access;
 - (d) age limitations (below 18);
 - (e) limitations or exclusions when certain activities are taking place;
 - (f) requirements for accompanying adults (including for example, a combination of requirements which provide that children under a particular age must be accompanied by an adult); and
 - (g) full exclusion of those people under 18 from the premises when any licensable activities are taking place.
- 4.10 The Authority is not able to impose any condition that specifically requires access for children to be provided at any premises. Where no restriction or limitation is imposed, the issue of access will be at the discretion of the individual licensee or club.
- 4.11 Venue operators seeking premises licences may volunteer such prohibitions and restrictions in their operating schedules because their own risk assessments have determined that the presence of children is undesirable or inappropriate. Where no relevant representations are made, any volunteered prohibitions or restrictions will become conditions.
- 4.12 The responsible authority for protecting children from harm for the Slough Borough Council area is the Local Safeguarding Children's Board.

Cumulative impact and need

- 4.13 Cumulative Impact Policy (CIP) for the purposes of this Policy, means the potential impact on the promotion of the licensing objectives of a

significant number of licensed premises concentrated in one area. For example, this may include the potential impact on crime and disorder or public nuisance on an area that a large concentration of licensed premises may have.

- 4.14 The adoption of a cumulative impact policy is a highly significant measure, because it creates a presumption against a particular form of economic development, and therefore, as a matter of good regulation a policy should not be adopted unless there is a sound reason to do so. Where problem premises are identified the Licensing Authority will review the consideration for a C.I.P.

Dispersal policy

- 4.15 Where there is a likelihood of residents living around licensed premises being disturbed by customers leaving venues, or there being an impact on crime and disorder from customers leaving venues, licensees may wish to consider putting in place a dispersal policy which sets out the steps in place to minimise the potential for disorder and disturbance as customers leave. This will assist licensees in their application being determined without representations being received

Drinking up & winding down time

- 4.16 Under the Act, drinking up time as existed in the Licensing Act 1964 no longer applies. However, it is neither in the Authority's, the personal or premises licence holders, residents or the customers interest, for customers to have to leave a premises immediately after purchasing a drink. Therefore the Authority will normally expect the service of alcoholic drinks to cease at least 30 minutes before customers are required to leave the premises, unless it can be demonstrated that this is unnecessary.
- 4.17 In the case of nightclubs, dance venues and similar premises, during the 30 minutes immediately after the service of alcohol ceases, designated premises supervisors will be expected to operate a winding down time. During this time licensees will be expected to slow down the pace, volume and type of music played so as to ensure that customers are not exiting into the street in an agitated state. During the winding down period, it may be appropriate that licensees alter the lighting, serve food, coffee and other soft drinks, all of which are permitted under the Act, depending on the licensing conditions granted.
- 4.18 In future, licensees may also consider the operation of a dedicated cab service from inside the premises. However, it should be borne in mind that if customers purchase food and soft drinks during this period, additional time may need to be allowed for the consumption of these purchases. Door staff should be stationed outside the premises to encourage customers to leave quietly to supplement written notices to that effect.

Early Morning Restriction Order (EMRO)

- 4.19 EMROs are designed to address recurring problems such as high levels of alcohol-related crime and disorder in specific areas at specific times in which serious public nuisance or alcohol related anti-social behaviour is not directly attributable to specific premises.
- 4.20 The Licensing Authority may introduce, vary or revoke an EMRO. This power enables the Authority to prohibit the sale of alcohol for a specified period between the hours of 12 midnight to 0600 hours in the whole or part of its area if it is satisfied that this would be appropriate for the promotion of the Licensing objectives.

Fire safety and capacity limits

- 4.21 The Authority is committed to ensuring public safety in licensed premises by working in close partnership with Royal Berkshire Fire and Rescue Service, subject to the provisions of the Regulatory Reform (Fire Safety) Order 2005.
- 4.22 The Authority will, when relevant representations are received from the Fire Authority, consider the implications relating to fire safety for each individual application for, or variation of, a premises licence. The Authority will seek to protect the safety of all persons at all licensed premises by ensuring that the requirements of the Fire Authority are met.
- 4.23 The Authority expects premises to be presented to the highest possible standards of safety and applicants to address the requirements of Health and Safety at Work and fire safety legislation. In order to avoid the necessity for representations to be made applicants should ensure that the Fire Authority have sight of such documentation as may be required in order to demonstrate compliance with the above.
- 4.24 “Safe Capacities” should only be imposed where appropriate for the promotion of public safety or the prevention of crime and disorder. If a capacity has been imposed through other legislation, it would be inappropriate to reproduce it in a premises licence. However if no safe capacity has been imposed the authority may consider it appropriate for a new capacity to be attached when licensable activities are taking place.

Gambling in licensed premises

- 4.25 The Gambling Act 2005 became effective in 2007 and a separate ‘Statement of Gambling Licensing Principles’ has been drawn up and approved by this Council⁴. The Authority will therefore have due regard to

⁴ <http://static.slough.gov.uk/downloads/Gambling-act-statement-of-principles.pdf>

the contents of the document in so much as its relevance to and bearing on the Licensing Policy.

Hours

- 4.26 The Authority recognises that fixed and artificially early closing times in certain areas can lead to peaks of disorder and disturbance on the streets when large numbers of people tend to leave licensed premises at the same time. Longer licensing hours regarding the sale of alcohol may therefore be considered as an important factor in reducing friction at late night food outlets, taxi ranks and other sources of transport in areas where there have previously been incidents of disorder and disturbance.

Hours of sales in off licences

- 4.27 Shops, stores and supermarkets will generally be permitted to sell alcohol for consumption off the premises during the normal hours they intend to open for shopping purposes. However, in the case of individual shops that are known to be a focus of disorder and disturbance, then subject to relevant representations being received, a limit on licensing hours may be appropriate.

Introducing an EMRO

- 4.28 The Home Office issued guidance⁵ outlining the process and matters that should be considered when the Authority believes an EMRO is required. The Authority will follow the guidance if it considers that an EMRO is required for an area in Slough. Any application for an EMRO must be approved by full Council.

Late Night Levy

- 4.29 The late night levy enables the authority to raise contributions towards the cost of policing the late night economy. The levy is payable by the holders of any premises licence between midnight and 0600 hours.
- 4.30 The Home Office have issued guidance on the process and matters that should be considered when the authority considers that it is appropriate to introduce a night time levy. Any application for a late night levy must be approved by full Council.

Late night refreshment

- 4.31 There are concerns about noise and nuisance, crime and disorder and

⁵ <https://www.gov.uk/government/publications/explanatory-memorandum-revised-guidance-issued-under-s-182-of-licensing-act-2003>

antisocial behaviour related to late night opening. Therefore, operators of late night refreshment premises wishing to open beyond 11pm will need to demonstrate clearly that nuisance, crime, disorder or antisocial behaviour will not result from their later operation.

- 4.32 In the case of premises which were in operation prior to the Act coming into force, the Authority will not seek to curtail operating hours unless there is evidence that such operation impacts negatively on the licensing objectives.

Licensed premises in residential areas

- 4.33 In general the Authority will deal with the issue of licensing hours on the individual merits of each application. However, when issuing a licence, stricter conditions are likely to be imposed with regard to noise control in the case of premises that are situated in largely residential areas. In general, public houses located in and catering for residential areas wishing to open beyond 11pm will need to demonstrate clearly that public nuisance will not result from later operation.

Noise

- 4.34 The Authority will assess each application having regard to noise and the likelihood of nuisance being caused to persons in the area. If licensees anticipate potential noise problems from their premises, or operate a pub (or similar premises) in a residential area and wish to open beyond 11pm, they should contact the Council's Neighbourhood Enforcement Team for advice and assistance.
- 4.35 The Authority may impose conditions in relation to licensed premises to prevent unnecessary noise, vibration and disturbance to local residents as it considers appropriate. This may include sound proofing requirements, restrictions on times when music or other licensable activities may take place, and may include technical restrictions on sound levels at the premises by the use of sound limiting devices properly set to prevent noise breakout and disturbance.
- 4.36 Conditions relating to limiting the hours of open-air entertainment, the use of outdoor areas, gardens and patios may be imposed to control and prevent unnecessary noise and disturbance.
- 4.37 Conditions may be imposed requiring the display of signs both inside and outside of the premises reminding customers to leave the premises quietly and to respect the rights of nearby residents.
- 4.38 The Authority may only attach conditions to the licences which are consistent with the operating schedule submitted as part of the application process or if relevant representations are received.

No smoking

- 4.39 In July 2007, the government introduced legislation to prohibit smoking in virtually all enclosed and substantially enclosed public places and workplaces. This includes both permanent and temporary structures such as tents and marquees. Smoking rooms in public places and workplaces are no longer allowed.
- 4.40 The new law also requires vehicles to be smoke free at all times if they are used:
- (a) to transport members of the public or;
 - (b) in the course of paid or voluntary work by more than one person regardless of whether they are in the vehicle at the same time.
- 4.41 As a consequence of the no smoking legislation, many licensed venues have external areas which could be designated for smoking purposes. However, a number of town centre venues do not have such areas, resulting in their customers having to smoke on the streets.
- 4.42 Where smoking subsequently takes place in either a beer garden or on the public highway and complaints of public nuisance or noise are received, the Authority will consider controls to limit the disturbance.
- 4.43 In order to assist town centre venues in segregating and regulating smokers, as well as controlling entry/exit numbers, street smoking area consents have been introduced as and where necessary.

Operating schedules

- 4.44 The Authority will expect individual applicants to address the licensing objectives in their operating schedule. It will expect the operating schedule to have regard to the nature of the area where the premises are situated, the type of premises concerned, the licensable activities to be provided, operational procedures and the needs of the local community.
- 4.45 In particular it will expect the applicant to be proposing practical steps to prevent disturbance to local residents. The Authority will expect the applicant to have carried out sound tests to ascertain whether there is sound leakage. This noise could relate not only to music but also from air handling equipment, or patrons. If there is sound leakage the Authority will expect this to have been addressed in practical ways such as: -
- Keeping doors and windows closed and providing adequate mechanical ventilation;
 - Reducing sound levels and installing a sound limiting device to prevent sound exceeding the appropriate level;

- Installing soundproofing measures to contain sound and vibration.
- 4.46 The Authority will expect popular venues, which attract queues, to formulate a system to avoid disturbance to residents. This can sometimes be achieved by simply ensuring that the direction of the queue is away from residential accommodation.
- 4.47 In terms of patrons leaving the premises particularly late at night or early in the morning the Authority will expect the applicant to have included in the operating schedule such practical steps as:
- Erecting prominent notices at the exits to premises asking customers to leave quietly and not to slam car doors;
 - At appropriate times making loudspeaker announcements within the premises to the same effect;
 - Instructing door supervisors to ask patrons leaving the premises to leave the area quietly;
 - Having measures in place to prevent bottles and glasses being removed from the premises;
 - Reducing the volume of music towards the end of the evening and where appropriate playing quieter, more soothing music as the evening winds down;
 - Where appropriate considering car jockey schemes;
 - Increasing the availability of licensed taxis or mini-cabs to take patrons from the premises;
 - In appropriate cases door supervisors or a manager patrolling nearby streets to assess for themselves whether there is a problem and how best to deal with it;
 - Banning from the premises people who regularly leave in a noisy fashion.
 - Increasing outside lighting levels but without causing nuisance from light pollution;
 - Where there is a private forecourt, preventing patrons from using it for eating and drinking etc after 11 p.m.
 - At take away food venues encouraging customers not to consume food in the immediate vicinity of the premises.
- 4.48 One of the greatest irritations to residents trying to sleep is the sound of music escaping from licensed premises. Such an escape of sound might preclude the grant of a licence or if one has already been granted for it to be reviewed with a view to possible revocation. It might also lead to a Noise Abatement notice being issued under the Environmental Protection Act 1990. Responsible applicants and licensees will wish to avoid the need for such action, as they will wish to comply with the licensing objective of preventing public nuisance.

- 4.49 There can be little doubt that a well-managed licensed venue can benefit the local community. Against that, there is clearly a risk of local residents being disturbed particularly if the venue is open late at night. This is because people leaving the premises, particularly late at night or in the early hours of the morning, can be a significant problem. Patrons may be less inhibited about their behaviour and may be unaware of the noise they are creating.
- 4.50 Late at night and during the early hours of the morning the area will be quieter and any noise will, therefore, be amplified and provide more disturbance for residents. Clearly a responsible applicant or licensee will wish to further the licensing objective of preventing public nuisance by introducing practical measures to prevent such nuisance.
- 4.51 The Authority will expect the applicant to indicate in the operating schedule the measures proposed to prevent crime and disorder. Dependent upon the nature and style of the premises these may include:
- Who will be responsible for ensuring compliance with the operating schedule and/or any conditions imposed by a Licensing Sub Committee following a hearing.
 - The provision, operation and maintenance of closed circuit television in accordance with the specification required by Authority following consultation with the Police;
 - Search facilities and procedures;
 - Use of safe drinking vessels (e.g. plastic and safer forms of glass cups/bottles);
 - Access to appropriately priced non-alcoholic facilities/products;
 - Display of information about responsible drinking including unit levels, the sensible drinking message and the risks of “drink driving”;
 - Clear and prominent sign up to a “designated driver scheme” (whereby people are encouraged to designate a driver for the evening who will not drink alcoholic drinks);
 - Measures to prevent the use or supply of illegal drugs;
 - Measures to prevent the “spiking” of drinks;
 - Employment of licensed door supervisors and other appropriately trained staff;
 - To consider food serving and “cool down” times – e.g. introducing periods before closing during which food and soft drinks only are sold;
 - Good design and management of premises creating more seating areas to avoid the health and violence implications of “vertical” drinking;
 - Having measures in place to prevent bottles and glasses being removed from the premises;

- Employing glass collectors to ensure that drinking vessels do not accumulate;
 - Procedures for risk assessing promotions and events for the potential to cause crime and disorder and plans for minimising such risks;
 - The participation in an appropriate Pub Watch scheme or other body designed to ensure effective liaison with the local community is encouraged;
 - Participation in any alcohol harm reduction campaigns is encouraged.
- 4.52 Prevention of crime and disorder is both an objective of the Licensing Act 2003 and an important responsibility of Slough Borough Council under the Crime and Disorder Act 1998. It is important, therefore, that the applicant be able to demonstrate to the Authority the practical steps that will be taken to further this objective. Integrated responses to night life issues which encompass public health, as well as crime and disorder issues, can facilitate the implementation of initiatives as well as reduce costs and repetition.
- 4.53 The Authority will attach appropriate conditions where they are appropriate for the promotion of one or more of the Licensing Objectives, such conditions will be tailored to the individual styles and characteristics of the premises and events concerned.
- 4.54 Specific conditions may be attached to premises licences to reflect local crime and disorder prevention strategies. Such conditions may include the use of closed circuit television cameras, the provision and use of shatterproof drinking receptacles, drugs and weapons search policy, the use of licensed door supervisors specialised lighting requirements, hours of opening, and designation of seating areas within premises.
- 4.55 Each licence will be individual to the premises to which it applies and the conditions attached to the licence will be individual to that premises and deal in a proportionate manner with those issues that relate to that premises. There will not be any standard conditions that will be automatically applied to any premises other than the Mandatory Conditions required to be attached to all licences. However, the Authority may draw upon a pool of conditions which may be relevant to the majority of applications and from which appropriate and proportionate conditions may be drawn in particular circumstances.

Personal Licences

- 4.56 Where appropriate, following a representation from the Police, the Authority will consider whether granting the licence will be in the interests of the crime and disorder prevention objective. The Authority will consider the seriousness of any relevant conviction(s), the period that has elapsed

since any offence(s) were committed and any mitigating circumstances. The Authority will only grant the application if it is satisfied that doing so will promote this objective.

Planning

4.57 To avoid inoperative premises being granted licences, the Authority will not normally determine an application unless the applicant can demonstrate that the premises have either an appropriate (in terms of activity and hours of use sought) Planning consent, or that is otherwise lawful. Exceptions can be made where the applicant can demonstrate compelling reasons why the application should be considered although the planning status of the premises has not been finalised. This will not apply to an application for a provisional statement under section 29 of the Licensing Act 2003.

Sex establishments

- 4.58 In November 2009, the Policing and Crime Act came into force. This Act amended Schedule 3 of the Local Government (Miscellaneous Provisions) Act 1982 so as to incorporate Sexual Entertainment Venues.
- 4.59 Under the 1982 Act as amended, Sexual Entertainment Venues offering entertainment like lap dancing or any live performance or display of nudity on more than 11 occasions within a 12-month period, are required to obtain a Sex Establishment licence, from the authority, authorising such activity. A separate Sex Establishments Policy Statement applies, from which, conditions can be drawn and attached to the licence by the local authority⁶.
- 4.60 The following are not regarded as Sexual Entertainment Venues for the purpose of the amendment to Schedule 3 of the Local Government (Miscellaneous Provisions) Act 1982;
- (a) Sex shops and sex cinemas;
 - (b) Any premises that at the time in question:
 - (i) has not provided relevant entertainment on more than 11 occasions within the previous 12 months;
 - (ii) no such occasion has begun within the period of one month beginning with the end of any previous occasion; and
 - (iii) no such occasion has lasted for more than 24 hours.
 - (c) other premises exempted by order of the Secretary of State where an order may be made that certain types of performances or

⁶ The Slough Borough Council 'Sex Establishment Policy Statement' can be found on the Council website at: <http://static.slough.gov.uk/downloads/sex-establishments-policy-statement.pdf>

displays of nudity are not to be treated as relevant entertainment for the purposes of the Schedule.

- (d) Premises specified or described in an order made by the relevant National Authority.

4.61 Where the promoter of a Sexual Entertainment Venue wishes to provide any of the licensable activities as outlined in the Licensing Act 2003 in addition to the sexual entertainment, then a premises licence will also be required for that activity.

Zoning

4.62 It is not intended to introduce any form of zoning. Experience in other areas shows that this can lead to the significant movement of people across boundaries in search of premises opening later and puts greater pressure on town centres than is necessary.

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5. Determining applications

Immigration Matters

- 5.1 The commencement of the Immigration Act 2016 made it a requirement for licensing authorities to be satisfied that an applicant has the right to work in the UK. An application made by someone who is not entitled to work in the UK must be rejected.
- 5.2 Licences must not be issued to people who are illegally present in the UK, who are not permitted to work, or who are permitted to work but are subject to a condition that prohibits them from doing work relating to the carrying on of a licensable activity.
- 5.3 A premises or personal licence issued in respect of an application made on or after 6 April 2017 will lapse if the holder's permission to live or work in the UK comes to an end.

Grant and full variations

- 5.4 All licensing applications for the grant or variation of a premises licence must be served on:
 - (a) The Licensing Authority for the area;
 - (b) The Chief of Police for the area;
 - (c) The Chief Fire Officer for the area;
 - (d) The Local Safeguarding Children's Board for Reading;
 - (e) Health and Safety Authority for the area;
 - (f) Local Environmental Health Authority for the area;
 - (g) The Local Weights and Measures Authority for the area;
 - (h) Environmental Protection Authority;
 - (i) Local Planning Authority for the area;
 - (j) Health Board (Slough Borough council); and
 - (k) A Licensing Authority other than Slough Borough Council in whose area part of the premises is situated.
- 5.5 In addition, where applications for the grant or full variation of a premises licence are on a boat, a copy of the application must be served on:
 - (i) Navigation Authority;
 - (ii) The Environment Agency;
 - (iii) The Canal and River Trust; and
 - (iv) The Secretary of State.
- 5.6 It is the responsibility of the applicant for all licences to ensure it is served in accordance with the provisions of the Act, unless the application is made electronically.

- 5.7 Whilst many applications will be resolved without the need for a committee hearing, those not previously resolved will be referred to a Licensing Sub Committee where the application will be fully considered.
- 5.8 Applications for the grant, variation or review of a premises licence or a club premises certificate shall be placed on the council's website for 28 days.

Minor variations

- 5.9 In August 2009, the Government introduced a process for making minor variations to premises licences and club premises certificates, that could have 'no adverse impact' on the promotion of any of the four licensing objectives.
- 5.10 Minor variations cannot be used to;
- (a) extend the period for which the licence or certificate has effect;
 - (b) specify, in a premises licence, an individual as the premises supervisor;
 - (a) add the sale by retail or supply of alcohol as an activity authorised by a licence or certificate;
 - (d) authorise the sale by retail or supply of alcohol at any time between 11pm and 7am;
 - (e) authorise an increase in the amount of time on any day during which alcohol may be sold by retail or supplied;
 - (f) authorise an individual to supply alcohol at a community premises; and/or
 - (g) vary substantially, the premises licence or club premises certificate, to which the premises relates.
- 5.11 Minor variations can be used to:
- (a) make minor changes to the structure or layout of a premises;
 - (b) make small adjustments to the licensing hours;
 - (c) remove out of date, irrelevant or unenforceable conditions;
 - (d) add or remove licensable activities; and/or
 - (e) add volunteered conditions to a premises licence or club premises certificate.
- 5.12 Under the 'minor variations' process, the applicant must send the application to the Authority and must display the relevant details of the application on a white notice for a period of ten working days, beginning with the day after the application was given to the Authority. The applicant is **not required** to advertise the variation in a:
- (i) newspaper; or
 - (ii) circular; or
 - (iii) copy it to responsible authorities.

- 5.13 On receipt of a minor variation application, the Authority will consider and consult the relevant responsible authority as appropriate as well as considering any relevant representations. The Authority may refuse the application if it believes the variation undermines the licensing objectives.
- 5.14 If the Authority fails to determine the application within 15 working days, the application will be treated as being refused and the fee returned.

Sub-Committee hearings

- 5.15 These hearings will be held as directed by the Act and in accordance with The Licensing Act 2003 (Hearings) Regulations 2005⁷. For example, in relation to applications for the grant, variation, transfer or review of a premises licence or club premises certificate or for the grant of a personal licence where there are objections from Responsible Authorities or 'Other Persons' and the issues cannot be resolved without a hearing. Hearings will also be held where there is an objection relating to a Temporary Event Notice (TEN).

New premises licences

- 5.16 Any person aged 18 years or over who is carrying on or who proposes to carry on a business that involves the use of premises for licensable activities may apply for a premises licence either on a permanent basis or for a time-limited period. "A person" in this context includes a limited company or partnership.
- 5.17 Where the premises are a managed public house, the Authority will expect the applicant for a premises licence to be the pub operating company, as the manager (as an employee) would not be the person actually carrying on the business. The same applies to premises such as cinema chains and fast food restaurant chains where the managers will similarly be employees of the operating company.
- 5.18 In respect of most 'leased' public houses a tenant may run or propose to run the business at the premises and in agreement with the pub operating company. In such cases the tenant and the operating company should agree who should apply for the premises licence.

Review of premises licence

- 5.19 Any premises subject to a premises licence or club premises certificate may have that licence or certificate reviewed by the Licensing Authority

⁷ <http://www.legislation.gov.uk/uksi/2005/44/contents/made> and <http://www.legislation.gov.uk/uksi/2005/78/contents/made>

on application by a Responsible Authority or any Other Person. The Act provides strict guidelines as to the timescale and procedures to be adhered to and the Authority will deal with every review application on that basis.

- 5.20 A review application will be determined by a Licensing Sub Committee who may in accordance with Section 182 Guidance take the following steps:
- to modify the conditions of the premises licence (which includes adding new conditions or any alteration or omission of an existing condition), for example, by reducing the hours of opening or by requiring door supervisors at particular times;
 - to exclude a licensable activity from the scope of the licence, for example, to exclude the performance of live music or playing of recorded music (where it is not within the incidental live and recorded music exemption);
 - to remove the designated premises supervisor, for example, because they consider that the problems are the result of poor management;
 - to suspend the licence for a period not exceeding three months; and/or
 - to revoke the licence.

Appeals

- 5.21 Where an applicant is aggrieved by the decision of the licensing authority, an appeal may be made with the Magistrates' Court for the area. An appeal has to be commenced by the appellant giving notice of appeal to the designated officer for the Magistrates Court within a period of 21 days beginning with the day on which the appellant was notified by the licensing authority of the decision which is being appealed.

Designated Premises Supervisor (DPS)

- 5.22 This is the person who for the time being is specified in the premises licence as being the premises supervisor. That person must hold a personal licence.
- 5.23 Any premises at which alcohol is sold or supplied may employ one or more personal licence holders. The main purpose of the 'designated premises supervisor' as defined in the Act, is to ensure that there is always one specified individual among these personal licence holders who can be readily identified for the premises where a premises licence is in force.
- 5.24 In July 2009 the Government empowered the Licensing Authority, on the

application of the management committee of community premises, not to apply the normal mandatory conditions relating to the sale of alcohol, but instead to impose a condition rendering the management committee responsible for the supervision and authorisation of all alcohol sales made pursuant to the licence.

Change of Designated Premises Supervisor (DPS)

- 5.25 Any application to change a DPS will be dealt with in accordance with the Act. Where an objection is received from the Chief of Police, unless previously resolved, the Authority is required to hold a hearing.

Personal licences

- 5.26 Under the Act, the Licensing Authority will automatically grant applications for personal licences so long as the applicant is 18 years or over, has possession of the qualification determined by the Secretary of State, has not had a personal licence forfeited within 5 years of the date of application and has not been convicted of any relevant offence or any relevant foreign offence. Such applications will be dealt with by an administrative process within the Licensing Section.
- 5.27 Thames Valley Police may make representations where the applicant has been convicted of a relevant offence or relevant foreign offence. In such cases the Licensing Sub-Committee will consider the matter and the application will be refused if the Sub-Committee decides that refusal is in the interest of the promotion of the prevention of the crime objective. In all other cases the application will be granted.

Temporary Event Notice (Standard TEN)

- 5.28 Section 100A of the Act states that the organiser of a Temporary Event must give the Authority notice of the proposed event. A copy of the notice must also be provided relevant persons i.e. to the Police and Environmental Health Officer. No notification need be given to other authorities such as the Fire Authority or Planning Section by the applicant but see below.
- 5.29 The organiser must give the Authority a minimum of 10 clear working days notice. This does NOT include the application date, event date, weekends and bank holidays. However, in a significant number of cases this time period would not allow enough time for the organiser to liaise with the police and other relevant bodies to ensure that the event passes off safely with minimum disturbance to local residents.
- 5.30 The Authority strongly recommends that it and Thames Valley Police receive all Temporary Event Notices at least 28 days before the planned event. This will ensure that full discussion can occur between the

organiser and any other interested parties in order that the event can take place with the minimum risk of crime and disorder.

- 5.31 Although applicants are not required to notify the Fire Authority of temporary events the Authority will, if requested to do so, notify the Fire Authority of all temporary events notices received, in order that they are able to ensure the safety of such events. In addition, whilst applicants do not have to notify the Planning Section in respect of a temporary event, **they should at least ensure that they have the relevant planning consent to hold the event or extend their hours.** However, neither the Fire Authority nor any other responsible authority will be able to make any representations to the Licensing Authority in respect of temporary events.
- 5.32 Section 107 states that a personal licence holder may hold up to 50 Temporary Events each year and a person who is not a personal licence holder may hold up to 5 such events. Each Temporary Event may last for up to 168 hours and an individual premises may hold up to 12 such events per year so long as the total number of days used for these events does not exceed 21 per calendar year.

Appeals

- 5.33 Where objections have been made to a Standard Temporary Event Notice and those objections have not been withdrawn the matter will be determined by a Licensing Sub Committee. There is a right of appeal to the magistrates Court where:
- (a) the objections have not been upheld;
 - (b) the objections have been upheld and a 'Counter Notice' served; or
 - (c) the objections have been upheld and a 'Counter Notice' not served.
- 5.34 In all cases an appeal may not be brought later than 5 working days before the first day of the event period specified.

Late Temporary Events Notices

- 5.35 Late notices can be given no later than 5 working days but no earlier than 9 working days before the event in relation to which the notice is given. If there is an objection from either the Police or Environmental Health Officer, the event will not go ahead and a Counter Notice will be issued. The number of late notices that can be given in any one calendar year is limited to 10 for personal licence holders and two for a non-personal licence holders. These count towards the total number of temporary event notices (see 5.29).
- 5.36 Where a Counter Notice has been issued there is NO right to a hearing and no onward right of appeal.

Site visits

- 5.37 For some types of applications to be heard by a Licensing Sub-Committee which may require a 'site visit', the Licensing Authority will follow best practice and procedure and in doing so, on such occasions the Sub-Committee hearing will be opened and then adjourned in order for the site visit to take place. The above procedure will be followed at all times and Members of the Sub-Committee will not take it upon them selves to conduct a 'site visit' either formally or informally prior to the hearing commencing.

Councillors

- 5.38 Following the changes introduced by the Policing Reform and Social Responsibility Act 2011 which amended the Licensing Act 2003, Ward Councillors can no longer make representations unless they fall within the definition of "other persons" living or working in the vicinity of the premises and who are likely to be affected by the application.
- 5.39 A Ward Councillor (who does not have a personal or prejudicial interest in the application for any other reason) may represent an interested party at a Sub-Committee meeting in any of the following three circumstances:
- Where the interested party is not attending the meeting but has given prior notice to the Council by the deadlines specified by the Licensing Regulations that s/he will be represented at the meeting;
 - Where both the Councillor and an interested party who has not given prior notice in an application attend the meeting;
 - Where the Councillor has submitted a written objection on behalf of an interested party and has notified the Council that s/he will be representing that party, again within the specified deadlines s/he must specify both the name and address of the interested party.
- 5.40 Where a Councillor who is a member of a Licensing Committee or a Licensing Sub-Committee has had a direct or indirect involvement in the affairs of an application before him/her, in the interests of natural justice and given Article 6 of the Convention of the Human Rights Act 1988, (which requires a person to be given a fair hearing), s/he will disqualify him/herself from any involvement in the decision-making process affecting the premises licence in question.

Yellow Card – Red Card – Review applications

- 5.41 On 2nd September 2009, the Department for Culture Media and Sport (DCMS) wrote to all Chief Executives of Local Authorities advising that consideration should be given to 'adopting' a 'Yellow and Red Card'

scheme to licensing review applications⁸. This Licensing Authority has adopted this scheme in 2009 and which has been used in addition to the steps outlined in 5.20 above.

5.42 Briefly the **'Yellow and Red Card'** scheme can be invoked by the Licensing Sub Committee on the first occasion where a review application has been made to –

- Impose stringent new conditions on the licence
- Use the powers available as contained with the Section 182 Guidance for reviews, and
- Imposition of a licence condition requiring the premises to display a visible notice at the premises detailing the outcome of that review and the warning has been given. This would be deemed to be a 'Yellow Card'.

The recommended wording for the 'Warning' to be displayed at the premises, as approved by Slough Borough Council's Legal Services and Thames Valley Police should be –

The Licensing Sub Committee have issued a 'Yellow Card' to the licensed premises as a warning that if a further Review is necessary and matters have not improved the Premises Licence may be revoked.

5.43 A **'Yellow Card'** should be clearly and visibly displayed at the premises for a period of 12 months from the date the premises were brought before the Licensing Sub-Committee detailing the imposition of new conditions on the Premises Licence and that this warning has been given.

5.44 Where a review application has been made for the same premises and there has been a lack of improvement the Licensing Sub Committee should look to revoke the Licence.

⁸ <https://www.gov.uk/government/publications/written-ministerial-statement-by-andy-burnham-on-the-evaluation-of-the-impact-of-the-licensing-act-2003>

6 Licence Conditions

General approach to licence conditions

- 6.1 The purpose of the licensing Act is the regulation of licensable activities on licensed premises. All conditions attached to Premises Licences and Club Premises Certificates, will be focused on matters, which are within the control of individual licensees and others in possession of relevant authorisations. Accordingly, matters will centre on the premises being used for licensable activities and the vicinity of these premises.
- 6.2 Licensing law is not the primary mechanism for the general control of nuisance and anti-social behaviour once persons are away from licensed premises, and therefore, beyond the direct control of the individual, club or business holding the licence, certificate or authorisation. However, licensing law will always be part of a holistic approach to the management of the evening and local economy.
- 6.3 Licensing conditions will relate to licensed premises and the impact of those licensable activities on the premises in the vicinity thereof. In this latter regard the Council will primarily focus on the direct impact of any activities taking place on those living, working or otherwise engaged in the area concerned.
- 6.4 The Authority does not have power to impose conditions on a premises licence or club premises certificate unless it has received a representation from a responsible authority, or “other persons” such as a local resident or local business, which is a relevant representation, or conditions are consistent with the operating schedule submitted by the applicant.
- 6.5 The Authority will, only impose conditions on premises if it is considered appropriate and proportionate to do so in order to promote the licensing objectives. The Authority does not propose to implement standard conditions on licences across the board but instead, will draw upon a pool of conditions based upon those issued by the Home office and will attach such other conditions as it considers appropriate, given the circumstances of each individual case.
- 6.6 The model conditions will cover issues surrounding;
 - (a) Crime and disorder
 - (b) Public safety
 - (c) Public nuisance
 - (d) Protection of children from harm
- 6.7 Conditions to be imposed on licences will be tailored to the individual premises and events concerned. None of the matters discussed within this policy which may result in the imposition of conditions will be applicable or

suitable for all premises. The Authority will have regard to the size and type of premises when considering imposing conditions upon licences as the result of receiving relevant representations.

- 6.8 Applicants are asked to consider the model conditions and incorporate such of the conditions into their operating schedules as they consider appropriate and necessary in order to promote the licensing objectives. The Authority will impose the model conditions on application when those conditions are consistent with the operating schedule.

Exhibition of Films

- 6.9 Where a Premises Licence or Club Premises Certificate authorises the exhibition of films, the licence must include a condition requiring the admission of children to the exhibition of any film to be restricted in accordance with this section.
- 6.10 Where the film classification body is specified in the licence, unless section 20 (3)(b) of the Licensing Act 2003 applies, admission of children must be restricted in accordance with any recommendation by that body.

Where

- (a) The film classification body is not specified in the licence, or
- (b) The relevant licensing authority has notified the holder of the licence that this subsection applies to the film in question, admission of children must be restricted in accordance with any recommendation made by that licensing authority.
- 6.11 In this section “children” means any person under 18; and
“film classification body” means the person or persons designated as the authority under Section 4 of the Video Recordings Act 1984 (c39) (authority to determine suitability of video works for classification).

Door Supervision

- 6.12 Where a premises licence includes a condition that at specified times one or more individuals must be at the premises to carry out a security activity, each such individual must:
- a) be authorised to carry out that activity by a licence granted under the Private Security Industry Act 2001; or
- b) be entitled to carry out that activity by virtue of section 4 of the Act.

- 6.13 But nothing section 21(1) Licensing Act 2003 requires such a condition to be imposed:
- a) in respect of premises within paragraph 8(3)(a) of Schedule 2 to the Private Security industry Act 2001 (c12) (premises with premises licenses authorising plays or films); or
 - b) in respect of premises in relation to:
 - (i) any occasion mentioned in paragraph 8(3)(b) or (c) of that Schedule (premises being used exclusively by club with club premises certificate, under a temporary event notice authorising plays or films or under a gaming licence), or
 - (ii) any occasion within paragraph 8(3)(d) of that Schedule (occasions prescribed by regulations under that Act).
- 6.14 for the purpose of this section:
- a) “security activity” means an activity to which paragraph 2(1)(a) of that Schedule applies, and, which is licensable conduct for the purposes of that Act. (see Section 3(2) of that Act) and
 - b) Paragraph 8(5) of that Schedule (interpretation of references to an occasion) applies as it applies in relation to paragraph 8 of that Schedule.

Authorisation of Alcohol

- 6.15 The supply or sale of alcohol is prohibited when:
- (a) at a time when there is no Designated Premises Supervisor in respect of the Premises Licence
 - (b) at a times when the Designated Premises Supervisor does not hold a Personal Licence or his Personal Licence has been suspended

In addition every supply of alcohol must be made or authorised by a person who holds a Personal Licence.

Mandatory Conditions (2014)

- 6.16 Since the Licensing Act 2003 (Mandatory Licensing Conditions) (Amendment Order) 2014 came into force, the Mandatory Conditions outlined below are attached to all ‘ON’ and ‘OFF’ sales premises at indicated.

6.17 Condition 1, with effect from 1st October 2014 (ON sales only)

- 1) The responsible person must ensure that staff on relevant premises do not carry out, arrange or participate in any irresponsible promotions in relation to the premises.
- 2) In this paragraph, an irresponsible promotion means any one or more of the following activities, or substantially similar activities, carried on for the purpose of encouraging the sale or supply of alcohol for consumption on the premises
 - (a) games or other activities which require or encourage, or are designed to require or encourage, individuals to -
 - (i) drink a quantity of alcohol within a time limit (other than to drink alcohol sold or supplied on the premises before the cessation of the period in which the responsible person is authorised to sell or supply alcohol), or
 - (ii) drink as much alcohol as possible (whether within a time limit or otherwise);
 - (b) provision of unlimited or unspecified quantities of alcohol free or for a fixed or discounted fee to the public or to a group defined by a particular characteristic in a manner which carries a significant risk of undermining a licensing objective;
 - (c) provision of free or discounted alcohol or any other thing as a prize to encourage or reward the purchase and consumption of alcohol over a period of 24 hours or less in a manner which carries a significant risk of undermining a licensing objective;
 - (d) selling or supplying alcohol in association with promotional posters or flyers on, or in the vicinity of, the premises which can reasonably be considered to condone, encourage or glamorise anti-social behaviour or to refer to the effects of drunkenness in any favourable manner;
 - (e) dispensing alcohol directly by one person into the mouth of another (other than where that other person is unable to drink without assistance by reason of disability).

6.18 Condition 2, with effect from 1st October 2014 (ON sales only)

The responsible person must ensure that free potable water is provided on request to customers where it is reasonably available.

6.19 Condition 3, with effect from 1st October 2014 (ON and OFF sales)

- (1) The premises licence holder or club premises certificate holder must ensure that an age verification policy is adopted in respect of the premises in relation to the sale or supply of alcohol.
- (2) The designated premises supervisor in relation to the premises licence must ensure that the supply of alcohol at the premises is carried on in accordance with the age verification policy.
- (3) The policy must require individuals who appear to the responsible person to be under 18 years of age (or such older age as may be specified in the policy) to produce on request, before being served alcohol, identification bearing their photograph, date of birth and either
 - (a) a holographic mark, or
 - (b) an ultraviolet feature.

6.20 Condition 4, with effect from 1st October 2014

The responsible person must ensure that -

- (a) where any of the following alcoholic drinks is sold or supplied for consumption on the premises (other than alcoholic drinks sold or supplied having been made up in advance ready for sale or supply in a securely closed container) it is available to customers in the following measures -
 - (i) beer or cider: ½ pint;
 - (ii) gin, rum, vodka or whisky: 25 ml or 35 ml; and
 - (iii) still wine in a glass: 125 ml;
- (b) these measures are displayed in a menu, price list or other printed material which is available to customers on the premises; and
- (c) where a customer does not in relation to a sale of alcohol specify the quantity of alcohol to be sold, the customer is made aware that these measures are available.”

6.21 The following mandatory condition contained within the Licensing Act 2003 (Mandatory Licensing Conditions) (Amendment Order) 2014 also took effect from 28th May 2014.

- (1) A relevant person shall ensure that no alcohol is sold or supplied for consumption on or off the premises for a price which is less than the permitted price.

- (2) For the purposes of the condition set out in paragraph 1- 'duty' is to be construed in accordance with the Alcoholic Liquor Duties Act 1979;

'permitted price' is the price found by applying the formula where-

- P is the permitted price,
- D is the amount of duty chargeable in relation to the alcohol as if the duty were charged on the date of the sale or supply of the alcohol, and
- V is the rate of value added tax chargeable in relation to the alcohol as if the
- Value added tax were charged on the date of the sale or supply of the alcohol;

'relevant person' means, in relation to premises in respect of which there is in force a premises licence-

- the holder of the premises licence,
- the designated premises supervisor (if any) in respect of such a licence, or
- the personal licence holder who makes or authorises a supply of alcohol under such a licence;

'relevant person' means, in relation to premises in respect of which there is in force a Club Premises Certificate, any member or officer of the club present on the premises in a capacity which enables the member or officer to prevent the supply in question and 'value added tax' means value added tax charged in accordance with the Value Added Tax Act 1994.

- (3) Where the permitted price given by Paragraph (b) of paragraph 2 would (apart from this paragraph) not be a whole number of pennies, the price given by that sub-paragraph shall be taken to be the price actually given by that sub-paragraph rounded up to the nearest penny.

- (4) 1. Sub-paragraph (2) applies where the permitted price given by Paragraph (b) of paragraph 2 on a day ('the first day') would be different from the permitted price on the next day ('the second day') as a result of a change to the rate of duty or value added tax.

2. The permitted price which would apply on the first day applies to sales or supplies of alcohol which take place before the expiry of the period of 14 days beginning on the second day.

Casinos and Bingo Clubs

6.22

The Gambling Commission and local authorities enforce the Gambling Act 2005. The Council will take into account any existing controls under this legislation and will endeavour to avoid duplication when determining

applications for premises licences under the Licensing Act 2003.

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7. Enforcement

General

- 7.1 Slough Borough Council and Thames Valley Police have established a joint enforcement approach. The protocols provide for the targeting of agreed problem and high-risk premises, with a lighter approach applied to well managed and maintained premises.
- 7.2 Any enforcement action taken will comply with the Regulators Compliance Code and the Council's own enforcement policy so as to be consistent, transparent and proportionate.

Test purchasing

- 7.3 Slough Borough Council Trading Standards Service and the Police take a very serious view on the illegal sale of alcohol. The sale of alcohol to minors is a criminal offence. The Council and Police fully reviewed their procedures and approved a new enforcement approach in dealing with the sale of alcohol to children. The Local Strategic Partnership (L.S.P.) has also endorsed this.
- 7.4 Slough Trading Standards Officers have advised the off-licensed trade in particular, about how to set up systems to avoid under age sales taking place. Should you require advice on this subject then please contact the Trading Standards section. Trading Standards in partnership with the Police and The Licensing Team will continue to regularly conduct test purchasing exercises with volunteers, in response to complaints and local intelligence.
- 7.5 Trading Standards Officers and the Police have been successful in bringing a number of prosecutions and premises reviews in recent times, having particular regard to the link between alcohol and a range of crime and disorder issues, and this continues to be a concern of the Licensing Authority under the Act.
- 7.6 The Authority asks that applicants for licences consider demonstrating, that they have ensured that all their frontline staff have received adequate training on the law with regard to age restricted sales and that this has been properly documented and training records kept.
- 7.7 **The Authority will actively encourage licensees to keep registers of refused sales where sales of alcohol have been refused for any reason. Keeping such records will help to demonstrate that responsibilities for checking ages of purchasers are being taken seriously.**
- 7.8 The Council will undertake test purchasing in accordance with the Local

Authorities Coordinators of Regulatory Services (LACORS) and the Consumer Standards, Trading Standards Institute (T.S.I.) Code of Best Practice on Test Purchasing. In addition, the Council will develop in consultation with Thames Valley Police a test purchasing protocol.

Inspections

- 7.9 The Authority will carry out routine inspections at all premises where a premises licence is in force. In addition, where a complaint or an application for a review of a premises licence is received, the premises will be inspected. The Council and Thames Valley Police will continue to liaise and may carry out joint inspections of premises. This partnership approach is intended to maximise the potential for controlling crime and disorder at licensed premises and ensure compliance with relevant licensing conditions.

Thames Valley Police Approach

- 7.10 Thames Valley Police have reviewed their policy, whereby each premises licence and personal licence holder will be dealt with on the individual merits of their case. This will not impact on the Licensing Authority's approach to dealing with problems or representations.
- 7.11 The approach of the Police will not impact on the Authority's approach to dealing with problems or representations. Each case will be treated on its own merits. In some minor review cases it may be appropriate to amend conditions. However, where serious matters are brought to the attention of the Licensing Committee, more severe action may be taken. However, this action will be appropriate and necessary having regard to the promotion of the licensing objectives.

8. Contact details/advice and guidance

- 8.1 The Council's Licensing, Environmental Health, Health and Safety Neighbourhood Enforcement Team, Thames Valley Police and Royal Berkshire Fire & Rescue Service can provide advice and information regarding sources of further guidance. Applicants are encouraged to engage in informal discussion with appropriate responsible authorities before the application process in order to resolve potential problems and avoid unnecessary hearings and appeals.
- 8.2 In the case of vessels (boats), other responsible authorities must also be served with applications. These include the Navigation Authority, the Environment Agency, the British Waterways Board or the Secretary of State. In the case of applications for licences for vessels, applicants are requested to contact the Licensing Section for further information.
- 8.3 All applications must be submitted to the Licensing Section of the Council, which acts on behalf of the Authority. The **Responsible Authorities** outlined at 5.4 are able to offer advice directly and must be served with copies of all full licensing applications. For minor variations, it is only the Licensing Section who must be served with a copy of the application.
- 8.4 Details for the Responsible Authorities and the press are contained at **Appendix B**.

Appendix A

Delegation of Functions (2012)

The delegations of functions in relation to licensing matters are as follows:-

| Matters to be dealt with | Sub Committee | Officers |
|--|----------------------------|---------------------------|
| Application for personal licence | If a representation made | If no representation made |
| Application for personal licence with unspent convictions | All cases | |
| Application for premises licence/club premises certificate | If a representation made | If no representation made |
| Application for provisional statement | If a representation made | If no representation made |
| Application to vary premises licence/club premises certificate | If a representation made | If no representation made |
| Minor variations | | All cases |
| Application to vary designated personal licence holder | If a Police representation | All other cases |
| Request to be removed as designated personal licence holder | | All cases |
| Application for transfer of premises licence | If a Police representation | All other cases |
| Applications for Interim Authorities | If a Police representation | All other cases |
| Application to review premises licence/club premises certificate | All cases | |
| Decision on whether a complaint is irrelevant frivolous vexatious etc. | | All cases |
| Decision on objection when Local Authority is a consultee and not the lead authority | All cases | |
| Determination of a 'Relevant Persons' representation to a | All cases | |

| | | |
|--|-----------|---|
| temporary event notice (Standard notice only) | | |
| Making a representation on behalf of the Licensing Authority | | Licensing Manager Senior Licensing Officer |
| Initiating a Review on behalf of the Licensing Authority | | Licensing Manager Senior Licensing Officer |
| Determination of a representation made on behalf of the Licensing Authority | All cases | |
| Determination of a Review made on behalf of the Licensing Authority | All cases | |
| Consideration to revoke a personal licence or suspend a personal licence (for period of up to six months), where the licence holder has been convicted of a relevant offence, foreign offence, immigration offence or been required to pay an immigration penalty. | All case | |

Appendix B

Addresses for Responsible Authorities & Press Publication details

| | |
|---|---|
| <p>Licensing Thames Valley Police HQ South Oxford Road Kidlington OX5 2NX</p> <p>licensing@thamesvalley.pnn.police.uk</p> | <p>Trading Standards St Martins Place 51 Bath Road Slough SL1 3UF</p> <p>trading.standards@slough.gov.uk</p> |
| <p>Neighbourhood Enforcement Team My Council Landmark Place High Street Slough SL1 1JL</p> <p>lan.blake@slough.gov.uk</p> | <p>Planning Department St Martins Place 51 Bath Road Slough SL1 3UF</p> <p>planning@slough.gov.uk</p> |
| <p>Food & Safety Department St Martins Place 51 Bath Road Slough SL1 3UF</p> <p>foodandsafety@slough.gov.uk</p> | <p>Local Safeguarding Children Board – Independent Chair c/o St Martins Place 51 Bath Road Slough SL1 3UF</p> |
| <p>Royal Berkshire Fire & Rescue Service Slough Community Fire Office The Fire Station 124 London Road Langley Slough SL3 7HS</p> <p>sloughfiresafety@rbfrs.co.uk</p> | <p>Service Lead - Public Health St Martins Place 51 Bath Road Slough SL1 3UF</p> |

The Home Office
Alcohol Licensing Team
Lunar House
40 Wellesley Road
Croydon
CR9 2BY

Alcohol@homeoffice.gsi.gov.uk

Please enquire in specific cases where the premises are partly within another authority.

Service on the Trading Standards and Public Health Teams at (5) above satisfies the requirement to serve the Weights and Measures Authorities.

Newspapers Circulating in Slough

Applicants must advertise the application within 10 working days (from the date of submission) in one of the following newspapers:

Slough and Langley Observer
Observer Group
Upton Court
Datchet Road
Slough
Berkshire SL3 7NR
Tel: 01753 523355

Slough Express
487 Ipswich Road
Slough
Berkshire
SL1 4EP
Tel: 01753 835111

Appendix C

Glossary

Act

The Licensing Act 2003

Alcohol

Includes spirits, wine, beer, cider, or any other fermented, distilled, or spirituous liquor of or exceeding 0.5% alcoholic strength at the time of sale.

Car Jockey Schemes

A scheme whereby the customer's car is parked by staff at the licensed premises and returned to the customer at the main entrance to the premises at the time of departure, whether for a fee or not.

Chief Officer of Police

The Chief Officer of Police of Thames Valley Police. All issues relating to local licensing should be addressed to:

The Chief Constable of Thames Valley Police

Licensing Team,
HQ South,
165 Oxford Road,
Kidlington,
OX5 2NX
01865 846 597

Licensing@thamesvalley.pnn.police.uk

Child

An individual aged less than 16 years of age.

Club Premises Certificate

A Certificate granted by the Licensing Authority for premises occupied by, and habitually used for the purposes of, a club.

Conditions

Restrictions on the Premises Licence or Club Premises Certificate designed to ensure safety and promote the Licensing Objectives. Conditions will be Mandatory or can be attached to a licence or certificate by the licence holder through the Operating Schedule or the Licensing Authority.

Councillor

An elected Member of the Council

Designated Premises Supervisor

The Personal Licence Holder named on the Premises Licence as being in day to day control of the premise through whom all alcohol sales must be authorised.

Door Supervisor

Any person employed at or near the entrance to licensed premises to ascertain or satisfy themselves as to the suitability of customers to be allowed on those premises or to maintain order on those premises.

Fire Authority

Royal Berkshire Fire and Rescue Service

Guidance

Refers to Statutory Guidance issued under Section 182 Licensing Act 2003, by the Home Office.

Hours of Operation

The hours for which the licence or certificate for a premises is authorised to operate.

Late Night Refreshment

The supply of hot food or drink to members of the public, or a section of the public, on or from any premises, whether for consumption on or off the premises: at any time between the hours of 11.00pm and 05.00am. Exemption relate to some clubs, hotels and employees at their place of work.

Licence holder

The person to whom the Licensing Authority has granted the licence and in whose name it appears and who is responsible for the proper operation of the premise. The licensee is also liable to criminal proceedings for breaches of the terms and conditions of that licence.

Licensable Activities

Licensable Activities are:

- (i) the sale by retail of alcohol;
- (ii) the supply of alcohol by or on behalf of a club to, or to the order of, a member of the club;
- (iii) the provision of regulated entertainment; and
- (iv) the provision of late night refreshment

Live Music

Following the implementation of the Live Music Act 2012, live music is not licensable as follows:

1. Alcohol On-Licensed Premises

Amplified live music between 8.00am and 11.00pm before audiences of no more than 200 people on the premises authorised to sell alcohol for consumption on the premises.

2. Workplaces

Amplified live music between 08.00am and 11.00pm before the audiences of 200 people in workplaces not otherwise licensed under the 2003 Act (or licensed only for the provision of late night refreshment)

3. All venues

Unamplified live music between 08.00am and 11.00pm

Conditions on existing licenses

Where a premises continues to operate licensable activities (such as the sale of alcohol), any conditions relating to the above live music activities are suspended unless they have been added following a licence review

Licensing Sub-Committee

The Full Licensing Committee delegate a number their functions to one or more 'Licensing Sub-Committees'. These are made up of three members of the Full Licensing Committee.

Mandatory Conditions

The 2003 Act provides for a number of Mandatory Conditions to be included in every Premises Licence and/or Club Premises Certificate.

Operating Schedule

A document which includes a statement of the following -

- (i) the relevant licensable activities
- (ii) the times during which it is proposed that the relevant licensable activities are to take place
- (iii) any other times during which it is proposed that the premises are to be open to the public
- (iv) where the applicant wishes the licence to have effect for a limited period, that period;
- (v) where the relevant licensable activities include the supply of alcohol, prescribed information in respect of the individual whom the applicant wishes to have specified in the premises licence as the designated premises supervisor
- (vi) where the relevant licensable activities include the supply of alcohol, whether the supplies are proposed to be for consumption on the premises or off the premises, or both;

- (vii) the steps which it is proposed to take to promote the licensing objectives;
- (viii) such other matters as may be prescribed
- (ix) the name or position of the person responsible for ensuring compliance with the operating schedule, i.e. The Premises Licence Holder, The Designated Premises Supervisor or a person nominated by them in writing.

Other Persons

The Act now defines 'Other Persons' as 'persons who live, or are involved in a business, in the relevant Licensing Authority area, or in an adjoining area and who are likely to be affected by the grant of the application

Personal Licence

Authorises an individual to supply or authorise the supply of alcohol in accordance with a Premises Licence

Planning Permission

Formal approval by the Council, often with conditions, allowing a proposed development to proceed.

Premises Licence

Is a licence granted by the Licensing Authority which authorises premises to be used for one or more licensable activities. The licence is only valid in respect of premises named on the licence.

Prescribed Form

Any form issued by the Licensing Authority

Provision of facilities for making music and dancing

The Act removes the provision of facilities for making and dancing as forms or regulated entertainment.

Representations

Submissions made to the Licensing Authority by Responsible Authority's or 'Other Persons' in respect of an application. Representations can be made in support or against an application.

Temporary Event Notice

A notice that must be given to the Licensing Authority for small scale temporary events for a period not exceeding 168 hours duration.

Terminal Hour

The hour at which all or any of the Licensable Activities have finished and the premises have closed to the public. No one should be allowed to enter or re-enter the premises after the terminal hour has passed.

Variation

If the licence holder wishes to change any of the terms, conditions or restrictions of the licence, he/she will need to apply to vary the licence.

Young Person

A person who is over sixteen years of age but has yet to attain the age of 17 years.

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SLOUGH BOROUGH COUNCIL

REPORT TO: Council **DATE:** 21 February 2019

CONTACT OFFICER: Catherine Meek
Head of Democratic Services
(For all Enquiries) (01753) 875011

WARDS: All

**PART I
FOR DECISION****REVIEW OF MEMBERS ALLOWANCE SCHEME - RECOMMENDATIONS OF THE
INDEPENDENT REMUNERATION PANEL****1. Purpose of Report**

To present the Report and Recommendations of the Independent Remuneration Panel's (IRP) in respect of the Council's Members' Allowances Scheme.

2. Recommendations

The Council is asked to consider the Independent Remuneration Panel's Report (**Appendix A**) and its recommendations, a summary of which is set out in paragraph 5.5 of this report, and Resolve what action should be taken in respect of these recommendations

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

- 3.1 The Members' Allowances Scheme can help ensure that as many people from as wide a range of backgrounds, experience and skills as possible can serve as Councillors and that they are not barred from standing because they cannot afford to do so. Further the Scheme ensures that they are not financially disadvantaged by serving as Members. By attracting and enabling people of the right calibre to stand for election the Council will be able to further its key priorities more effectively.

4. Implications**Legal**

- 4.1 The Local Authorities (Members' Allowances) (England) Regulations 2003 (the 2003 Regulations) require local authorities to make a Scheme of Allowances for their Members and to establish and maintain an Independent Panel to make recommendations to the Council about the Scheme in respect of which it must have regard before amending the Scheme.

Financial

- 4.2 The proposals set out in the report with regard to the Members' Allowances Scheme, if agreed, can be accommodated within existing budget provision. The budget will be uplifted by 2% to take account of the indexation uplift (from 1st April 2019).

Staffing and Human Rights

- 4.3 There are no human rights implications and there are no significant staffing implications other than amending the Members' Allowances Scheme and implementing any resultant changes to allowance payments made to members.

5 Supporting Information

Background

- 5.1 In accordance with the Local Authorities (Members' Allowances) (England) Regulations 2003, the Council convened its Independent Remuneration Panel (IRP) in 2014 to conduct a comprehensive review of the Members' Allowances Scheme and the Scheme was agreed by the Council at its meeting in February 2015.
- 5.2 The Panel made recommendations to the Council in 2017 on a number of matters that needed review arising from the revised Standards regime, the newly constituted Audit and Risk Committee, co-optees allowances and the remuneration of the Council's Independent Person.
- 5.3 The Panel has now been reconvened under the 2003 Regulations which state that
Where an authority has regard to an index for the purpose of annual adjustment of allowances it must not rely on that index for longer than a period of **four** years before seeking a further recommendation from the independent remuneration panel established in respect of that authority on the application of an index to its scheme.
- 5.4 It is under the requirement of the '4 year rule' that the IRP has undertaken this review of Members' allowances for Slough Borough Council. A full copy of the IRP report is attached at **Appendix A**.

Summary of Recommendations

- 5.5 The recommendations contained within the IRP's report are set out below for ease of reference:

The Chair of the Trustee Committee

That the SRA for the Chair of the Trustee Committee is set at £1,982, backdated from the date of the Chair's appointment in May 2018. The Panel will revisit this recommendation at the time of the next review to see if the ad hoc workload of the committee has developed as envisaged.

Issue Arising I – SRA for Vice Chair of the Trustee Committee

The Panel is not minded to recommend a SRA for the Vice Chair of the Trustee Committee at this stage.

Travel Allowances for Co-optees

That the allowances scheme is amended so that Co-optees appointed by the Council are exempt from the rule that in-Borough travel expenses cannot be claimed and that

when they attend an approved duty within the Borough they can claim the mileage allowance or if using other forms of transport actual costs subject to most cost effective provisions.

Continuation of Indexation

That indexation of allowances is continued as follows:

- **Basic Allowance, Special Responsibility Allowances, Co-optees' Allowances, the annual cap on the DCA and the remuneration of the Independent Person:**
Indexed to the annual percentage salary increase for local government staff as agreed by the NJC (at new spinal column 43) to be adopted from 1st April 2019 and to run for 4 years (31st March 2023).
- **Travel Allowances (Outwith Borough Only):**
Mileage: indexed to the HMRC rates
Other Travel: actual costs subject to most cost effective provisions
- **Travel Allowances (Co-optees within the Borough only):**
Mileage: indexed to the HMRC rates
Other Travel: actual costs subject to most cost effective provisions
- **Subsistence and Overnight Allowances (Outwith Borough Only):**
Indexed to the maximum rates payable under the South East Employers Subsistence scheme

Issues Arising II – Licensing Sub-Committees and Co-Optees' Allowances

The Panel considered but does not recommend an SRA for Members sitting on Licensing Hearing Sub-Committees.

Similarly, the Panel considered but does not recommend that the current Co-Optees' Allowance is revised.

The Panel notes that there are proposals for the Council to look further at its structures and bearing in mind the Panel has not conducted a full review of the allowance scheme, giving it a health check, it will be more appropriate to look further into issues arising at the next review.

Implementation

That the recommendations contained in this report are implemented as follows:

- **SRA for the Chair of the Trustee Committee:** Backdated to date of appointment at Annual Meeting of the Council 17th May 2018 (on the basis that recommendations are considered and agreed by Council before 31st March 2019)
- **Travel Allowances for Co-optees:** from the date the recommendations are considered by the next meeting of the Council on 21st February 2019
- **Indices:** from 1st April 2019

6. **Conclusion**

- 6.1 The Council is asked to consider the recommendations made by the Independent Remuneration Panel set out in the attached Report (**Appendix A**) and agree what action should be taken in respect of them.

7. **Appendix**

- 7.1 Appendix A – Report of the Independent Remuneration Panel.

8. **Background Papers**

None.

A Review

Of

Members' Allowances

**(Chair of the Trustee Committee, Co-optees
Travel Allowances and Indexation)**

For

Slough Borough Council

A Report

By the

Independent Remuneration Panel

**Fred Ashmore
Pat Davies
Dr Declan Hall (Chair)**

February 2019

EXECUTIVE SUMMARY

The Panel recommends the following:

The Chair of the Trustee Committee

That the SRA for the Chair of the Trustee Committee is set at £1,982, backdated from the date of the Chair's appointment in May 2018. The Panel will revisit this recommendation at the time of the next review to see if the ad hoc workload of the committee has developed as envisaged.

Issue Arising I – SRA for Vice Chair of the Trustee Committee

The Panel is not minded to recommend a SRA for the Vice Chair of the Trustee Committee at this stage.

Travel Allowances for Co-optees

That the allowances scheme is amended so that Co-optees appointed by the Council are exempt from the rule that in-Borough travel expenses cannot be claimed and that when they attend an approved duty within the Borough they can claim the mileage allowance or if using other forms of transport actual costs subject to most cost effective provisions.

Continuation of Indexation

That indexation of allowances is continued as follows:

- **Basic Allowance, Special Responsibility Allowances, Co-optees' Allowances, the annual cap on the DCA and the remuneration of the Independent Person:**
 - Indexed to the annual percentage salary increase for local government staff as agreed by the NJC (at new spinal column 43) to be adopted from 1st April 2019 and to run for 4 years (31st March 2023).
- **Travel Allowances (Outwith Borough Only):**
 - **Mileage:** indexed to the HMRC rates
 - **Other Travel:** actual costs subject to most cost effective provisions
- **Travel Allowances (Co-optees within the Borough only):**
 - **Mileage:** indexed to the HMRC rates
 - **Other Travel:** actual costs subject to most cost effective provisions
- **Subsistence and Overnight Allowances (Outwith Borough Only):**
 - Indexed to the maximum rates payable under the South East Employers Subsistence scheme

Issues Arising II – Licensing Sub-Committees and Co-optees’ Allowances

The Panel considered but does not recommend an SRA for Members sitting on Licensing Hearing Sub-Committees.

Similarly, the Panel considered but does not recommend that the current Co-optees’ Allowance is revised.

The Panel notes that there are proposals for the Council to look further at its structures and bearing in mind the Panel has not conducted a full review of the allowance scheme, giving it a health check, it will be more appropriate to look further into issues arising at the next review.

Implementation

That its recommendations contained in this report are implemented as follows:

- **SRA for the Chair of the Trustee Committee:**
 - backdated to date of appointment at Annual Meeting of the Council 17th May 2018 (on the basis that recommendations are considered and agreed by Council before 31st March 2019)
- **Travel Allowances for Co-optees:**
 - from the date the recommendations are considered by the next meeting of the Council on 21st February 2019
- **Indices:**
 - from 1st April 2019

Slough Borough Council

Report by the Independent Remuneration Panel

A Review of Members' Allowances

Chair of the Trustee Committee, Co-optees' Travel Allowances

And

Indexation

February 2019

The Regulatory Context

1. This report contains the recommendations arising out of the independent review, carried out January – February 2019, of Members' Allowances for Slough Borough Council by the Council's statutory Independent Remuneration Panel ('IRP' or 'Panel'). It also lays out the deliberations of the Panel so as to show elected Members, Officers and the public the rationale for the Panel's recommendations or where relevant non-recommendations.
2. The Panel was convened under The Local Authorities (Members' Allowances) (England) Regulations 2003 (SI 1021) (the 2003 Regulations). These regulations, arising out of the relevant provisions in the Local Government Act 2000, require all local authorities to maintain an independent remuneration panel to review and provide advice on the Council's Members Allowances. This is in the context whereby the Council retains powers to determine the scope and levels of Members' Allowances.
3. All Councils are required to convene their Panel and seek its advice before they make any changes or amendments to their members' allowances schemes and they must 'pay regard' to the Panel's recommendations before setting a new or amended members' allowances scheme.
4. In this particular instance, the Panel has been reconvened under the 2003 Regulations (paragraph 10. 5) which states:

Where an authority has regard to an index for the purpose of annual adjustment of allowances it must not rely on that index for longer than a period of four years before seeking a further recommendation from the independent remuneration panel established in respect of that authority on the application of an index to its scheme.

5. This provision, known as the '4-year rule', is utilised to oblige all Councils to reconvene their independent remuneration panels at least every four years so that, in a context where councils retain final responsibility for determining their own allowances, they are subject to periodic scrutiny and accountability. It is under the requirement of the 4-year rule that the Panel has undertaken this (seventh) review of Members' Allowances for Slough Borough Council

Terms of Reference

6. While the review was required to provide advice on the applicability of the indexation of allowances two further issues had also arisen. Thus the Panel was presented with a specific terms of reference:
 - a) As to whether there should be a Special Responsibility Allowance (SRA) for the Chair of the Trustee Committee and if so the amount of this allowance
 - b) As to whether there should be in-borough Travel Allowances for Co-opted Members
 - c) As to whether annual adjustments of allowance levels may be made by reference to an index, and if so, for how long such a measure should run

The Panel

7. Slough Borough Council reconvened its Independent Remuneration Panel, constituting of the following appointees:
 - Fred Ashmore
 - Retired senior police officer (Thames Valley), former independent (co-opted) Chair of Slough Borough Council Standards Committee and former Slough Borough Council Independent Person appointed under Localism Act 2011
 - Pat Davies:
 - A solicitor and local businesswomen
 - Declan Hall PhD (Chair)
 - A former academic at the Institute of Local Government, the University of Birmingham and now independent consultant specialising in members' allowances and who was appointed by the Council as Chair of the Panel
8. The Panel was supported by Catherine Meek, Head of Democratic Services, who acted as the 'Panellists' Friend' and whose role was to support the Panel, and take the organisational lead in facilitating the whole process

Process and Methodology

9. The Panel carried out this review as a “virtual” Panel as it was asked only to consider three specific issues rather than consider potential changes to the Members’ Allowances scheme. In particular, the Panel was asked to make amendments to the scheme (an SRA for the Chair of the Trustee Committee and Co-optees Travel Allowances) and the continuation of a previous recommendation (indexation).
10. As such, to physically convene the Panel would incur disproportionate costs or inputs on the part of the Council in relation to the results required and would not be an efficient use of Council resources; thus the use of a virtual Panel in this instance.
11. All Panel Members were sent the relevant information regarding the terms of reference (see Appendix 1). The Chair of the Panel visited the Civic Centre St Martins' Place Slough on 30th January 2019 to meet with relevant Members and Officers (see Appendix 2). In addition, all Members and Co-optees were sent an email inviting their written views on the Allowances Scheme, with one written submission received.
12. The Chair of the Panel, after considering the evidence and representations, then took the lead in formulating recommendations and writing the first draft of the report for comment and further amendment by other Panel members. When all Panel members agreed on the recommendations it was only then that the report has been submitted to the Council for confirmation.

The Chair of the Trustee Committee

13. The Council is the corporate trustee of the three following charities:
 - The War Memorial Garden at Slough
 - The Salt Hill Playing Fields
 - Langley War Memorial Fields
14. The Council continues to act as the corporate trustee for the three charities. However, rather than requiring all decisions to be reached by full Council it has chosen to appoint, from the start of the municipal year 2018/19, a Trustee Committee to discharge its responsibilities as corporate trustee.
15. There are seven Members appointed to the Trustee Committee who are selected having regard to such skills and experience as property, finance, charity law, compliance and sector specific knowledge and expertise such as education or recreation. All members of the Trustee Committee have been required to have induction/training on their duties and responsibilities.

16. The Trustee Committee has initially scheduled two meetings per year but it can meet as and when required to fulfil its terms of reference. It is expected that the committee will have to meet more frequently to deal with, for instance, future developments at the Salt Hill Playing Fields and may take on responsibility for further charities in the future.
17. As such, the Chair merits a SRA. Benchmarking cannot assist in this context as the Trustee Committee is relatively specific to Slough. However, as the future programme of work has yet to be developed the Panel has opted to peg the Chair's SRA to that paid to the Chair of the Employment and Appeals Committee (£1,982) which has been set at 10% of the Leader's SRA, a methodology that is in accordance with advice set out in the 2006 Statutory Guidance on Members' Allowances (May 2006).
18. **The Panel recommends that the SRA for the Chair of the Trustee Committee is set at £1,982 and backdated from the date of the Chair's appointment in May 2018.** The Panel will revisit this recommendation at the time of the next review to see if the ad hoc workload of the committee has developed as envisaged.

Issue Arising I – SRA for Vice Chair of the Trustee Committee

19. During the review the question of whether the Vice Chair of the Trustee Committee should receive an SRA arose. The Panel is not minded to make such a recommendation at this stage as there was no evidence that the Vice Chair of the Trustee Committee has discrete responsibilities beyond the traditional roles of standing in when required and generally supporting the Chair in their role. Moreover, the only Committee Vice Chairs that are currently remunerated in Slough are those of the statutory committees – Overview and Scrutiny, Planning and Licensing.

Travel Allowances for Co-optees

20. There is no provision for Co-optees or elected Members to claim travel expenses for attending in-Borough approved duties. As is typical in compact councils the Basic Allowance is deemed to cover all in-Borough travel expenses. The Co-optees on the Audit and Corporate Governance Committee are in receipt of the Co-optees Allowance (currently £537). There are also Co-optees on Scrutiny Panels and appointments to Task and Finish Groups who receive no allowance but can incur travel cost in attending meetings they are invited to particularly if specialist transportation is required..
21. It was never the intention of the Panel for any Co-optee to be out of pocket and as such is content that the allowances scheme should be amended so that this anomaly is addressed.
22. **The Panel recommends that the allowances scheme is amended so that Co-optees appointed by the Council are exempt from the rule that in-**

Borough travel expenses cannot be claimed and that when they attend an approved duty within the Borough they can claim the mileage allowance or if using other forms of transport actual costs subject to most cost effective provisions.

Continuation of Indexation

23. The representation received by the Panel was supportive of the principle of indexation. It ensures that the allowances are not eroded over time thus avoiding the need for periodic substantial increases just to maintain their original value. Moreover, the current position of indexing the main allowances to annual percentage increase in Officers salary as agreed annually or bi-annually by the National Joint Council for Local Government Staff was accepted at the most fair and equitable index (also known as the NJC index). It treats Members and Officers equally; if Officers receive no annual increase then the same is applicable to the main allowances for Members. Finally, the majority of Members' Allowances schemes have indexation provisions including the NJC index.
24. The Panel supports the continuation of indices for allowances payable under the Slough Borough Council Members' Allowances scheme and recommends the following indices:
- **Basic Allowance, Special Responsibility Allowances, Co-optees' Allowances, the annual cap on the DCA and the remuneration of the Independent Person:**
 - Indexed to the annual percentage salary increase for local government staff as agreed by the NJC (at new spinal column 43) to be adopted from 1st April 2019 and to run for 4 years (31st March 2023).
 - **Travel Allowances (Outwith Borough Only):**
 - **Mileage:** indexed to the HMRC rates
 - **Other Travel:** actual costs subject to most cost effective provisions
 - **Travel Allowances (Co-optees within the Borough only):**
 - **Mileage:** indexed to the HMRC rates
 - **Other Travel:** actual costs subject to most cost effective provisions
 - **Subsistence and Overnight Allowances (Outwith Borough Only):**
 - Indexed to the maximum rates payable under the South East Employers Subsistence scheme
25. It is pointed out that if the Council adopts all or any of the indices recommended it is under no obligation to implement a particular index each year. If adopted,

the Council has a choice and retains the right not to implement an index or if it decides to implement an index then it can implement an alternative index. However, if the principle of indexation is not adopted by the Council then it cannot index its allowances and if any, even minor, uplifts for inflation are sought by the Council it must come back to the Panel for its advice. Having the principle of indexation in place removes the requirement to seek advice from the Panel for a maximum period of 4 years, unless the Council seeks a review sooner.

Issues Arising II – Licensing Sub-Committees and Co-optees’ Allowances

26. During the course of the review two further roles were highlighted for consideration for an SRA:

- Members sitting on Licensing Hearing Sub-Committees - Members of the Licensing Committee are appointed to sit on the Licensing Sub-Committee. The argument was that meetings were during the day and can be onerous. There also appears to be a slight increase in the number of Hearings since the last review when this issue was considered. However, this slight increase applies to 2017/18 and it is not known whether this trend will continue for 2018/19 and going forward.
- The current Co-optees’ Allowance – The argument regarding the Co-optees’ Allowance was that it was reduced in 2015 in light of the restricted powers and remit of the Standards regime post-Localism Act 2011 but since then Standards Advisory Committee has merged with the Audit Committee the Co-optees workload and responsibility has expanded accordingly. It is noted that since the previous review the Standards Determination Sub-Committee has only met twice. On the other hand, the parent committee, Audit and Corporate Governance, now meets four times per year. The level of remuneration was also cited as potentially underlying the Council’s struggling to recruit Co-optees.

27. However, the nature of this review was such that the Panel did not have the opportunity to explore in depth the strength of these representations. Moreover, there are proposals for the Council to look further at its structures and bearing in mind the Panel has not conducted a full review of the allowance scheme, giving it a health check, it will be more appropriate to look further into issues arising at the next review.

Implementation

28. **The Panel further recommends that its recommendations contained in this report are implemented as follows:**

- **SRA for the Chair of the Trustee Committee:**

- backdated to date of appointment at Annual Meeting of the Council 17th May 2018 (on the basis that recommendations are considered and agreed by Council before 31st March 2019)

- **Travel Allowances for Co-optees:**
 - from the date the recommendations are considered by the next meeting of the Council on 21st February 2019

- **Indices:**
 - from 1st April 2019

Appendix 1: Information Received & Reviewed by the Panel

1. Panel Terms of Reference
2. Slough Borough Council Members' Allowances Scheme 2018/19
3. Report to Council by the Monitoring Officer, "Establishment of the Trustee Committee", 24th April 2018
4. Trustee Committee Agenda, 16th January 2019 including Report to Trustee Committee, "Income and Expenditure Accounts 2017/18" and minutes from Trustee Committee meeting 10th December 2018
5. Slough Borough Council, Terms of Reference and Operating Arrangements for the Trustee Committee
6. Council's Calendar of Meetings for 2018/2019
7. The Eighth Report of the Independent Remuneration Panel February 2015
8. National Joint Council for Local Government Services 2018 and 2019 Payscales & Allowances including up rating figures, 10th April 2018
9. Statutory Guidance on Consolidated Regulations for Local Authority Allowances May 2006
10. Statutory Instrument 2003 No. 1021, The Local Authorities (Members' Allowances) (England) Regulations 2003

Appendix 2: Representations and Briefings Received by the Panel

Members:

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|----------------------|---|
| Cllr W. Strutton | Leader of Majority (Conservative) Opposition Group |
| Cllr J. Swindlehurst | Leader of Council & Labour Group and Cabinet Member for Regeneration & Strategy |

Officers who provided a briefing to the Panel:

| | |
|----------------|-----------------------------|
| Josie Wragg | Chief Executive |
| Catherine Meek | Head of Democratic Services |