



Riverside, 4 Canning Road, Lowestoft, Suffolk,
NR33 0EQ

Full Council

Members: All Councillors

Members are invited to a **Meeting of the Full Council**
to be held in the Conference Room, Riverside, Lowestoft
on **Wednesday, 26 February 2020 at 6.30pm**

An Agenda is set out below.

Part One – Open to the Public

Pages

1 Apologies for Absence

To receive apologies for absence, if any.

2 Declarations of Interest

Members and Officers are invited to make any declarations of Disclosable Pecuniary or Local Non-Pecuniary Interests that they may have in relation to items on the Agenda and are also reminded to make any declarations at any stage during the Meeting if it becomes apparent that this may be required when a particular item or issue is considered.

3 **Announcements**

To receive any announcements from the Chairman, the Leader of the Council, members of the Cabinet, or the Chief Executive, in accordance with Council Procedure Rule 5.1(e).

4 **Questions from the Public**

The following question has been submitted by the public in pursuance of Council Procedure Rule 8:

Question from Ms S Bostock to the Deputy Leader of the Council and Cabinet Member for Economic Development

As residents of the Parkhill Estate in Lowestoft, we are deeply concerned at the lack of maintenance given to the open space and pond, sited at Johnson Way / Jenkins Green. There are a number of very old trees which should be protected and cared for, they need to be trimmed. With regards to the pond, a reed has been growing and due to lack of maintenance, this is spreading quickly over the pond, resulting in loss of wildlife. Herons and Kingfishers are no longer seen, ducks and moorhens are fewer in number. However, vermin (rats) have increased in number, surely a health hazard.

We are asking that you give this matter your attention, trim the trees, remove the reeds and broken trees from the pond, repair the fence. Once these matters are dealt with, residents are prepared to play their part in future care. We shall also be contacting Suffolk Wildlife to seek their assistance and advice.

5 **Questions from Members**

The following questions from Members have been submitted in pursuance of Council Procedure Rule 9:

(a) Question from Councillor Pitchers to the Leader of the Council

Will the Leader of the Council join with the Kirkley and Pakefield Councillor in thanking Cabinet Member David Ritchie and his team for providing timely advice and communication in dealing with the possible consequences of Storm Ciara. Were there any lessons to be learned and if so, what were they?

(b) Question from Councillor Byatt to the Deputy Leader of the Council and Cabinet Member for Economic Development

We recognise the in-depth analysis in the People and Places baseline report for Lowestoft Town Centre, published in December 2019. However, given the apparent fragmented areas of the confirmed and the intended Heritage Action Zones and the Lowestoft Town Centre Masterplan, rather than paying further consultancy fees, would it not be a better use of ESC money to employ a permanent officer to synthesize these areas and plans?

6 **Petitions**

No petitions have been received as provided by Council Procedure Rule 10.

7	Notices of Motion No Notices of Motion have been made as provided by Council Procedure Rule 11.	
8	Acceptance of Ministry of Housing, Communities and Local Government (MHCLG) Rough Sleeping Grant Funding ES/0313 Report of the Cabinet Member for Housing	1 - 7
9	General Fund Budget and Council Tax Report 2020/21 ES/0309 Report of the Cabinet Member for Resources	8 - 79
10	East Suffolk Strategic Plan ES/0308 Report of the Leader of the Council	80 - 85
11	Cabinet Members Report and Outside Bodies Representatives Report to Council ES/0310 Report of the Leader of the Council	86 - 95
12	Exempt/Confidential Items It is recommended that under Section 100A(4) of the Local Government Act 1972 (as amended) the public be excluded from the meeting for the following items of business on the grounds that they involve the likely disclosure of exempt information as defined in Paragraphs 3 and 5 of Part 1 of Schedule 12A of the Act.	

Part Two – Exempt/Confidential

13	Felixstowe Seafront Cafe / Restaurant Build <ul style="list-style-type: none"> Information relating to the financial or business affairs of any particular person (including the authority holding that information). 	
14	Parking Services: Agency Agreement for Civil Parking Enforcement Administration <ul style="list-style-type: none"> Information relating to the financial or business affairs of any particular person (including the authority holding that information). Information in respect of which a claim to legal professional privilege could be maintained in legal proceedings. 	

Close

A handwritten signature in dark ink, appearing to read "Stephen Baker", with a long, sweeping horizontal line extending to the right.

Stephen Baker, Chief Executive

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FULL COUNCIL

Wednesday 26 February 2020

ACCEPTANCE OF MINISTRY OF HOUSING, COMMUNITIES AND LOCAL GOVERNMENT (MHCLG) ROUGH SLEEPING GRANT FUNDING

EXECUTIVE SUMMARY

1. The Homelessness Reduction Act (HRA) 2017 requires local authorities to develop and provide enhanced and tailored housing pathways for groups of people who are more vulnerable to homelessness than others including people with mental health issues, those experiencing domestic abuse, ex-offenders and care leavers. The Government is particularly committed to assisting rough sleepers or people who are at risk of rough sleeping with the goal of halving the numbers of people sleeping rough by 2022.
2. East Suffolk Council was successful in its applications to the Rapid Rehousing Pathway and the Rough Sleeper Initiative Funding programmes for 2019/20. Total funding for the financial year 2019/20 consists of £292,553 from the Rapid Rehousing Pathway and £202,150 from the Rough Sleeping Initiative.
3. In late 2019 the Ministry of Housing, Communities and Local Government (MHCLG) invited local authorities who wish to benefit from further funding to apply again. On this occasion, the previous two funding streams have been combined into one rough sleeping funding pot. Given the short timescale available for placing bids, the Housing Needs Service bid for and additional £698,448 of funding. Decisions regarding funding allocations are anticipated in January 2020.
4. This report seeks retrospective Full Council approval to accept the grant funding of £693,735 and to use it to deliver the projects and services set out within this report.

Is the report Open or Exempt?	Open
Wards Affected:	All Wards in the District
Cabinet Member:	Councillor Richard Kerry Cabinet Member with responsibility for Housing

Supporting Officers:	<p>Angela Haye Housing Needs Service Manager 01502 523134 angela.haye@eastsoffolk.gov.uk</p> <p>Cairistine Foster-Cannan Head of Housing 01502 523334 cairistine.foster-cannan@eastsoffolk.gov.uk</p>
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1 INTRODUCTION

- 1.1 In late 2019 the Ministry of Housing, Communities and Local Government (MHCLG) invited local authorities wishing to benefit from further rough sleeping funding to bid in a new round. This new funding stream, to cover the 2020/21 financial year, combines the previous Rough Sleeping Initiative (RSI) and Rapid Rehousing Pathway (RRP) programmes into a single funding programme. The funding is designed to support the establishment or enhancement of co-ordinated local services, based around the Rapid Rehousing Pathway model, for rough sleepers, or those at risk of rough sleeping.
- 1.2 Central to the rough sleeping funding programmes since their launch in 2018 has been a team of expert Specialist Advisors seconded to MHCLG from across the homelessness sector who have worked together with local authorities to develop co-ordinated and responsive local rough sleeping services. This open, collaborative approach based around realistic conversations about the situation in a local area, what has worked well, and how to make critical changes and deliver high quality services has been termed co-production. This approach has been well-received by local authorities across the country and the plans that it has produced together with the tireless work of local authorities and partners, have driven a net 32% reduction in rough sleeping in those areas. All local authorities bidding for this round of funding have co-produced their bids with the relevant Specialist Advisor for their geographical area.
- 1.3 Whilst the Government's underlying approach to ending rough sleeping through the pathways established via the existing rough sleeping funding remains unchanged, they are also seeking proposals that demonstrate an ambitious approach towards:
 - a) Prevention. Identifying those who are at risk of rough sleeping early and intervening before crisis stage. This work should be led by local authority housing options teams that are closely integrated, including by co-location, with rough sleeping initiative interventions.
 - b) Recovery. Ensuring that people have support in place to move into sustainable accommodation. A stable home is an essential element in a person's recovery from rough sleeping and needs to go hand in hand with flexible support that is tailored to individual needs.
 - c) Specialist roles and provision. Identifying the needs of the most vulnerable groups, such as women, victims of domestic abuse, those battling drug and alcohol misuse or mental ill-health. Areas should think about targeted workers, personalised budgets, and specific services designed to help those with the most complex needs as well as linking in with prison release and hospital discharge services to join systems up.

2 DETAILS OF EAST SUFFOLK COUNCIL'S BID

- 2.1 The annual 2019 rough sleeper count identified a total of 13 Rough Sleepers in East Suffolk which represents a 41% reduction on the previous year. Although this is a positive position, we need to ensure that this number is not just sustained but further reduced. The challenge in maintaining and improving the performance is the amount of 'hidden' homeless people with at least 150 single households who are either of No Fixed Abode or who remain rough sleeping for various reasons. A further challenge is that once provided with a housing solution, the accommodation needs to be sustained to prevent repeat homelessness.
- 2.2 Council officers have engaged with the MHCLG Specialist Advisor to consider the learning from our current service provision and to co-produce the bid for the future funding, with a view to ensuring that future services provided through the grant funding will meet any identified gaps and deliver enhancements which will improve our offer to rough sleepers.

The areas for improvement and for targeting future funding which have been identified are as follows:

- a) To extend the provision of the current 'Making Every Adult Matter' outreach service with a slight change of emphasis to focus on entrenched rough sleepers and work to a Task and Target Multi-Agency Case Conferencing process. Workers will have a maximum caseload of 20 people per year with a personal budget of £500 per person.
- b) To recruit 2 x FTE Additional Assertive Outreach Workers to intercept and direct people who are sleeping rough into the service. It is intended that if our grant application is successful, we will extend provision into evenings and weekends. Outreach Workers will also be invaluable in gathering information to feed into service design further downstream.
- c) To extend the current Supported Lettings Officers provision and refocus this into upstream prevention work with social housing providers, in-reach hostel homelessness prevention and tenancy sustainment for service users who have been assisted into accommodation in the private rented sector.
- d) To fund the secondment of a Senior Social Worker recruited by Suffolk County Council into the Housing Needs Team to enhance the expertise within the Housing Needs Team relating to adults with complex needs, and to assist with referrals for assessments.
- e) To work with Anglia Care Trust to accommodate 'high risk' rough sleepers by introducing a 'Risk Reduction Fund' specifically for those individuals who have previous arson convictions and/or anti-social behaviour linked to issues around substance misuse and complex needs.
- f) To work with Home Group to deliver a Home Achievement Programme for individuals as part of a resettlement package. This is an online tenancy training programme which is also recognised as a qualification. We are aware that Flagship have used this training programme with tenants who have subsequently accessed apprenticeships, so it can assist with routes into education and employment.
- g) To continue the provision of an 8 bed 'Somewhere Safe to Stay' Hub in Lowestoft for new rough sleepers and to convert the 1 bed Hub in Felixstowe into a longer-term emergency bed for more entrenched rough sleepers. It has been recognised that due to a lack of move-on accommodation in the Felixstowe, it is more appropriate and realistic to convert this bed to longer-term provision with the period of stay being increased to up to 28 days or more if required.
- h) To convert the current Cold Weather Beds (9 bed spaces in Lowestoft and Ipswich) into year-round provision for rough sleepers.

2.3 The Council has also included in the bid the required funding to continue with existing service provision as follows:

- a) An Outreach Worker based in Felixstowe
- b) A Mental Health Practitioner Post for the whole of East Suffolk
- c) A Rough Sleeper Co-ordinator Post

2.4 All partner organisations have confirmed their agreement to continue delivering existing services and the delivery of new initiatives. Those organisations are:

- Notting Hill Genesis Housing Association
- Access Community Trust
- Anglia Care Trust
- Home Group

2.5 The total additional grant funding requested for 2020/21 is £698,448 and £693,735 has now been awarded. This funding bid is the required amount to fund all of the services referred to in 2.2, 2.3 and this paragraph. The funding is to cover these services for the period 01.04.20 to 31.03.21. As the funding awarded is slightly less than requested, the provisional services will be adjusted accordingly. This amount includes funding for the following elements:

- 8 Bed 'Somewhere Safe to Stay' Hub
- 10 Self Contained supported accommodation 1 Bed Flats
- 10 Short term shared and self-contained emergency beds
- 2.8 FTE Outreach Workers
- 3 FTE Supported Lettings Officers
- 0.5 FTE Supported Lettings Admin Officer
- Risk Reduction Fund
- 3 FTE Rough Sleeper Navigators (Previously MEAM Workers)
- 0.8 FTE Senior Social Worker
- 1 FTE Rough Sleeper Co-ordinator
- 1 FTE Mental Health Practitioner
- Home Achievement Programme

3 HOW DOES THIS RELATE TO THE EAST SUFFOLK BUSINESS PLAN?

3.1 One of the Council's Business Plan's Critical Success Factors is to 'improve access to appropriate housing to meet existing and future needs, including more affordable homes for local people'. This grant funding and the services it will provide will assist some of the most vulnerable members of our community to access and sustain accommodation which is suited to their needs. Assisting people with complex needs to access affordable and appropriate housing remains a challenge and the projects and posts funded by this provision will assist the Council to find housing solutions which are in line with the person's support and care needs and aspirations to live a relatively independent and 'normal' life.

4 FINANCIAL AND GOVERNANCE IMPLICATIONS

4.1 The financial threshold for the Public Contract Regulations which applies to these services is £615,278 (014/24/EU-Provision of services to the Community).

4.2 Although the total grant requested is above the threshold, a significant proportion of the grant requested will be used to extend the fixed-term contracts of officers employed by East Suffolk Council and/or to recruit additional Outreach Workers who will be directly employed by Housing Needs. These employment contracts sit outside the procurement regulations. The total funding required for those posts is £299,579, leaving £398,869 available for the other elements of the bid.

4.3 MHCLG will need to be satisfied there is service continuity for our vulnerable rough sleeping population in East Suffolk. Good partnership working has been built up over the last 4 years between our internal and external colleagues. The timeframe for retendering third sector services could destabilise current service provision in terms of the

uncertainty. It is also debatable whether providers would wish to bid for services with a funding window of operation only being until March 2021.

- 4.4 If the Council receives more than £500,000 in additional funding, as per the Constitution, this report will need to go to Full Council for approval.

5 OTHER KEY ISSUES

- 5.1 An Equality Impact Assessment has been carried out and is available as a background paper. The work described above will have a positive impact on marginalised adults and improving health inequalities arising from rough sleeping. The average life span of a rough sleeper is significantly less than the average person. No negative impacts were identified.

6 OTHER OPTIONS CONSIDERED

- 6.1 ESC considered not applying for this funding, but this would limit the services that could be provided to reduce and relieve rough sleeping.
- 6.2 ESC has considered the option of going out to tender for our current and new external provider contracts however this is not practicable due to the timescale of the bid, the short period of time between the outcome of the bid being published (expected late January 2020) and the start date for delivery of 1 April 2020, and the expectation of seamless continuation of existing services. In addition, due to the one to one contact between providers and service users with special requirements, and the relationships and trust built up between the parties which are integral to the success of the services, a change of service provider was not viable.
- 6.3 The Council could also have decided not to apply for additional funding from MHCLG but, the problem of rough sleeping is ongoing with limited funding to support solutions. Failure to bid would also have resulted in our current services coming to an end during this calendar year. The opportunity to submit a bid was one which could not be overlooked.

7 CONSULTATION

- 7.1 A final grant application meeting was held on 4 December 2019 with MHCLG and ESC Legal and Finance colleagues. All participating organisations have been contacted regarding the objectives of the bid and how they can contribute to our success.

8 REASON FOR RECOMMENDATIONS

- 8.1 Approval of the grant funding will enable the Housing Service to build on and enhance the successful work of the Council and its partners in relation to the reduction and prevention of rough sleeping.

RECOMMENDATIONS

1. That delegated authority be granted to the Housing Service to receive additional rough sleeping grant funding for 2020/21 of £693,735.
2. That delegated authority be granted to the Housing Service to use the funding to extend and continue with existing services and set up new services and initiatives as set out in this report.
3. That for the reasons given in this report the services provided via this funding be exempted from the Contract Procedure Rules, and that delegated authority be given for the Head of Housing Services in consultation with the Cabinet Member for Housing to negotiate, agree and enter into contracts with current and new service providers identified to deliver the initiatives referred to in paragraphs 2.2 to 2.5 of this report.

APPENDICES – None

BACKGROUND PAPERS

Please note that copies of background papers have not been published on the Council's website www.eastsuffolk.gov.uk but copies of the background papers listed below are available for public inspection free of charge by contacting the relevant Council Department.

Date	Type	Available From
08/12/2019	Equality Impact Assessment	Angela Haye



COUNCIL

Wednesday, 26 February 2020

GENERAL FUND BUDGET AND COUNCIL TAX REPORT 2020/21

EXECUTIVE SUMMARY

1. The draft Medium Term Financial Strategy (MTFS) considered by the Cabinet on 3 December 2019 and updated on 4 February 2020 provided a baseline forecast of income and expenditure and looks at the overall financial climate. It provides a framework within which the Council's overall spending plans will be developed.
2. Overall, this period and the long-term Local Government financial picture continues to be characterised by an increased shift towards locally generated resources, with an accompanying transfer of both risk and opportunity. The Government has been working towards significant reform of the Local Government Finance System from 2020/21. However, with the announcement of a one-year only Government Spending Round and Local Government Settlement for 2020/21, these reforms have now been delayed until 2021/22. Consequently, whilst this brought a significant degree of certainty for next year, there is considerable uncertainty for the Council going forward in the MTFS period. This report sets out the assumptions made in identifying resources for the MTFS.
3. The predecessor Councils had signed up to a four-year Local Government Finance Settlements for the period 2016/17 to 2019/20 (with East Suffolk receiving the final year of the settlement), covering the elements of Revenue Support Grant, Transitional Grant, and Rural Services Delivery Grant. To take advantage of this offer each authority needed to submit an Efficiency Plan. Although not required in respect of the one-year 2020/21 Settlement, an updated Efficiency Plan will be produced during the year as the East Suffolk Strategic Plan is finalised.
4. A technical consultation on the 2020/21 Local Government Finance Settlement was issued on 3 October 2019. As well as deferring reforms to the system, the proposal for 2020/21 was essentially to roll forward the 2019/20 Settlement with relevant uplifts for inflation. These proposals were included in the Provisional Local Government Finance Settlement issued on 20 December 2019 and were confirmed in the Final Local Government Finance Settlement issued on 6 February 2020. At the time of writing, the Final Local Government Finance Settlement was yet to be debated and confirmed by Parliament, but is very unlikely to change. The Council will receive Revenue Support Grant and Rural Services Delivery

Grant and will also benefit financially from an additional year under the Business Rates Retention system in its present form. Partly offsetting these elements, the allocations for New Homes Bonus (NHB) for 2020/21 will also be for one year only for 2020/21, rather than for four years. The Government will consult further on incentives to promote housing growth, and indications are that NHB may not continue beyond 2020/21 in its present form. Council Tax referendum principles will remain the same as in previous years. Only business rates pilots in the original “devolution” areas will go ahead in 2020/21, with all other pilots cancelled.

5. The MTFS has been continually revised with updates including those resulting from budget monitoring forecasts; the Final Local Government Finance Settlement for 2020/21; and the emerging replacement for the East Suffolk Business Plan. The updated MTFS in this report highlights the difference between expenditure and sustainable resources. A balanced position for 2020/21 makes use of the business rates income resulting from the deferred local government finance changes. The currently reported budget gaps for 2021/22 to 2023/24 are in a range from around £5.3 million to around £6.7 million.
6. Having regard to the financial risks surrounding the budget planning process the Council aims to maintain the level of General Fund balances at around 3%-5% of its budgeted gross expenditure (in the region of £120m for East Suffolk). This would equate to maintaining a General Fund balance in the region of between £4.0 million and £6.0 million. As at 1 April 2019, the opening General Fund balance of East Suffolk stood at £8.0 million. £2.0 million of the General Fund Balance is being transferred to the earmarked Capital Reserve in 2019/20, to set aside additional revenue funding for the capital programme. Further use of the General Fund balance will be evaluated against an assessment of risk, to ensure financial sustainability for the Council is maintained, whilst supporting the strategy direction and ambitions of the Council.
7. The Council is required to approve a balanced budget for the following financial year and set the Band D rate of Council Tax. This report sets out the context and initial parameters in order to achieve that objective and contribute towards a sustainable position going into the major changes now planned for the medium term.
8. In this report, the Council is asked to:
 - consider the Chief Financial Officer’s report attached at **Appendix C**;
 - approve the Medium Term Financial Strategy for 2019/20 to 2023/24 attached as **Appendix A**, incorporating the General Fund Revenue Budget;
 - approve the movements to and from Earmarked Reserves and the General Fund Balance for 2020/21 to 2023/24 as set out in **Appendix A6** of the MTFS;
 - approve a proposed Band D Council Tax for East Suffolk Council of £171.27 for 2020/21, an increase of £4.95 or 2.98%;
 - approve the Efficiency Strategy attached as **Appendix B**;
 - approve the Pay Policy Statement attached as **Appendix D**;
 - approve the Council Tax Resolutions in **Appendix E**;
 - approve the items to be treated as special items in 2020/21 as set out in **Section 7**;

- note the Business Rates tax base for 2020/21; and
- note the Council Tax base for 2020/21 of 87,888.87 Band D equivalents.

Is the report Open or Exempt?	Open
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Wards Affected:	All wards in East Suffolk
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Cabinet Member:	Councillor Maurice Cook Cabinet Member with responsibility for Resources
Supporting Officer:	Simon Taylor Chief Finance Officer and Section 151 Officer 01394 444570 simon.taylor@eastsuffolk.gov.uk Lorraine Rogers Finance Manager and Deputy Section 151 Officer 01502 523667 lorraine.rogers@eastsuffolk.gov.uk Brian Mew Finance Consultant 01394 444571 Brian.Mew@eastsuffolk.gov.uk

1 INTRODUCTION

- 1.1 The **Medium Term Financial Strategy** (MTFS) sets the strategic financial direction for the Council and is regularly updated as it evolves and develops throughout the year to form the framework for the Council's financial planning. To ensure Members have a sound basis for planning and decision making, the MTFS is reviewed and updated at key points in the year these are:
- October/November – as a framework for initial detailed budget discussions for the forthcoming financial year.
 - January – an update to include additional information received at a national level and corporate issues identified through service planning and the detailed budget build.
 - February – with the final budget for the new financial year.
- 1.2 The purpose of the MTFS is to set out the key financial management principles, budget assumptions and service issues. It is then used as the framework for the detailed budget setting process to ensure that resources are managed effectively and can deliver the aspirations of the Council as set out in the Strategic Plan, over the medium term.

2 MEDIUM TERM FINANCIAL STRATEGY

- 2.1 The MTFS for this period is attached as Appendix A. This incorporates the Draft General Fund Budget and Council Tax proposals for 2020/21, reflecting the detailed budget process. In the MTFS, the key uncertainties over this period relate to the proposed reforms to the Local Government finance system – Business Rates Retention and the Fair Funding Review – that have now been deferred until 2021/22.
- 2.2 The MTFS includes a number of Appendices that form part of the Council's Budget, including the Council Tax base, budget summary by Head of Service and a summary of Reserves and Balances.
- 2.3 Business Rates income for 2020/21 is based on the NNDR1 return submitted in January 2020. As outlined in the Executive Summary, reforms to the Local Government Finance environment have been deferred until 2021/22, including a resetting of the Business Rates baseline. The Council will benefit significantly for one year as a result of this delay. However, due to the uncertainty these reforms will have on the income to the Council in future years, a prudent approach has been taken with the estimates for Business Rates income. The income figures included for 2021/22 and beyond, are based on the current Business Rates system and only include estimates of baseline income, which is approximately £7 million, plus Section 31 Grant.
- 2.4 The table below outlines the updated MTFS Forecasts for 2019/20 to 2023/24. These indicate a balanced position for 2020/21 but underlying budget gaps from 2021/22 onwards. However, there is a high degree of uncertainty over this period.

MTFS Forecast - East Suffolk	2019/20 £'000	2020/21 £'000	2021/22 £'000	2022/23 £'000	2022/24 £'000
February 2019	0	3,841	3,849	3,872	3,872
November 2019	0	0	3,212	2,981	2,547
February 2020	0	0	5,350	6,163	6,676

- 2.5 The significant increase in the budget gap shown above in the table is the result of the initial proposed budget increases received from the Norse partnership in respect of the services that they provide to the Council. Overall, these proposals indicate levels of expenditure over the MTFS period considerably above original budget levels, arising from a number of factors such as the National Living Wage. The initially proposed budgets have been incorporated into the MTFS of this report, with an increase to the budget of around £1.1 million in 2020/21 and rising to around £2.1 million in 2023/24. Obviously increases of this magnitude potentially have a very significant impact on the Council's financial position and at this point have not been agreed, but need to be included to ensure a balanced budget is set, and this would be the worst case scenario. These proposals need to be challenged and reviewed in detail, and are the subject of ongoing challenge, discussion, and negotiation with the Norse partnership, including Director level meetings. The result of these discussions will be reported to Cabinet during the 2020/21 financial year for them to make decisions and the budget will be revised as necessary and reported back to the Scrutiny Committee and Full Council as appropriate.
- 2.6 The proposed Capital Programme for 2019/20 to 2023/24 was considered by the Cabinet on 7 January 2020 and Council on 22 January 2020.
- 2.7 Attached as **Appendix B** is the Council's draft Efficiency Strategy for 2020/21. The Efficiency Strategy is produced annually for the period 2016/17 to 2021/22, and is approved by Full Council as part of approval of the Council's Budget. The Efficiency Strategy is produced to enable the Council to potentially take advantage of the flexibility to local authorities to use capital receipts to fund the revenue set up and implementation costs of projects designed to generate ongoing revenue savings. To date there has been no use of capital receipts to fund one-off revenue costs, and no use of this flexibility is currently proposed in respect of projects in 2020/21. The Efficiency Strategy will be revised during the course of 2020/21 to reflect the new Strategic Plan for East Suffolk.

3 LOCAL COUNCIL TAX REDUCTION SCHEME (LCTRS) AND COUNCIL TAX DISCOUNTS AND PREMIUMS

- 3.1 The consideration of an annual review and potential proposed changes to the LCTRS scheme is a statutory requirement under the Local Government Finance Act 2012 which brought in the provisions for localisation of Council Tax support in April 2013. Full Council on 22 January 2020 approved that the Council retains the current Local Council Tax Reduction Scheme for 2020/21 as the 8.5% benefit scheme, i.e. the maximum benefit to working age claimants is 91.5%. Full Council also approved the introduction of a tolerance to the treatment of Universal Credit income in the Local Council Tax Reduction Scheme.
- 3.2 In addition to LCTRS, the Council has the discretion to set its own policy on Council Tax Discounts and Premiums. It is a statutory requirement for the Council to set and review annually its Discretionary Council Tax Discounts. Cabinet on 7 January 2020 approved that no further changes are made to Council Tax Discounts and Premiums to be applied from 1 April 2020, which were approved by the Shadow Council at its meeting on 3rd December 2018 (REP 9(SH)).
- 3.3 At its meeting on 28 February 2019, the East Suffolk Shadow Council approved Council Tax Long Term Empty Property Premiums as follows:
- 100% premium on Long Term Empty properties, empty for more than two years, raising the Council Tax to 200% from 1 April 2019.
 - 200% premium on Long Term Empty properties, empty for longer than five years, raising the Council Tax to 300% from 1 April 2020.

- 300% premium on Long Term Empty properties, empty for longer than 10 years, raising the Council Tax to 400% from 1 April 2021.

4 BUSINESS RATE DISCRETIONARY RELIEFS

- 4.1 The Government have announced, in a written ministerial statement, additional business rates measures that will apply from 1 April 2020.
- 4.2 These measures will increase the current retail discount and extend that discount to cinemas and music venues; extend the duration of the local newspapers office space discount; and introduce an additional discount for public houses as follows:
 - a) currently retail premises receive a discount of one-third. In 2020/21 this will be increased to 50% for eligible retail premises that occupy a property with a rateable value of less than £51,000. Eligible retail premises have been extended to include cinemas and music venues;
 - b) offices occupied by Local Newspapers will receive a discount of £1,500 for 5 years from 1 April 2020 until 31 March 2025; and
 - c) Public Houses with a rateable value less than £100,000 will receive a £1,000 discount in 2020/21. This will be in addition to the retail discount detailed above and will apply after the retail discount.
- 4.3 The Government have issued guidelines on the operation of these reliefs and State Aid rules will apply in the usual way.
- 4.4 Local Authorities are expected to use their discretionary relief powers (section 47 of the Local Government Act 1988, as amended) to grant these reliefs in line with the relevant eligibility criteria set out in the guidelines. However, the full cost of granting this relief will be compensated through a Section 31 Grant from Government.
- 4.5 In the recommendations, the Council is requested to use discretionary relief powers to grant these reliefs.

5 RISK ASSESSMENT AND REPORT OF THE CHIEF FINANCIAL OFFICER

- 5.1 Part of the process of delivering a robust medium term strategy to enable the Council to manage its affairs soundly, is to have regard to both external and internal risks, and to identify actions to mitigate those risks. MTFS key principles and a risk analysis together with mitigating actions are provided in **Appendix A1** of the MTFS.
- 5.2 Section 25 of the Local Government Act 2003 places a personal duty on an authority's "Chief Financial Officer" to make a report to Council about the robustness of the estimates made for the purposes of the Council Tax calculations and the adequacy of financial reserves and balances. The Act also requires the Council to have regard to the report before it makes its budget and Council Tax decisions. This report is attached as **Appendix C**.
- 5.3 In relation to the statutory duty under the Act, the Chief Financial Officer considers that the estimates are robust, the General Fund Balance is within the guideline levels established as part of the Medium Term Financial Strategy and the contributions to and use of earmarked reserves will assist the Council to deliver its required changes in this period of uncertainty.

6 PAY POLICY STATEMENT

- 6.1 Section 38 (1) of the Localism Act 2011 requires local authorities to produce a Pay Policy for each financial year. There is a requirement for the Council to compare the policies on remunerating Chief Officers and other employees, and to set out the policy on the lowest paid employees.
- 6.2 The interpretation of the meaning of “Chief Officer(s)” as used above in the context of the Pay Policy Statement includes the Chief Executive, the Strategic Directors, the Heads of Service, and the Chief Finance Officer. The Pay Policy Statement for 2020/21 is attached in **Appendix D**.
- 6.3 The Council is also required by law to report annually in April, on their gender pay gap and publish this information. This must include mean and median gender pay gaps; the mean and median gender bonus gaps; the proportion of men and women who received bonuses; and the proportions of male and female employees in each pay quartile.

7 SPECIAL ITEMS

- 7.1 Section 35 of the Local Government Finance Act 1992 provides for certain items of expenditure to be treated as ‘special items’ chargeable to part only of the District when setting the Council Tax. The items referred to are:
- (a) any precepts issued or anticipated by the Council in calculating its budget requirement believed to be applicable to part of the area; i.e. precepts of town and parish councils;
 - (b) any expenses of the Authority which are its special expenses and which were included in the budget requirement.
- 7.2 The item to be treated as special items in 2020/21 under s35 (2) of the Act is the precepts by Town/Parish Councils and parish meetings.

8 PROPOSALS FOR COUNCIL TAX

- 8.1 In the Key Principles of the MTFs, the Council Tax strategic objective is to “plan for a level of Council Tax that the Council, its residents and Government see as necessary, acceptable and affordable to ensure that it has the financial capacity to deliver the Council’s policies and objectives”.
- 8.2 In considering the budget for 2020/21, the Cabinet proposed that the Council increases its Band D Council Tax by £4.95 or 2.98% from £166.32 to £171.27.
- 8.3 The Council’s Council Tax is only a small proportion of the total Council Tax required to fund all local authority and police services in the East Suffolk area. The following table shows the approved tax to be levied in 2020/21. The Band D tax for Suffolk County Council has been increased by 3.98% and includes 2.00% increase for the Social Care Precept as permitted by Government. The Police and Crime Commissioner for Suffolk has recommended an increase of 4.70%. The Council Tax Resolutions are set out in **Appendix E**.

	2019/20 £	2020/21 £	Increase %
East Suffolk Council	166.32	171.27	2.98
Suffolk County Council	1,292.13	1,343.61	3.98
Police and Crime Commissioner for Suffolk	212.76	222.75	4.70
Sub-Total	1,671.21	1,737.63	3.97
Town & Parish Councils (average)	69.92	72.60	3.83
Total	1,741.13	1,810.23	3.97

9 HOW DOES THIS RELATE TO THE EAST SUFFOLK BUSINESS PLAN?

- 9.1 The MTFS sits beneath the East Suffolk Business Plan in the Council's hierarchy of plans and strategies and is effectively the mechanism by which the key Business Plan objective of Financial Self-Sufficiency will be delivered over the medium term.

10 FINANCIAL AND GOVERNANCE IMPLICATIONS

- 10.1 All Financial and Governance implications are contained within the MTFS documents.

11 OTHER KEY ISSUES

- 11.1 This report has been prepared having taken into account the results of an Equality Impact Assessment. The annual budget collates the financial implications of the Council's individual policies, projects, and initiatives and Equality Impact Assessments are produced for these specific actions. The proposed Council Tax increase for 2020/21 is a new policy measure and through the Equality Impact Assessment it has identified this as having a likely impact on some groups in the community. However, it is considered that the Local Council Tax Support scheme provides mitigation against the increase for those most in need in the community. Consultation on the budget is detailed in paragraph 12.1 below.

12 CONSULTATION

- 12.1 The Council has consulted on its strategy and detailed financial plans for the coming year with staff, residents, partners, and business through a variety of methods. Business Plan and Budget briefings were held with stakeholders including Town and Parish Councils in Lowestoft and Melton on 13 and 14 January respectively. Scrutiny Committee considered the Draft General Fund Budget and Council Tax report at its meeting on 23 January 2020.

13 OTHER OPTIONS CONSIDERED

- 13.1 The MTFS is an essential element in achieving a balanced budget and a sustainable medium term position, whilst setting a balanced budget for the coming year is a statutory requirement. Consequently, no other options are appropriate in respect of this.

14 REASON FOR RECOMMENDATION

- 14.1 To bring together all the relevant information to enable Members to review, consider and comment upon the Council's General Fund revenue budget.
- 14.2 The Council is required to set a balanced budget for the following financial year and to agree the Council Tax for 2020/21.

- 14.3 There is a statutory requirement under the Local Government Finance Act 2012 to annually consider the Local Council Tax Reduction Scheme.
- 14.4 To seek wider Member consideration of the forward budgets beyond 2020/21, and Council Tax proposals in this report to balance the budget for 2020/21 and future years.

RECOMMENDATIONS

That Council is recommended to:

1. Consider the Chief Financial Officer's report attached at **Appendix C**;
2. Approve the Medium Term Financial Strategy for 2019/20 to 2023/24, including the General Fund Revenue Budget for revised 2019/20; proposed 2020/21; and forecast budgets for 2021/22 to 2023/24 as set out in **Appendix A**;
3. Approve the movements to and from Earmarked Reserves and the General Fund Balance for 2020/21 to 2023/24 as set out in **Appendix A6**;
4. Approve the items to be treated as special items in 2020/21 as set out in **Section 6** – the precepts by town/parish councils and parish meetings;
5. Approve a Band D Council Tax for 2020/21 of £171.27, representing an increase of £4.95 or 2.98% on 2019/20;
6. Approve the Efficiency Strategy attached as **Appendix B**;
7. Approve the Pay Policy Statement set out in **Appendix D**;
8. Approve the Council Tax Resolutions in **Appendix E**;
9. Grant the discretionary business rate reliefs referred to in paragraph 4.2 under Section 47 of the Local Government Act 1988;
10. Note the Business Rates base (total net Business Rates income) of the district for 2020/21 of £96.159 million; and
11. Note the Council Tax Base of 87,888.87 for 2020/21.

APPENDICES

Appendix A	Medium Term Financial Strategy
Appendix A1	MTFS Key Principles and Risk Analysis
Appendix A2	East Suffolk Council Tax Base 2020/21
Appendix A3	NHB Reserve 2019/20 to 2023/24
Appendix A4	MTFS Key Movements
Appendix A5	General Fund Revenue Budget Summary 2019/20 to 2023/24
Appendix A6	General Fund Reserves Summary 2019/20 to 2023/24
Appendix B	Efficiency Strategy

Appendix C	Report by the Chief Finance Officer
Appendix D	Pay Policy Statement 2020/21
Appendix E	Council Tax Resolutions 2020/21

BACKGROUND PAPERS

Please note that copies of background papers have not been published on the Council's website www.eastsuffolk.gov.uk but copies of the background papers listed below are available for public inspection free of charge by contacting the relevant Council Department.

Date	Type	Available From
October 2019	2020/21 Local Government Finance Settlement Technical Consultation	Financial Services
November 2019	Equality Impact Assessment	Financial Services
December 2019	Provisional Local Government Finance Settlement 2020/21	Financial Services
February 2020	Final Local Government Finance Settlement 2020/21	Financial Services



EAST SUFFOLK COUNCIL

**MEDIUM TERM FINANCIAL STRATEGY
2020/21 TO 2023/24**

FEBRUARY 2020

1 INTRODUCTION

1.1 The **Medium Term Financial Strategy** (MTFS) sets the strategic financial direction for the Council and is regularly updated as it evolves and develops throughout the year to form the framework for the Council's financial planning. This ensures Members have a sound basis for planning and decision making, the MTFS is reviewed and updated at key points in the year:

- October/November – as a framework for initial detailed budget discussions for the forthcoming financial year.
- January – an update to include additional information received at a national level and corporate issues identified through service planning and the detailed budget build.
- February – with the final Budget for the new financial year.

1.2 The purpose of the MTFS is to set out the key financial management principles, budget assumptions and service issues. It is then used as the framework for the detailed budget setting process to ensure that resources are managed effectively and are able to deliver the aspirations of the Council as set out in the Business Plan, over the medium term.

1.3 The vision of the East Suffolk Business Plan is to “Maintain and sustainably improve the quality of life for everybody growing up, living in, working in and visiting East Suffolk”. The Council is currently developing a brand new Strategic Plan and vision for East Suffolk, focussing on the five key themes of:

- Economic Growth.
- Enabling Communities.
- Financial Sustainability.
- Digital Transformation.
- The Environment.

As the plan develops, the MTFS will be revised to reflect this.

1.4 The MTFS provides an integrated view of the Council's finances, recognising that the allocation and management of its human, financial and physical resources play a key role in delivering its priorities and ensuring that the Council works effectively with its partners locally, regionally and nationally.

1.5 The key underlying principles of the MTFS are:

- securing a balanced budget with reduced reliance on the use of reserves and general balances to support its everyday spending;
- setting modest increases in Council Tax when appropriate; and
- delivering service efficiencies and generating additional income where there are opportunities to do so.

1.6 Part of the process of delivering a robust MTFS to enable the Council to manage its affairs soundly, is to have regard to both external and internal risks, and to identify actions to mitigate those risks. MTFS key principles and a risk analysis together with mitigating actions are provided in **Appendix A1**.

- 1.7 Sections 2 to 4 provide an update on the financial challenge facing the Council, taking into account economic factors, the local government finance environment, and the Council's key funding streams. Sections 5 to 7 outline how the Council will respond to the challenge, as expressed in terms of its budget and strategies towards reserves and capital.

2 PUBLIC FINANCES

- 2.1 The Government's Autumn Budget to Parliament normally provides a formal update on the state of the economy, responds to new economic and fiscal forecasts from the Office for Budget Responsibility (OBR) and sets out fiscal measures for the following year. The Autumn Budget was cancelled, and following the General Election, the Spring Budget which is expected to cover similar areas is now scheduled for 11th March 2020.

3 ECONOMIC INDICATORS

- 3.1 The national economic background affects the costs the Council incurs, the funding it receives, and contributes to the demand for services as residents are affected by economic circumstances. The inflation rate impacts on the cost of services the Council purchases, as the Council delivers much of its service provision through contractual arrangements where inflationary pressures have to be negotiated and managed. Specific contractual inflation has been incorporated into the Council's financial position, where appropriate, based on the actual contractual indices.

Gross Domestic Product (GDP)

- 3.2 The Bank of England's overall forecast for growth in Gross Domestic Product as outlined in its January 2020 Monetary Policy Report, are shown below.

Bank of England - January 2020			
Gross Domestic Product (GDP) Forecasts			
2020	2021	2022	2023
0.40%	1.40%	1.60%	2.00%

Consumer Pricing Index (CPI)

- 3.3 Inflation as measured by CPI, was 1.3% for December 2019, 0.2% lower than in November 2019, and below the Bank of England target rate of 2%. September CPI was 1.7%, which is of particular importance as it is used as the basis for indexed increases in a number of areas in the Local Government Finance system, including Business Rates. The Bank of England's latest forecast (as at January 2020) is set out below.

Bank of England - January 2020			
Consumer Pricing Index (CPI) Inflation Forecasts			
2020	2021	2022	2023
1.80%	1.50%	2.00%	2.10%

Bank Interest Rate

- 3.4 At its January 2020 meeting, the Bank of England Monetary Policy Committee (MPC) voted by a majority of 7-2 to maintain the bank rate at 0.75%. The Bank of England MPC's new projections for activity and inflation are based on the assumption of an orderly transition

to a deep free trade agreement between the United Kingdom and the European Union. The MPC is projecting a reduction in bank rate to 0.6% during the course of 2020.

4 LOCAL GOVERNMENT FINANCE

- 4.1 The introduction of the Local Business Rates Retention System in 2013/14, together with the Government's programme of fiscal consolidation since 2010, have combined to both reduce the level of funding available to the Council, and to shift the balance of funding significantly away from central to local sources.
- 4.2 The Final Local Government Finance Settlement 2019/20 announced on 29 January 2019 was the last year of the Four-year settlement period that started in 2016/17.
- 4.3 On 13th December 2018 the Government launched a further consultation '*A review of local authorities relative needs and resources*', which sought views on the approach to measuring the relative needs and resources of local authorities, with the aim of determining new baseline funding allocations for local authorities in England in 2020/21.
- 4.4 The 2019 Spending Review was intended to confirm overall local government resourcing from 2020/21, and the Government has been working towards significant reform in the local government finance system in 2020/21. This includes an updated, more robust and transparent distribution methodology to set baseline funding levels and resetting business rates baselines.
- 4.5 However, it was announced in September that the 2019 Spending Round would be for one year only in respect of 2020/21. The Spending Round announcement covered the following key areas for local government:
- Additional £3.5 billion to Local Government.
 - Core Spending Power increased by £2.9 billion – 4.3% real terms increase.
 - £1 billion grant funding for social care and £200 million through Adult Social Care Council Tax precept.
 - Business Rates Retention and Fair Funding reforms delayed until 2021/22.
 - Technical consultation due on Local Government Finance settlement.
- 4.6 Subsequently, a technical consultation on the 2020/21 Local Government Finance Settlement was issued on 3 October 2019. The technical consultation covered the following key points, and subsequent sections of the MTFs contain more information on these aspects of the consultation and the implications for the Council:
- 2019/20 Settlement "rolled forward" into 2020/21.
 - Settlement Funding assessment updated in line with September 2019 CPI.
 - Government likely to pay off Negative RSG in 2020/21.
 - Council Tax referendum principle for Shire Districts likely to be 2% or £5, whichever is greater.
 - New Homes Bonus (NHB) to be funded at £900m using current arrangements. 2020/21 "legacy" payment not carried forward into 2021/22. Future position is uncertain.
 - Rural Services Delivery Grant will continue with allocations unchanged.
 - Business Rates Retention and Fair Funding reforms delayed until 2021/22. Strong commitment to resetting baselines.

- Only original Devolution Business Rates Pilots will proceed in 2020/21.

4.7 The Provisional Local Government Finance Settlement was issued on 20 December 2019 following the General Election and included these proposals. Consequently, the Council will receive Revenue Support Grant and Rural Services Delivery Grant and will also benefit financially from an additional year under the Business Rates Retention system in its present form. Partly offsetting these elements, the allocations for New Homes Bonus (NHB) for 2020/21 will also be for one year only for 2020/21, rather than for four years. The Final Local Government Finance Settlement for 2020/21 was issued on 6 February 2020 and there were no changes from the Provisional Settlement. At the time of writing, the Final Local Government Finance Settlement was yet to be debated and confirmed by Parliament but is very unlikely to change.

Revenue Support Grant (RSG) and Rural Services Delivery Grant

4.8 RSG has been substantially reduced in recent years. RSG for 2019/20 as confirmed in the Final Local Government Finance Settlement is £322,500. The MTFS has previously assumed that 2019/20 will be the final year of RSG. However, in the one-year settlement the position for 2020/21 will now be the 2019/20 allocation uplifted by inflation as shown below:

Revenue Support Grant (RSG)	2019/20 £'000	2020/21 £'000	2021/22 £'000	2022/23 £'000
East Suffolk	(323)	(328)	0	0

- 4.9 The Government's approach to Negative RSG in 2019/20 was to eliminate it in full via forgone business rates receipts, and this approach has been adopted again in the Provisional Settlement for 2020/21.
- 4.10 The Rural Services Delivery Grant is a Government grant recognising cost pressures associated with service delivery in rural sparse areas. The Final Finance Settlement provided for the grant to continue for East Suffolk in 2019/20, at a level of £248,100. As with RSG, it has previously been assumed in the MTFS that this grant would not be received after 2019/20. In the Provisional Settlement, the 2019/20 allocations of Rural Services Delivery Grant will now be rolled forward to 2020/21. 2019/20 allocations were distributed to the top quartile of local authorities on the basis of the 'super-sparsity' indicator, which ranks authorities by the proportion of the population which is scattered widely, using Census data and weighted towards the authorities with the sparsest populations. It is assumed in the MTFS that RSDG will not be received from 2021/22 onwards in the current form, as sparsity is expected to be an area considered as part of the Fair Funding reforms.

Business Rates – Business Rates Retention and Fair Funding Review

- 4.11 In its 2015 Spending Review, the Government announced proposals for councils to retain all locally raised business rates by the end of the decade, and to end the distribution of core grant from central Government. Originally, this was planned to begin in 2019/20, but has been subject to delay, the most recent being as a result of the one year Spending Round. However, the Government continues to be committed to give local government greater control over the money it raises and to address concerns about the fairness of current funding distributions.

- 4.12 To complement the changes to business rates, the Government announced a Fair Funding Review in February 2016, which will affect how funding is allocated and redistributed between local authorities. Implementation of this review has now also been delayed until 2021/22. The Government is continuing to work with the Local Government Association (LGA) and local authority representatives to develop the new system. Indicative numbers for funding allocations to individual councils are now expected to be available by spring-summer 2020/21, with the review to be implemented in April 2021 via the Local Government Finance Settlement process.
- 4.13 In December 2017, the Government announced proposals for the proportion of business rates income to be retained by the local authority sector to be increased from the current 50% to 75% from April 2020, a development which does not require primary legislation, unlike the move to 100% local retention. As referred to above, this has now been delayed to April 2021.
- 4.14 The new system of 75% rate retention will consist of a 'reset', which will involve assigning a new baseline funding level and subsequent new tariff or top-up values. Reset of the system and the establishment of new funding formulae could result in East Suffolk losing the financial advantage that it has under the current system - Suffolk Coastal benefited from actual business rates income being significantly above the baseline, which was set at a low level in 2013/14. As a result of the delay in implementing the Business Rate reforms, in 2020/21 the Council will benefit from another year under the current regime, which has a significant impact on the MTFS position for 2020/21 compared with previous forecasts.
- 4.15 General grants, e.g. RSG and the Rural Services Delivery Grant, will be few and far between after 2021, because the proportion of local business rate retention will rise. It is not yet clear whether any of these grants will be abolished when 75% retention is introduced, but a cautious approach has been adopted in the MTFS. Local authorities have expressed the view that the additional revenue available with 75% retention should be available to meet existing spending pressures, instead of being matched with new responsibilities or being offset by the removal of grant funding. The sector will not initially, at least, have more funding. Over the longer term that will depend on whether business rates grow faster or slower than local authority service demands and costs.
- 4.16 In 2017/18 local authorities in England were invited to bid to pilot the 100% Business Rates Retention scheme in 2018/19 and to pioneer new pooling and tier-split models. Suffolk was one of ten successful bids with its "Inclusive Growth" focus. The Suffolk Pilot resulted in significantly more retained business rate income for Suffolk, with East Suffolk's share in the region of £3.9 million.
- 4.17 In July 2018, the Government invited local authorities in England to apply for a 75% business rates retention pilot scheme for 2019/20. Suffolk submitted an application for the 2019/20 pilot but was unsuccessful. In the Technical Consultation, the Government has announced that only the original Devolution Business Rates Pilots will proceed in 2020/21, with all other pilots being cancelled.

Business Rates

- 4.18 Since 2013/14, business rates income has tended to be characterised by a high degree of volatility and uncertainty. Variances between estimated and actual business rate income are realised in the form of deficits or surpluses on the business rates element of the

Collection Fund. For each year, the amount of business rates income credited to the General Fund is the amount estimated on the National Non Domestic Rate (NNDR1) return to Government submitted in January in the preceding year, including a calculation of the estimated Collection Fund deficit or surplus to be charged to the General Fund. As a result, in practice, variances between business rates estimates and actual figures are reflected as an element of the Collection Fund deficit or surplus two years after they take place.

- 4.19 The impact of appeals by businesses against their rating valuations has been the main cause of this volatility in recent years, particularly where the financial impact of these has been backdated. Since April 2017, there has been a new regime for appeals entitled “Check, Challenge, Appeal”. This change has been introduced at the same time as the 2017 Revaluation has come into effect. Over the past two years, data has increasingly emerged that the “Check, Challenge, Appeal” regime has very significantly reduced the level of appeals compared with the previous regime. Consequently, the estimation of the provisions that are required to be made in respect of the potential financial impact of appeals have been reviewed for both the year-end figures for 2018/19 and 2019/20 resulting in very large variances as referred to below.
- 4.20 **2018/19 Actuals** – The methodology for estimating the appeals provision has been revised at year end, enabling appeals provision to be released and income increased, a change that was particularly advantageous given the 100% Suffolk Business Rates Pilot. However, increased income results in the payment of a higher levy paid on additional income, which impacted in 2018/19. As referred to above, due to accounting timing differences, the impact on the Collection Fund deficit/surplus is not reflected in General Fund budget setting until 2021. A net transfer from the Business Rates Equalisation Reserve of £5.797 million was made in 2018/19 to finance this temporary shortfall in Business Rates income.
- 4.21 **2019/20 Revised Forecast** – The methodology for estimating the appeals provision has also been reviewed in-year. A lower contribution to the appeals provision than estimated on the NNDR1 will be required and income will increase. This movement will primarily be reflected in the estimated Collection Fund surplus used in 2020/21 budget setting. However, as in 2018/19, a higher levy will need to be paid so net income will be down for year.
- 4.22 **Renewables** – the current Business Rates regime allows billing authorities to retain 100% of the rating income from eligible new renewal energy projects, rather than the usual 40%. A number of renewable energy hereditaments came into the rating list in 2017/18 and 2018/19 but were not identified as being eligible in the system. Officers asked Anglia Revenues Partnership to undertake a complete review of all energy hereditaments, and this has resulted in significant adjustments to the levels of retained income in respect of both the previous year and the current year, as shown in the table below. In addition, income for 2020/21 is estimated to be around £450,000 higher than previously estimated. It should be noted that the Council was always collecting rating income from these hereditaments and was accounting for its normal share – these adjustments mean that it is now effectively benefitting from what would have been Central Government’s share. Procedures have been implemented to improve identification of eligible hereditaments, including improved liaison with the Valuation Office Agency (VOA), who both value the hereditaments, and, in some cases, determine and certify eligibility. The position on Renewables for 2021/22 is subject to the same uncertainty as the rest of the Business Rates, and it is possible that the hereditaments currently eligible for this incentive may be brought into the normal rating income as part of a reset. In addition, there is no indication as yet as to whether new projects after the reset of the system would be subject to any

incentives in the system. Consequently, at this stage, the MTFS takes a cautious view that no incentivised income will be received from Renewables.

- 4.23 **Suffolk Pool** – In order to reduce the amounts paid to Government in levy, in 2012, all Suffolk Councils agreed to enter a pooling arrangement which would allow them to retain a larger proportion of their share of growth by reducing their individual rate of levy. Based on current monitoring of the Pool, the Pooling Benefit for 2019/20 is estimated to be £1.922 million. The estimated Pooling benefit for 2020/21 is £1.794 million.
- 4.24 **2020/21 Estimates** - The Business Rates NNDR1 return for 2020/21 has now been prepared, and Business Rates income has been updated in the Budget and MTFS. The estimated Business Rate base of the district for 2020/21, the total of net rates income collected from businesses, is £96.159 million. As detailed earlier in the report, the Business Rates system is now to be reformed from 2021/22, including a resetting of the Business Rates Baseline. Due to the uncertainty this reform will have on the income to the Council, the Council has taken a prudent approach with the estimates for future years. The income figures included for 2021/22 and beyond, are based on the current Business Rates system and only include estimates of Baseline income, which is approximately £7 million, plus Section 31 Grant. The updated MTFS now includes the following estimates for business rates income and related Section 31 Grant. In 2020/21, the first call on the Business Rates Collection Fund Surplus should be to reverse the transfer from the Business Rates Equalisation Reserve of £5.797 million made in 2018/19, to ensure that this reserve is in place to deal with both uncertainty in the new Business rates and funding regimes, and the uncertainty inherent in the Business Rates system.

Business Rates Income January 2020 NNDR1	2019/20 Budget £'000	2019/20 Revised £'000	2020/21 MTFS £'000	2020/21 Budget £'000	2021/22 MTFS £'000	2022/23 MTFS £'000	2023/24 MTFS £'000
Net Business Rates Income	(8,002)	(7,010)	(7,018)	(8,504)	(7,229)	(7,446)	(7,669)
Section 31 Grant	(4,557)	(4,838)	(2,782)	(4,861)	(2,865)	(2,951)	(3,039)
Renewables	(544)	(1,509)		(1,011)			
Pooling Benefit	(1,623)	(1,922)		(1,794)			
Total Business Rates Income	(14,726)	(15,279)	(9,800)	(16,170)	(10,094)	(10,397)	(10,708)
Collection Fund Surplus	(416)	(416)		(5,177)			
Total incl. Collection Fund	(15,142)	(15,695)	(9,800)	(21,347)	(10,094)	(10,397)	(10,708)

Council Tax

- 4.25 Council Tax is one of the Council's most important and stable income streams, funding approximately 50% of the net budget requirement of the Council. In the Provisional Settlement the Council Tax increase referendum limits will continue as at present, i.e. shire districts in two-tier areas will be able to increase Council Tax by a maximum of £5.00 or 2%, whichever is the higher. An increase of £5.00 for East Suffolk would equate to an increase of 3% on the current District Band D Council Tax of £166.32. It is worth noting that in its assessment of the Core Spending Power of local authorities, the Government assumes that councils increase Council Tax at the maximum permitted levels.
- 4.26 There will be no referendum principles for Town and Parish Councils in 2020/21 but the Government will continue to keep this area under review.

- 4.27 **Council Tax Base** – The CTB1 Council Tax Base Return was submitted to Government on 11 October 2019. Growth in the tax base for East Suffolk is 1,133.73 Band D equivalent properties, increasing the overall tax base for East Suffolk from 86,755.14 to 87,888.87 Band D equivalents for 2020/21. This equates to around £189,000 of additional Council Tax income to the Council based on the current District Band D Council Tax of £166.32. The estimated Council Tax base for East Suffolk parish by parish is shown in **Appendix A2**.
- 4.28 **District Band D Council Tax 2020/21** – An increase of £4.95 for 2020/21 would equate to a District Band D Council Tax for East Suffolk of £171.27. An increase of £4.95 would generate approximately £435,000 of income for East Suffolk in 2020/21, and overall Council Tax income for East Suffolk for 2020/21 based on a Band D equivalent of £171.27 is £15.053 million.
- 4.29 Based on the above data, the table below sets out the estimated Council Tax income and assumptions on Council Tax as included in the latest update of the MTFS for East Suffolk.

Council Tax Income	2019/20 £'000	Estimate 2020/21 £'000	Estimate 2021/22 £'000	Estimate 2022/23 £'000	Estimate 2023/24 £'000
Council Tax Income – Base	(13,890)	(14,429)	(15,053)	(15,643)	(16,243)
Growth in Tax Base	(188)	(189)	(151)	(156)	(162)
Council Tax Increase	(351)	(435)	(439)	(444)	(448)
Total Council Tax Income	(14,429)	(15,053)	(15,643)	(16,243)	(16,853)
Council Tax Band D	£166.32	£171.27	£176.22	£181.17	£186.12
Council Tax Base	86,755.14	87,888.87	88,767.76	89,655.44	90,551.99
Growth in Tax Base %	1.36%	1.31%	1.00%	1.00%	1.00%
Council Tax Increase £	£4.05	£4.95	£4.95	£4.95	£4.95
Council Tax Increase %	2.50%	2.98%	2.89%	2.81%	2.73%

- 4.30 **Council Tax Collection Fund** – The Collection Fund is monitored closely throughout the financial year. No Council Tax Collection Fund Surplus was declared last year, and the residual surplus for 2018/19 feeds into the surplus to be declared for 2019/20. An overall estimated surplus of £3.961 million has been declared, resulting in a surplus to East Suffolk of around £537,000.

New Homes Bonus (NHB)

- 4.31 The Government established the New Homes Bonus in 2011 to provide an incentive for local authorities to encourage housing growth in their areas. Over £7.9 billion has been allocated to local authorities through the scheme to reward additional housing supply.
- 4.32 NHB is funding allocated to councils based on the building of new homes and bringing empty homes back into use. The intention for the New Homes Bonus is to ensure that the economic benefits of growth are returned to the local authorities and communities where growth takes place. Over the past few years, NHB has become an extremely important source of incentivised income.
- 4.33 The NHB allocations for 2017/18 (Year 7) reflected a previous Government consultation which had the objectives of diverting at least £800 million of funding to Social Care (the

Better Care Fund), and of sharpening the incentives for authorities. Although the Bonus has been successful in encouraging authorities to welcome housing growth, it has not rewarded those authorities who are the most open to growth, and in December 2016 the Government announced reforms to the system. The key features in the new NHB allocations included:

- The allocation period being reduced from six to four years in 2018/19, with 2017/18 as a transition year with a five year allocation; and
- The introduction of a national baseline for housing growth was set at 0.4% of Council Tax base growth (weighted by band) for 2017/18 and remained at this level for 2018/19 and 2019/20. The purpose of the baseline is to remove “deadweight” growth that would occur normally without active delivery by councils – councils will only receive NHB for new properties above this level.

4.34 **NHB 2020/21** – As part of the roll-forward settlement the Government will retain the £900 million top-slice of Revenue Support Grant to fund NHB payments in 2020/21. In addition to funding legacy payments associated with previous allocations, there is a new round of allocations for 2020/21.

4.35 As the roll forward is for one year, with any funding beyond 2020/21 subject to the 2020 Spending Review and potential new proposals, any new allocations in 2020/21 will not result in legacy payments being made in subsequent years on those allocations. The payment of an allocation for one year instead of four years has a significant impact on NHB funding availability, as current annual allocations amount to over £500,000 per year.

4.36 The Government will be consulting in the Spring on incentivising housing growth as referred to in the Provisional Settlement: “This will include moving to a new, more targeted approach that rewards local authorities where they are ambitious in delivering the homes we need, and which is aligned with other measures around planning performance.” Combined with a one-year allocation and no legacy payments, this indicates that NHB may be phased out more rapidly than previously anticipated and may be abolished altogether in its current form.

4.37 **NHB Allocation** – The Council Tax Base Return to Government (CTB1) provides the basis for calculating the NHB allocation each year, and the Council also receives payment for each affordable home completed (80% of £350 per property), based on housing statistics. Based on the Provisional Settlement and the Technical Consultation, the total NHB allocation for East Suffolk for 2020/21 and forecasts for subsequent years are shown in the table below.

NHB	2019/20 £'000	2020/21 £'000	2021/22 £'000	2022/23 £'000	2023/24 £'000
Year 6	(770)	0	0	0	0
Year 7	(565)	(565)	0	0	0
Year 8	(548)	(548)	(548)	0	0
Year 9	(525)	(525)	(525)	(525)	0
Year 10	0	(665)	0	0	0
Forecast October 2019	(2,408)	(2,303)	(1,073)	(525)	0
MTFS Forecast February 2019	(2,408)	(2,163)	(2,124)	(2,102)	0
Forecast Change in NHB	0	(140)	1,051	1,577	0

- 4.38 Prior to 2019/20 the approach to using NHB funding differed between Suffolk Coastal and Waveney. Suffolk Coastal used NHB funding to support specific community related projects and initiatives, whereas Waveney used the income as part of its core funding to support the General Fund budget. After consideration by the relevant Member Working Groups for the East Suffolk project, a modified version of the Suffolk Coastal approach was adopted for East Suffolk. This approach provides an expansion to supporting community initiatives across East Suffolk, balanced against the overriding need to retain financial sustainability. **Appendix A3** outlines the position on the NHB Reserve and proposed use of NHB funding for East Suffolk over the MTFS period, and this is summarised in the table below.

	2019/20 £'000	2020/21 £'000	2021/22 £'000	2022/23 £'000	2023/24 £'000
Opening Balance	(4,594)	(4,263)	(5,005)	(4,253)	(3,666)
Add: Allocation Received	(2,408)	(2,303)	(1,073)	(525)	0
Less: Proposed Use	2,739	1,561	1,825	1,112	1,058
Closing Balance	(4,263)	(5,005)	(4,253)	(3,666)	(2,608)

5 MEDIUM TERM FINANCIAL POSITION

MTFS Forecasts 2020/21 to 2023/24

- 5.1 The Finance team works with Service Areas to review their budget requirements and budget monitoring is an ongoing process between Finance, Service Areas and the Corporate Management Team. This work leads to continual updating of the MTFS for the Council.
- 5.2 **Norse Partnership** - Initial proposed budgets have been received from Norse in respect of the services that they provide to the Council. Overall, these proposals indicate levels of expenditure over the MTFS period considerably above original budget levels, arising from a number of factors such as the National Living Wage. The initially proposed budgets have been incorporated into the MTFS of this report, with an increase to the budget of around £1.1 million in 2020/21 and rising to around £2.1 million in 2023/24. Obviously increases of this magnitude potentially have a very significant impact on the Council's financial position. Consequently, these proposals need to be challenged and reviewed in detail, and are the subject of ongoing challenge, discussion, and negotiation with Norse, including Director level meetings.
- 5.3 The MTFS was updated in February 2019 when the first budget for East Suffolk was set and in November 2019. A summary of analysis of the key movements as at February 2020 is shown in the following table. This table is supported by **Appendix A4** and **Appendix A5**. As noted in paragraph 5.1 above, there is continual updating of the MTFS.

MTFS Updates - February 2020	2019/20 £'000	2020/21 £'000	2021/22 £'000	2022/23 £'000	2023/24 £'001
Key Budget Movements:					
Additional Income	(411)	(407)	(407)	(407)	(407)
Operational Savings	(868)	(1,136)	(1,188)	(1,153)	(909)
Operational Requirements	2,184	2,312	2,687	3,103	4,263
Reduced Income	429	379	379	379	379
Section 31 Grant (Business Rates)	(281)	(2,079)	0	(57)	(145)
Reserve Movement	(620)	7,712	54	569	599
Funding:					
Rural Services Delivery Grant	0	(248)	0	0	0
Revenue Support Grant (RSG)	0	(328)	0	0	0
Council Tax Income	0	(42)	(24)	2	(608)
Council Tax Surplus	0	(537)	0	0	0
Business Rates	(272)	(9,467)	0	(145)	(368)
Business Rates Pilot	(161)	0	0	0	0
Net Total of Updates	0	(3,841)	1,501	2,291	2,804

- 5.4 The summary MTFS position resulting from these movements as at February 2020 is shown in the table below.

MTFS Forecast - East Suffolk	2019/20 £'000	2020/21 £'000	2021/22 £'000	2022/23 £'000	2022/24 £'000
February 2019	0	3,841	3,849	3,872	3,872
November 2019	0	0	3,212	2,981	2,547
February 2020	0	0	5,350	6,163	6,676

- 5.5 There are a number of key features in the latest MTFS position as at February 2020 resulting from the roll forward of the 2019/20 Local Government Finance Settlement to 2020/21 and the delay in the Business Rate Retention and Fair Funding reforms until 2021/22. East Suffolk is in an advantageous position under the current Business Rates Retention system and deferral of the reforms will enable the Council to benefit from another year of the current regime. Combined with the roll forward of Revenue Support Grant and Rural Services Delivery Grant, this has created a favourable position for 2020/21. Effectively, the significant underlying budget gap previously forecast in the MTFS for East Suffolk has been deferred until 2021/22. Although valuable work has been done in identifying over £1.7 million of operational savings, these have been largely offset by other operational and income pressures, and there are also potentially other large increases in operational expenditure over the MTFS period. The period from 2021/22 onwards is extremely uncertain, and the position forecasted represents a likely base scenario in terms of external funding, assuming business rates income at the current baseline level. In addition, from 2021/22, there are indications that NHB will significantly reduce as a funding source and will probably be phased out completely in its current form.
- 5.6 Consequently, budget setting for 2020/21 needs to balance the favourable one-off position that the Council finds itself in with the pressures and uncertainties of the medium term, and the underlying budget gap that needs to be addressed. It is important that the Council's policy towards its reserves and balances, and towards income streams such as Council Tax, seeks to provide some contingency against these future pressures, and

ensures the continuation of valuable programmes and initiatives, particularly those currently funded from NHB.

Budget Planning Assumptions

- 5.7 **Goods & Services** - The Council's financial strategy assumes that any inflationary pressures incurred on goods and services expenditure are contained within existing budgets, or through more efficient spending. This will be kept under review to ensure this planning assumption remains adequate. This does not impact on inflation for specific contracts where the budget planning assumptions reflect specific contract increases.
- 5.8 Contracts have been inflated based on the specified inflation indices within each individual contract. Additional negotiation has taken place with contractors to determine how these cost increases can be reduced where possible. This negotiation and retendering of contracts is part of the Council's strategy for cost reduction and will continue over the medium-term.
- 5.9 **Fees and Charges** are based on the Council's agreed principles of increasing existing fees and charges on a market forces basis whilst having regard to the Council's policies and objectives. As a minimum, fees and charges should be increased by price inflation. The Council will also review opportunities to introduce new fees as appropriate. Proposed fees and charges were considered by the Cabinet on 7 January 2020.
- 5.10 **Public Sector Pay** – April 2020 is the end of the two year pay award covering the period 1 April 2018 to 31 March 2020, which included a 2% increase in 2018/19 and 2019/20. The opening MTFS position for East Suffolk had assumed a 2% pay award increase per annum for 2020/21 onwards, and this assumption remains unchanged. On 5 February 2020, the National Employers for Local Government Services, announced council employees pay offer of 2% for 2020/21. In addition to pay increases, pay costs include incremental progression and on-costs such as employer national insurance and pension contributions. A 1% pay awards equates to approximately £230,000 including on-costs.
- 5.11 **Actuarial Valuation** - The latest triennial actuarial valuation of the assets and liabilities of the Suffolk County Pension Fund was completed on 31 March 2019. The Council has been advised that its share of the pension fund was 98% fully funded at this date. The proposed employers pension contribution rate for 2020/21, 2021/22 and 2022/23 is 34%, 33% and 32% and is a reduction on the current rate for East Suffolk of 35.4%. The current rate is based on a Primary Rate of 22.8%, plus a deficit payment of £2.6 million at 12.6%. For 2020/21 to 2022/23 onwards there will not be a deficit payment, and instead it is incorporated into the primary rate.
- 5.12 In formulating its detailed spending plans, the Council has also taken account of past performance and the previous year's outturn position.
- 5.13 The Council's financial planning assumptions are summarised below:

Budget Area	Assumption
Inflation	
Goods & Services	Met within existing budgets (the exception is contracts)
Utilities	4.4% RPI (utilities) September 2019
Fees & Charges	2.9% RPI June 2019
Staffing Costs	2% per annum plus incremental progression
In-Year Vacancy Saving	£300k per annum
Investment Income	0.91% Term Investments (average) 0.4% Call Accounts 4.35% Property Fund (as at December 2019) 3.20% Multi Asset Fund (as at December 2019)
Interest Payable	0.5% every 6 months

- 5.14 **Other Pressures** – Ranging from increased demand for services or changes in national policy, the Council's MTFS will be adjusted to reflect the financial implications of these changes. The budget monitoring work is ongoing with the Finance Team working with service areas to review their budget requirements.

6 RESERVES AND BALANCES

- 6.1 In order to manage its financial affairs soundly, the Council needs to hold an appropriate level of reserves and balances. These allow it to:
- manage its cash flows economically and avoid temporary borrowing pending receipt of income due during the year;
 - deal promptly and efficiently with emergencies if they occur, as this year;
 - take previously unseen opportunities to secure benefits that may arise during the year;
 - mitigate reliance on volatile sources of funding;
 - set money aside for known events but where the timing or precise amount required is not yet certain; and
 - accumulate monies to meet costs that it would be unreasonable for taxpayers to meet in a single year.
- 6.2 In addition to the General Fund Balance, the Council keeps a number of earmarked reserves on the Balance Sheet. Some are required to be held for statutory reasons, some are needed to comply with proper accounting practice, and others have been set up voluntarily to earmark resources for future spending plans or potential liabilities.
- 6.3 The Council has continued to develop its prudent financial management arrangements, through the development of earmarked reserves to mitigate potential future risks. As issues arise, the potential requirement for an earmarked reserve is considered. New earmarked reserves are formally considered as part of the detailed budget process, to ensure that risks identified are adequately mitigated, and throughout the annual budget monitoring process as risks arise or become clearer.

General Fund Balance and Earmarked Reserves

- 6.4 The detailed budget process includes an assessment of risk, the adequacy of General Fund Reserves and a review of earmarked reserves. This review evaluates the need to create and/or change earmarked reserve levels and to also release reserves which are no longer required, thereby becoming a one-off resource for the Council. A risk assessment of the General Fund Balances informs the Chief Finance Officer's view of the adequacy of reserves to provide assurance to the budget. Having regard to the financial risks surrounding the budget planning process; the Council maintains the level of General Fund balances at around 3%-5% of its budgeted gross expenditure (in the region of £120 million for East Suffolk). This would equate to maintaining a General Fund balance for East Suffolk, in the region of between £4 million and £6 million. As at 1 April 2019, the opening General Fund balance of East Suffolk stood at £8 million.
- 6.5 The General Fund Balance and Earmarked Reserves position for East Suffolk as at 1 April 2019 has been informed by the outturn positions of Suffolk Coastal and Waveney for 2018/19.
- 6.6 Key features of the 2018/19 outturn position for Suffolk Coastal are noted below:
- General Fund – surplus of approximately £639,000 transferred to in-year savings reserve, in addition to planned transfer of £1.3 million.
 - Earmarked reserves increased by £2.4 million to £33.1 million.
 - General Fund balance maintained at £4 million.
 - Capital Programme spend of £6.7 million, underspent by £2.2 million – largely rephased to 2019/20.
- 6.7 Key features of the 2018/19 outturn position for Waveney are noted below:
- General Fund – surplus of approximately £94,000 transferred to in-year savings reserve.
 - Earmarked reserves increased by £700,000 to £12.2 million.
 - General Fund balance maintained at £4 million.
 - General Fund Capital Programme spend of £3.2 million, and HRA Capital Programme spend of £7 million – underspends mainly rephased to 2019/20.
- 6.8 £2.0 million of the General Fund Balance is being transferred to the earmarked Capital Reserve in 2019/20, to set aside additional revenue funding for the capital programme. Further use of the General Fund balance will be evaluated against an assessment of risk, to ensure financial sustainability for the Council is maintained, whilst supporting the strategy direction and ambitions of the Council.
- 6.9 One of the key underpinning financial principles of the MTFS is to not use the Council's Reserves (and other one-off resources) as a primary method to balance the ongoing pressures in the budget. Earmarked reserves are used for specific one-off purposes to support the delivery of corporate objectives and to mitigate risks.
- 6.10 The current projected position on Reserves and Balances for East Suffolk is summarised in the following table and shown in more detail in **Appendix A6**.

Reserves	Actual April 2019 £'000	MTFS April 2020 £'000	MTFS April 2021 £'000	MTFS April 2022 £'000	MTFS April 2023 £'000	MTFS April 2024 £'000
General Fund	8,000	6,000	6,000	6,000	6,000	6,000
Earmarked Reserves:						
Business Rate Equalisation	8,476	7,005	12,802	12,666	12,579	12,389
Capital	4,700	6,615	5,846	5,658	6,050	6,472
Community Projects & Initiatives	6,765	5,321	5,767	4,734	4,147	3,089
Corporate - Contingency, Service Requirements	8,751	7,714	7,245	7,175	7,185	6,955
Housing & Homelessness	4,128	4,012	2,388	1,474	1,261	1,125
Port Health	4,623	4,784	5,069	5,271	5,448	5,587
Regeneration & Economic Development	6,319	4,057	3,093	2,908	2,924	2,940
Service Transformation	1,556	1,257	2,687	2,687	2,687	2,687
Total Earmarked Reserves	45,318	40,765	44,897	42,573	42,281	41,244

7 CAPITAL STRATEGY

7.1 The Capital Strategy gives a high-level overview of how capital expenditure, capital financing and treasury management activity contribute to the provision of local public services in East Suffolk, along with an overview of how associated risk is managed and the implications for future financial sustainability. The Capital Strategy for the period 2020/21 to 2023/24 was considered by the Audit and Governance Committee on 6 January 2020 and Full Council on 22 January 2020. Capital planning is about financial investment on the purchase of new assets, the creation of new assets and enhancing and/or extending the useful life of existing assets. The Council's approach is being enhanced with the aim of achieving the optimum balance between the future needs of East Suffolk (including the need to drive growth) and the ongoing challenge of public sector austerity. Key principles include:

- Developing asset and capital strategies that facilitate a long-term approach to decision-making.
- Ensuring that assets are only held as needed to achieve Council objectives.
- Maximising efficiency in the management and use of assets.
- Ensuring that pressure to achieve short-term savings does not compromise the value of assets through lack of investment.
- Ensuring that capital investment is targeted where it will achieve the greatest long-term benefit.

7.2 Enhancing the management of the Council's existing asset base and looking beyond the traditional medium-term financial planning horizon is a major priority. An updated Asset Management Strategy was approved in July 2019, broken down into four key components:

- Administrative Improvements.
- Compliance and Sustainability.
- A strategic approach to assets.
- Reducing expenditure and increasing income.

- 7.3 For the purposes of setting the budget for 2020/21 and medium-term financial planning, the current rolling Capital Programme is being updated to reflect existing projects and the latest capital investments plans for the period 2019/20 to 2023/24.
- 7.4 The Capital Programme including both General Fund and HRA elements is subject to the scrutiny process and formally adopted by Full Council each year and the decision to accept individual projects onto the Programme is driven by the overriding requirement to support the priorities communicated in the East Suffolk Business Plan.
- 7.5 As well as adequately maintaining the asset base, a range of other important factors also have to be considered, especially when deciding upon the allocation of General Fund resources. Notably:
- Legislation – the need for capital investment due to changes in legislation, including those with health and safety implications, is given due priority.
 - Resource Availability – the sustainability of the Capital Programme is a primary consideration and integral to the MTFS.
- 7.6 Where required, capital projects are supported by a detailed business case, which demonstrates a set of clear objectives and measurable benefits, as well as detailed financial implications. This includes the on-going revenue implications of a capital project, to ensure these are built into the MTFS revenue assumptions.
- 7.7 Major capital projects are delivered by dedicated project managers, with leadership and oversight provided by the Senior Management Team.
- 7.8 The 2020/21 Capital Programme was considered by the Scrutiny Committee, the Cabinet, and Full Council at their respective meetings on 16 December 2019, 7 January 2020, and 22 January 2020. The updated Capital Programme is shown below:

SUMMARY - GENERAL FUND PROGRAMME	2019/20	2020/21	2021/22	2022/23	2023/24	2019/20 to
	£000	£000	£000	£000	£000	2023/24
	Revised Budget	Revised Budget	Revised Budget	Revised Budget	Revised Budget	Total
Capital Expenditure						
Economic Development & Regeneration	830	0	0	0	0	830
Environmental Services & Port Health	50	11	30	0	0	91
Financial Services	5,380	5,300	600	0	0	11,280
ICT Services	670	400	50	50	50	1,220
Operations	11,056	19,611	11,370	1,405	6,725	50,167
Planning & Coastal Management	6,302	14,602	21,729	23,384	13,995	80,012
Housing Improvement	2,148	1,716	1,716	1,716	1,716	9,012
Total Capital Expenditure	26,436	41,640	35,495	26,555	22,486	152,612
Financed By:-						
External:						
Grants	9,150	15,440	23,245	25,000	21,461	94,296
Contributions	50	50	50	50	50	250
Borrowing	0	12,800	10,400	0	0	23,200
Internal:						
General Fund Capital Receipts	70	0	0	0	0	70
Borrowing	12,004	11,422	925	900	400	25,651
Reserves	5,162	1,928	875	605	575	9,145
Total Financing	26,436	41,640	35,495	26,555	22,486	152,612

EAST SUFFOLK MEDIUM TERM FINANCIAL STRATEGY - KEY PRINCIPLES

1 PRIORITIES, AIMS AND OBJECTIVES

- 1.1 The **East Suffolk Business Plan** provides the overarching vision for East Suffolk. In fulfilment of the Plan, the Council makes use of significant resources to achieve its aims including money, people, property and technology. In order to allocate resources to competing demands, achieve effective and efficient use of its resources, best value and ultimately achieve its vision, the Council has several strategies and plans which give a clear sense of direction and underpin the deployment of those resources. The **Medium Term Financial Strategy** sits under the **Efficiency Plan**, and combined with other strategies and plans, they support and embrace the strategic direction of East Suffolk.

2 STRATEGY OBJECTIVES

- 2.1 The Council's MTFS aims to ensure the provision of the best quality services possible within the resources available. To do so it must maximise the use of its resources to ensure they are used efficiently and effectively to support the development of longer term sustainable objectives.
- 2.2 The specific objectives of the MTFS are to:
- a) ensure that the Council sets a balanced, sustainable budget year by year, so that forecast spending does not exceed forecast resources available to it
 - b) plan for a level of Council Tax that the Council, its residents and Government see as necessary, acceptable and affordable to ensure that it has the financial capacity to deliver the Council's policies and objectives
 - c) redirect resources over time to adequately support and resource the priorities of the both the Council and the wider community
 - d) maintain sufficient reserves and balances to ensure that the Council's long term financial health remains sound.

3 STRATEGY PRINCIPLES

- 3.1 The principles set out below provide a framework within which the Council will develop its detailed financial plan over the medium term.

General

There are a number of overarching principles that will apply across the Council's detailed financial accounting, planning and monitoring:

- a) that the Council's budgets, financial records and accounts will be prepared and maintained in line with approved Accounting Standards, the CIPFA Code of Practice on Local Government Accounting, the CIPFA Prudential Code and the relevant sections of the Council's Constitution and Finance Procedure Rules
- b) prior to setting a budget, the Council will always analyse potential risks and ensure these are minimised in line with its Risk Management Strategy

- c) that the Council's Corporate Management Team will review the budget proposals for reasonableness and adherence to corporate policies and objectives prior to the budget being submitted to Cabinet
- d) the Council will monitor its revenue and capital budgets effectively. Monitoring will be undertaken monthly by Heads of Service together with their portfolio holders, and integrated quarterly monitoring reports will be reported to Cabinet. In cases where significant financial and service performance deviates from that planned, action plans setting out corrective action will be drawn up by Heads of Service / Portfolio Holders and reported to Cabinet as appropriate
- e) that the Council's Corporate Management Team will take appropriate steps to continue to maintain and improve the accuracy and quality of data that it uses throughout the Council thereby ensuring that budget and other decisions are taken on a sound basis
- f) the Council will seek to maximise external contributions towards revenue and capital spending for example through bidding for specific grants, attracting levered funding, participating in new funding streams and engaging in further strategic partnering opportunities where appropriate.

General Fund (Revenue)

3.2 In relation to its revenue budgets the Council will:

- a) set a balanced budget each year that will be constructed to reflect its objectives, priorities and commitments. In particular, the budget will influence and be influenced by the Business Plan, the Organisational and Development Strategy, Capital and Asset Management Strategies, the Risk Management Strategy, its Comprehensive Equality Scheme and its Consultation and Engagement Strategies
- b) within the constraints of the resources available to it, set a sustainable budget each year that meets on-going commitments from on-going resources. The Council will continue to aim to maintain its level of general balances when it sets its revenue budget each year now that a prudent level of balances has been achieved
- c) seek to identify annual efficiency savings through business process improvement, shared service initiatives, service best value reviews and benchmarking and strategic partnering opportunities within and across county borders
- d) review the appropriateness of service delivery between the Council, parishes and other partners
- e) increase existing fees and charges on a market forces basis whilst having regard to the Council's policies and objectives. As a minimum fees and charges should be increased by price inflation. The Council will also review opportunities to introduce new fees as appropriate
- f) within Government guidelines, set a level of Council Tax that the Council, its residents and Government see as necessary, acceptable and affordable to deliver the Council's policies and objectives.

Capital

3.3 When considering its capital investment the Council will:

- a) maximise the generation of capital receipts and grants to support its planned investment programmes
- b) enhance its capital investment by applying specific grants and contributions, capital receipts, earmarked reserves and revenue contributions, with any balance being met by external borrowing
- c) not recognise capital receipts until there is certainty that the receipt will materialise, and will not be earmarked against specific developments without express Cabinet approval
- d) allocate its capital resources in line with its Capital Strategy and Asset Management Plan whilst recognising that other priorities may emerge that may require those plans to be amended and resources to be diverted
- e) annually review and prioritise capital schemes in accordance with Council objectives having regard to
- f) the business case for any given project; asset management planning
- g) affordability in line with the application of the Prudential Code.

Balances and Reserves

3.4 In relation to its balances and earmarked reserves, the Council will:

- each year maintain the level of General Fund balances at around 3% - 5% of its budgeted gross expenditure. This would lead the Council to maintain a General Fund balance in a range of around £4 million to £6 million
- have regard to the financial risks surrounding the budget planning process, including those associated with the structural deficit, inflationary pressures, interest rates, partnerships, the treatment of savings, new burdens and demand led expenditure
- review its earmarked reserves, which have been established to meet known or predicted liabilities, to ensure that the level of those reserves is still appropriate
- return reserve balances no longer required to the General Fund as appropriate.

Treasury Management and Investment

3.5 The Council will:

- a) having regard to risk, maximise investment income and minimise borrowing costs within the overall framework set out in the Council's annual Treasury Management and Investment Strategy
- b) secure the stability of the Council's longer term financial position rather than seeking to make short-term one-off gains which may lead to higher costs in the long term

- c) having regard to risk, seek to diversify its investment portfolio; maximise investment income; and deliver economic development objectives through the Asset Investment Strategy (in development).

4 OTHER CONSIDERATIONS

4.1 The Council's spending will have regard to:

- a) the base budget position for the current financial year, adjusted for in year grant changes
- b) the Council's medium term priorities
- c) the refocusing of service expenditure through transactional, shared services and other efficiencies to support the achievement of its medium term priorities and satisfy Government funding changes
- d) demographic and welfare changes
- e) consultation outcomes
- f) fiscal matters including:
 - price inflation.
 - the effect on the level of General Fund balances and reserves.
 - the impact of any changes to the capital programme on the potential costs of borrowing.
 - triennial revaluation of the pension fund.
 - ongoing commitments, arising in part, from initiatives that have previously been funded from specific grants.
 - achieving budgeted savings from outsourcing, shared services and service reviews.
 - the likely passporting of some Government departmental savings targets to councils.

RISKS	PROBABILITY HIGH (H) MEDIUM (M) LOW (L)	IMPACT HIGH (H) MEDIUM (M) LOW (L)	MITIGATING ACTIONS
<p>Strategic Risks</p> <p>The absence of a robust Medium Term Financial Strategy could adversely affect the Council's budget and resource planning and projections.</p> <p>Failure to understand changing community needs and customer expectations can result in the Council providing levels of service which are not appropriately aligned to the needs of communities and customers.</p> <p>Local Government funding is under continuous pressure and review. Failure to respond to these funding pressures may adversely impact on the Council's ability to service delivery.</p> <p>Budget pressures arising from housing and economic growth and other demographic changes.</p> <p>Financial</p> <p>Uncertain medium term sustainability of incentivised income areas subject to Government policy, economic factors, and revaluation e.g. Brexit, business rates and New Homes Bonus.</p>	<p>L</p> <p>L</p> <p>M</p> <p>H</p> <p>H</p>	<p>H</p> <p>H</p> <p>H</p> <p>H</p> <p>H</p>	<p>Continually monitor and refine the strategy in line with changing influences. Update Corporate Management Team and Cabinet.</p> <p>Continuously engage with key stakeholders and take advantage of existing consultation methodologies. Continue to monitor and more closely align service levels to demand and need.</p> <p>Take advantage of the Council's growth opportunities to reduce dependency on government funding. Align service delivery to funding levels, improve exist strategy to minimise risk.</p> <p>Take advantage of technological advancements to understand and reduce unit costs, monitor demand for services and proactively manage resourcing requirements, invest in schemes to promote skills and developments.</p> <p>Constantly monitor information and update risk appraisals and financial projections. Provide timely briefings and updates to Members/key stakeholders to facilitate decision making. Adopt prudent budgeting approach not placing undue reliance on uncertain funding sources.</p>

Uncertainty surrounding the Government's change agenda including, business rates and welfare reform over the medium term.	H	H	Constantly monitor information from Government and update risk appraisals and financial projections. Provide timely briefings and updates to Members/key stakeholders to facilitate decision making. Lobby through the LGA as appropriate.
Budget pressures from demand led services and income variances reflecting the wider economy.	M	M	Monitor pressures throughout the budget process and take timely actions.
Costs arising from the triennial review of the Local Government Pension Scheme.	H	M	Review and monitor information from Government and actuaries. Update forecasts as necessary.
Interest rate exposure on investments and borrowing.	L	L	Review cash flows, ensuring the Council has a flexible and forward looking Treasury management policy.
Information			
The Council itself has no influence over the outcome of some of the other bigger assumptions such as formula grant, national pay awards, interest rates, inflation and statutory fees and charges.	L	M	Key assumptions made are regularly reviewed from a variety of sources. Forecasts are updated as necessary.
Operational			
The Council has entered into a number of strategic partnerships and contracts and is therefore susceptible to price changes.	M	H	Effective negotiation, sound governance arrangements and regular reviews of performance and partnership risks.
There is a potential risk to the Council if there is a financial failure of an external organisation, providing services to the public on behalf of the Council.	L	H	Ensure rigorous financial evaluations are carried out at tender stage. Consideration of processes to ensure annual review of the successful organisation and review any external auditor comments.
		40	

<p>People</p> <p>Loss of key skills, resources and expertise.</p>	M	L	Continue to invest in staff developments, service continuity measures. Monitor succession planning. Keep staff consulted and informed. Ensure employment terms and conditions are competitive and development needs identified through 'My Conversation' programme with staff are satisfied.
<p>Regulatory</p> <p>Changes of responsibility from Government can adversely impact on service priorities and objectives.</p>	L	L	Sound system of service and financial planning in place. Lobby as appropriate.
<p>Reputation</p> <p>Loss of reputation if unforeseen resource constraints result in unplanned service reductions.</p>	L	H	Identify and implement robust solutions in response to changes. Consult widely. Seek to achieve a prudent level of balances and reserves.

Agenda Item 9

East Suffolk Council Council Taxbase by Parish 2020/21

Appendix A2

ES/0309

Parish Area	2019/20 Taxbase	2020/21 Taxbase	Parish Area	2019/20 Taxbase	2020/21 Taxbase
Aldeburgh	1,869.81	1,883.62	Leiston	1,702.25	1,777.07
Alderton	177.28	174.22	Letheringham	40.95	42.82
Aldringham-Cum-Thorpe	576.82	575.43	Levington & Stratton Hall	127.01	125.62
All Saints & St. Nicholas, St. Michael and St. Peter S E	101.25	102.49	Little Bealings	212.78	213.74
Badingham	219.72	224.14	Little Glemham	67.32	67.14
Barnby	214.49	217.09	Lound	118.75	117.41
Barsham and Shipmeadow	130.74	129.08	Lowestoft	12,554.29	12,682.12
Bawdsey	188.48	188.02	Marlesford	88.61	87.42
Beccles	3,198.11	3,206.36	Martlesham	2,301.57	2,296.38
Benacre	34.33	33.97	Melton	1,744.44	1,822.60
Benhall & Sternfield	288.33	290.55	Mettingham	81.68	82.10
Blaxhall	109.76	112.44	Middleton	191.13	198.64
Blundeston and Flixton	446.39	456.35	Mutford	183.55	185.31
Blyford and Sotherton	72.39	71.01	Nacton	341.44	344.26
Blythburgh	187.24	191.21	Newbourne	106.28	107.22
Boulge	13.91	14.85	North Cove	148.71	149.89
Boyton	61.21	59.66	Orford & Gedgrave	398.50	394.25
Bramfield & Thorington	190.65	191.03	Otley	289.69	288.92
Brampton with Stoven	145.21	148.52	Oulton	1,411.47	1,463.43
Brandeston	144.24	146.11	Oulton Broad	3,240.96	3,250.37
Bredfield	149.29	147.28	Parham	122.53	120.08
Brightwell, Foxhall & Purdis Farm	984.12	985.21	Peasenhall	235.03	232.77
Bromeswell	157.31	154.82	Pettistree	87.00	87.15
Bruisyard	65.85	66.12	Playford	110.05	112.89
Bucklesham	200.26	200.74	Ramsholt	13.02	12.77
Bungay	1,628.79	1,631.58	Redisham	51.57	52.13
Burgh	81.11	79.37	Rendham	127.47	129.57
Butley, Capel St Andrew & Wantisden	112.68	113.32	Rendlesham	936.97	939.42
Campsea Ashe	147.02	155.05	Reydon	1,176.73	1,192.36
Carlton Colville	2,652.40	2,657.67	Ringsfield and Weston	219.71	221.44
Charsfield	146.41	145.84	Rumburgh	119.15	119.50
Chediston, Linstead Magna & Linstead Parva	154.35	158.06	Rushmere	32.78	33.07
Chillesford	63.34	63.35	Rushmere St Andrew	2,560.08	2,573.67
Clopton	144.54	145.80	Saxmundham	1,520.55	1,566.89
Cookley & Walpole	151.90	153.33	Saxtead	125.30	126.06
Corton	554.75	567.16	Shadingfield, Sotterley, Willingham and Ellough	171.96	180.14
Covehithe	10.41	10.84	Shottisham	84.23	84.33
Cransford	65.34	67.42	Sibton	93.24	94.89
Cratfield	147.65	148.76	Snape	323.12	329.04
Cretingham, Hoo & Monewden	200.37	207.77	Somerleyton, Ashby & Herringfleet	161.52	164.18
Dallinghoo	82.52	84.77	Southwold	1,052.55	1,094.99
Darsham	177.51	181.67	Spexhall	84.31	85.38
Debach	32.22	32.01	St. Andrew Ilketshall	113.36	110.89
Dennington	234.56	232.70	St. James South Elmham	88.84	87.83
Dunwich	88.91	86.20	St. John Ilketshall	20.30	20.38
Earl Soham	198.87	202.46	St. Lawrence Ilketshall	61.52	61.77
Easton	151.37	163.04	St. Margaret Ilketshall	70.13	69.38
Eyke	149.69	154.63	Stratford St Andrew and Farnham	139.34	138.50
Felixstowe	8,324.16	8,474.25	Sudbourne	175.83	184.58
Flixton, St. Cross S E & St. Margaret South Elmham	162.58	165.31	Sutton	138.26	142.39
Framlingham	1,391.92	1,492.68	Sutton Heath	320.82	327.25
Friston	207.09	211.74	Sweffling	95.54	96.45
Frostenden, Uggeshall and South Cove	169.39	164.76	Swilland & Witnesham	391.91	398.60
Gisleham	245.15	248.05	Theberton	150.53	152.35
Great Bealings	127.85	132.25	Trimley St Martin	719.86	731.42
Great Glemham	101.44	103.37	Trimley St Mary	1,247.84	1,267.47
Grundisburgh & Culpho	631.37	634.94	Tuddenham St Martin	164.51	164.05
Hacheston	159.33	159.69	Tunstall	236.97	264.01
Halesworth	1,695.51	1,719.61	Ubbeston	43.27	42.45
Hasketon	172.61	175.12	Ufford	358.42	382.86
Hemley	26.08	25.33	Walberswick	377.68	388.72
Henstead with Hulver Street	138.42	139.22	Waldringfield	251.81	249.75
Heveningham	64.21	65.50	Wangford with Henham	248.23	249.08
Hollesley	469.73	475.97	Wenhaston with Mells Hamlet	411.58	417.09
Holton	303.11	308.32	Westerfield	231.48	234.74
Homersfield	59.44	59.30	Westhall	129.95	130.45
Huntingfield	76.31	78.65	Westleton	298.94	308.52
Iken	62.83	63.31	Wickham Market	814.49	818.13
Kelsale-cum-Carlton	398.23	406.67	Wissett	120.79	123.66
Kesgrave	4,782.80	4,788.23	Woodbridge	3,121.95	3,149.75
Kessingland	1,422.07	1,427.93	Worlingham	1,278.44	1,289.04
Kettleburgh	108.42	109.66	Wrentham	368.67	382.53
Kirton & Falkenham	545.10	554.01	Yoxford	342.12	343.31
Knodishall	312.46	315.05			
Total Taxbase - Band D				86,755.14	87,888.87

NHB Reserve					
	2019/20 Revised Budget £'000	2020/21 Revised Budget £'000	2021/22 Revised Budget £'000	2022/23 Revised Budget £'000	2023/24 Revised Budget £'000
NHB Reserve Balance Brought Forward	(4,594)	(4,263)	(5,005)	(4,253)	(3,666)
NHB In-Year Funding	(2,408)	(2,303)	(1,073)	(525)	0
Total NHB Funding in Reserve	(7,002)	(6,566)	(6,078)	(4,778)	(3,666)
Application of NHB					
Enabling Communities Budget					
55 Councillors * £7,500 each	413	413	413	413	413
	413	413	413	413	413
Community Partnerships					
8 Partnership * £25,000 each	80	200	200	200	200
Resourcing & Engagement					
CP Manager	57	61	62	62	64
Communities Officer	20	20	20	20	20
Funding Officer	20	20	20	20	20
Venues for meetings	3	3	3	3	3
Contribution to Suffolk Association Local Councils	10	10	10	10	10
Contribution to Community Action Suffolk	10	10	10	10	10
	200	324	325	325	327
Strategic Community Partnerships (£200,000 per annum)	150	300	300	300	300
Exemplar Grants	160	0	0	0	0
WIFI Implementation on Market Towns	200	0	0	0	0
East Suffolk Partnership (ESP)	100	0	0	0	0
Lowestoft Full Fibre project	568	0	576	56	0
UCI World Masters Cycle Cross Championships	0	8	8	0	0
Commitments Pre 2019/20					
Tour of Britain - Womens Tour 2019 & 2020	63	75	0	0	0
Housing Enabling Support	19	26	22	0	0
Better Broadband Suffolk	111	0	0	0	0
Community Enabling (locality budget)	3	0	0	0	0
Economic Development Major Projects	22	0	0	0	0
Landguard	18	18	18	18	18
	236	119	40	18	18
Place Based initiatives					
Felixstowe Forwards	106	106	0	0	0
Leiston Together	26	39	31	0	0
Lowestoft Rising	20	8	0	0	0
	152	153	31	0	0
Total NHB Earmarked for Community Initiatives	2,179	1,317	1,693	1,112	1,058
Set Aside to Support the Budget	90%	57%	158%	212%	
<i>To Support Transition of NHB use to East Suffolk</i>	560	244	132	0	0
% of In Year NHB allocation	23%	11%	12%	0%	
Total NHB use for the Year	2,739	1,561	1,825	1,112	1,058
NHB Reserve Balance Carried Forward	(4,263)	(5,005)	(4,253)	(3,666)	(2,608)

MTFS KEY MOVEMENTS

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25/0309

	2019/20 £'000	2020/21 £'000	2021/22 £'000	2022/23 £'000	2023/24 £'000
Net Budget Expenditure After Reserve Movements - February 2019	25,585	25,870	26,697	27,418	27,418
Operational Requirements					
Roll forward of salary budgets to 2023/24	0	0	0	0	600
18/19 green waste scheme contribution paid to SCC (£400k funded from reserves)	468	0	0	0	0
Bungay Leisure Centre redevelopment	344	0	0	0	0
Car Park Enforcement	94	237	266	274	274
East Suffolk Council vehicle re-branding (£74k funded from reserves)	74	0	0	0	0
Green Waste - operational costs of scheme	66	37	37	37	37
HRA share of interest income and payable	64	73	86	89	102
Leiston Leisure Centre closure costs (£120k funded from reserves)	152	0	0	0	0
Lloyds bank charges	150	100	100	100	100
Match funding for HAZ project. As per Cabinet report 11 April 2018	30	60	60	0	0
Melton Hill vacant costs	0	248	0	0	0
Norse: Increase in MRF gate fee	170	170	170	170	170
Norse Partnership	462	1,142	1,276	1,731	2,188 <i>Note 1 below</i>
Revenue costs associated with capital programme	(14)	245	278	328	358
Tree management to check all Tree Preservation Orders	70	0	0	0	0
Other	54	0	414	374	434
	2,184	2,312	2,687	3,103	4,263
Reduced Income					
Jubilee Parade - overnight stay beach hut project did not progress	355	305	305	305	305
Southwold Caravan park project delayed (additional static sites)	74	74	74	74	74
	429	379	379	379	379
Additional Income					
Car parking income	(106)	(74)	(74)	(74)	(74)
Investment income due to better deals and rates	(200)	(250)	(250)	(250)	(250)
Total from Head of Service meetings	(105)	(83)	(83)	(83)	(83)
	(411)	(407)	(407)	(407)	(407)
Operational Savings					
Anglia Revenue Partnerships contribution	0	(145)	(171)	(122)	(122)
External audit fee reduction	(134)	(134)	(134)	(134)	(134)
Finance lease interest	(49)	(67)	(87)	(108)	(131)
PWLB Interest savings	(80)	(125)	(125)	(125)	(125)
Reduction to employer pension contribution rate	(260)	(260)	(260)	(260)	0
Savings on insurance premium	(208)	(201)	(194)	(187)	(180)
Total from Head of Service meetings	(137)	(199)	(217)	(217)	(217)
Other	0	(5)	0	0	0
	(868)	(1,136)	(1,188)	(1,153)	(909)
Non-Specific Grant Income - Section 31 Grant Business Rates	(281)	(2,079)	0	(57)	(145)
Variance on Reserve Movements					
Net Movement on Capital reserves	0	(100)	54	569	599
Planning related reserve balances released to the General Fund	(568)	0	0	0	0
Transfer to Actuarial reserve	864	0	0	0	0
Transfer from In Year Savings reserve	0	399	0	0	0
Transfer to Transformation reserve	0	1,500	0	0	0
Transfer to Business Rates Equalisation reserve	(322)	5,913	0	0	0
Use of reserves to fund growth items above	(594)	0	0	0	0
Net Budget Expenditure After Reserve Movements	26,018	32,651	28,222	29,852	31,198
Financed By:					
Revenue Support Grant (RSG)	(323)	(328)	0	0	0
Rural Services Delivery Grant	(248)	(248)	0	0	0
Council Tax	(14,429)	(15,053)	(15,643)	(16,243)	(16,853)
Council Tax Surplus	0	(537)	0	0	0
Business Rates	(10,857)	(16,485)	(7,229)	(7,446)	(7,669)
Business Rates Pilot	(161)	0	0	0	0
	(26,018)	(32,651)	(22,872)	(23,689)	(24,522)
Budget Gap - February 2020 update	0	0	5,350	6,163	6,676

Note 1: Initial proposed budget from Norse which is under review and challenge. See MTFS Appendix A paragraph 5.2

GENERAL FUND REVENUE BUDGET SUMMARY

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ES/0309

MTFS

2023/24

£

2022/23

£

2021/22

£

2020/21

£

2019/20

£

2019/20

Revised

Outturn

Original

Budget

Head of Service

Customer Services, Communications & Marketing

Communities

Economic Development & Regeneration

Environmental Services & Port Health

Financial Services, Corporate Performance & Risk Management

Housing

ICT Services

Internal Audit

Legal & Democratic Service

Operations

Planning & Coastal Management

Revenue & Benefits

Senior & Corporate Management

Net Cost of Service

Non-Cost of Service Expenditure Adjustments

Direct Revenue Financing (DRF)

Revenue provision for the repayment of debt (MRP)

Superannuation Backfunding

Recharges to the Housing Revenue Account (HRA)

Other Accounting Adjustments

Other Operating Expenditure

Town & Parish Precepts

Levies

Financing and Investment Income and Expenditure

Interest Payable

Interest Receivable

HRA Share of Interest Payable & Receivable

Investment Property Income & Expenditure

Other Financing Charges

Non-Specific Grant Income

New Homes Bonus

S31 Grant

Capital Grants

Net Budget Expenditure before Reserve Movements

Net Movements on Reserves (Appendix A6)

General Fund Balance

Revenue Earmarked Reserves

Capital Reserves

Net Budget Expenditure After Reserve Movements

Financed By:

Council Tax Income (District Council)

Council Tax Income (Town & Parish Precepts)

Council Tax Surplus

Business Rates Income*

Business Rates Pilot Income

Revenue Support Grant

Rural Services Delivery Grant

Total Financing

Budget Shortfall / (Surplus) - February 2020

0

0

0

5,350,400

6,163,400

6,676,400

*It should be noted that the Business Rates income for 2021/22 onwards is based on the current system. Due to the high degree of uncertainty regarding the future reform of the Local Government Financing System, income above the baseline has not been included at this time.

GENERAL FUND RESERVE SUMMARY 2019/20 TO 2023/24

	2019/20			2020/21			2021/22			2022/23			2023/24			
	Opening Balance 01/04/19 £'000	Revised Transfers In £'000	Revised Transfers Out £'000	Revised Closing Balance 31/3/20 £'000	Revised Transfers In £'000	Revised Transfers Out £'000	Revised Closing Balance 31/3/21 £'000	Revised Transfers In £'000	Revised Transfers Out £'000	Revised Closing Balance 31/3/22 £'000	Revised Transfers In £'000	Revised Transfers Out £'000	Revised Closing Balance 31/3/23 £'000	Revised Transfers In £'000	Revised Transfers Out £'000	Revised Closing Balance 31/3/24 £'000
Revenue Balances:																
General Fund	8,000	0	(2,000)	6,000	0	0	6,000	0	0	6,000	0	0	6,000	0	0	6,000
General Fund Balance	8,000	0	(2,000)	6,000	0	0	6,000	0	0	6,000	0	0	6,000	0	0	6,000
Earmarked Reserves - Revenue:																
Community Projects & Initiatives																
Better Broadband	36	0	(36)	0	0	0	0	0	0	0	0	0	0	0	0	0
Climate Change	51	0	(21)	30	0	0	30	0	0	30	0	0	30	0	0	30
Communities	899	0	(607)	292	0	(20)	272	0	(4)	268	0	0	268	0	0	268
Community Health	35	0	(25)	10	0	0	10	0	0	10	0	0	10	0	0	10
County Sports	761	34	(149)	646	24	(243)	427	23	(300)	150	22	(22)	150	20	(20)	150
East Suffolk Partnership	123	0	(123)	0	0	0	0	0	0	0	0	0	0	0	0	0
Felixstowe Forwards	33	0	(29)	4	0	0	4	0	0	4	0	0	4	0	0	4
Great Places	13	0	(4)	9	0	0	9	0	0	9	0	0	9	0	0	9
Indoor Leisure	120	0	(120)	0	0	0	0	0	0	0	0	0	0	0	0	0
Lowestoft Rising	90	0	(33)	57	0	(57)	0	0	0	0	0	0	0	0	0	0
New Homes Bonus (NHB)	4,594	2,408	(2,739)	4,263	2,303	(1,561)	5,005	1,073	(1,825)	4,253	525	(1,112)	3,666	0	(1,058)	2,608
Youth Leisure	10	0	0	10	0	0	10	0	0	10	0	0	10	0	0	10
Corporate - Contingency, Service Requirements																
Actuarial Contributions	637	864	0	1,501	0	0	1,501	0	0	1,501	0	0	1,501	0	0	1,501
Air Quality	97	12	(13)	96	0	0	96	0	0	96	0	0	96	0	0	96
Budget Carry Forward Requests	212	0	(113)	99	0	0	99	0	0	99	0	0	99	0	0	99
Brexit	35	10	(35)	10	0	(10)	0	0	0	0	0	0	0	0	0	0
Customer Services	156	0	0	156	0	0	156	0	0	156	0	0	156	0	0	156
District Elections	404	60	(240)	224	60	0	284	60	0	344	60	0	404	60	(240)	224
Deployment of Flood Barrier	88	0	(38)	50	0	0	50	0	0	50	0	0	50	0	0	50
Housing Benefit (HB) Subsidy	352	0	0	352	0	0	352	0	0	352	0	0	352	0	0	352
Individual Electoral Registration (IER)	266	0	(50)	216	0	(50)	166	0	(50)	116	0	(50)	66	0	(50)	16
Insurance	166	0	0	166	0	0	166	0	0	166	0	0	166	0	0	166
In-Year Contingency	400	0	(400)	0	0	0	0	0	0	0	0	0	0	0	0	0
In-Year Savings	5,547	0	(1,077)	4,470	0	(399)	4,071	0	0	4,071	0	0	4,071	0	0	4,071
Key Capital Programme	200	0	(19)	181	0	0	181	0	0	181	0	0	181	0	0	181
Revenues & Benefits Administration	191	0	(28)	163	0	(70)	93	0	(80)	13	0	0	13	0	0	13
S106 Interest	0	30	0	30	0	0	30	0	0	30	0	0	30	0	0	30
Housing & Homelessness																
Homes and Communities Agency (HCA) - Area Action Plan (AAP) land contamination grant	162	0	0	162	0	0	162	0	0	162	0	0	162	0	0	162

GENERAL FUND RESERVE SUMMARY 2019/20 TO 2023/24

	2019/20			2020/21			2021/22			2022/23			2023/24			
	Opening Balance 01/04/19 £'000	Revised Transfers In £'000	Revised Transfers Out £'000	Revised Closing Balance 31/3/20 £'000	Revised Transfers In £'000	Revised Transfers Out £'000	Revised Closing Balance 31/3/21 £'000	Revised Transfers In £'000	Revised Transfers Out £'000	Revised Closing Balance 31/3/22 £'000	Revised Transfers In £'000	Revised Transfers Out £'000	Revised Closing Balance 31/3/23 £'000	Revised Transfers In £'000	Revised Transfers Out £'000	Revised Closing Balance 31/3/24 £'000
Additional Disabled Facilities Grant(DFG) funding (Non-Ringfenced)	8	0	(8)	0	0	0	0	0	0	0	0	0	0	0	0	0
Community Housing Fund	2,191	0	(60)	2,131	0	(1,056)	1,075	0	(622)	453	0	0	453	0	0	453
Domestic Violence Support Funding	53	72	0	125	0	(125)	0	0	0	0	0	0	0	0	0	0
Empty Properties and Houses in Disrepair	190	0	(86)	104	85	(6)	183	0	(42)	141	0	(6)	135	0	(6)	129
Gypsy and Traveller Macerator	0	37	0	37	14	0	51	14	0	65	15	0	80	15	0	95
HCA Development Grant	75	0	0	75	0	0	75	0	0	75	0	0	75	0	0	75
Homelessness - Flexible Homelessness Grant	151	119	0	270	0	(68)	202	0	(46)	156	0	(47)	109	0	(47)	62
Homelessness - Mortgage Rescue	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
Homelessness New Burdens	43	0	(43)	0	0	0	0	0	0	0	0	0	0	0	0	0
Homelessness Prevention	117	0	(91)	26	0	(24)	2	18	0	20	26	0	46	25	0	71
Homelessness- Rough Sleeper	2	9	0	11	0	(11)	0	0	0	0	0	0	0	0	0	0
Housing Condition Survey and Improvements	97	0	(15)	82	0	(67)	15	0	(15)	0	0	0	0	0	0	0
Private Sector Housing	41	0	0	41	0	0	41	0	0	41	0	0	41	0	0	41
Renovation Grants	872	0	(150)	722	0	(200)	522	0	(200)	322	0	(200)	122	0	(122)	0
Rent Guarantee Scheme	15	0	(2)	13	0	0	13	0	0	13	0	0	13	0	0	13
SEAL	7	3	0	10	0	(1)	9	0	(1)	8	0	(1)	7	0	(1)	6
Stepping Home	68	10	0	78	0	(58)	20	0	(20)	0	0	0	0	0	0	0
Somewhere safe to stay (RRP)	0	65	0	65	0	(65)	0	0	0	0	0	0	0	0	0	0
Supported Lettings (RRP)	0	42	0	42	0	(42)	0	0	0	0	0	0	0	0	0	0
Fuel Payments	1	0	0	1	0	0	1	0	0	1	0	0	1	0	0	1
Warmer Homes Healthy People	31	0	(14)	17	0	0	17	0	0	17	0	0	17	0	0	17
Warmer Homes Healthy People (WHHP) - RAD	4	0	(4)	0	0	0	0	0	0	0	0	0	0	0	0	0
Regeneration & Economic Development																
Building Control	519	0	(4)	515	0	(12)	503	0	(19)	484	0	(19)	465	0	(19)	446
Business Incentive	97	0	(97)	0	0	0	0	0	0	0	0	0	0	0	0	0
Business Rates Pilot	3,011	161	(1,503)	1,669	0	(792)	877	0	(160)	717	0	0	717	0	0	717
Coastal Management	222	0	0	222	0	0	222	0	0	222	0	0	222	0	0	222
Economic Development	99	0	(26)	73	0	(47)	26	0	0	26	0	0	26	0	0	26
Economic Regeneration	153	0	(32)	121	0	0	121	0	0	121	0	0	121	0	0	121
Enterprise Zone	684	0	(59)	625	0	(72)	553	0	(41)	512	0	0	512	0	0	512
Flood Prevention	12	0	(5)	7	0	(6)	1	0	0	1	0	0	1	0	0	1
Growth Programme	184	0	(114)	70	0	(70)	0	0	0	0	0	0	0	0	0	0
Land Charges	372	0	(222)	150	0	0	150	0	0	150	0	0	150	0	0	150
Local Development Framework	477	0	(472)	5	0	0	5	0	0	5	0	0	5	0	0	5
Planning	0	465	(65)	400	100	(65)	435	100	(65)	470	100	(65)	505	100	(65)	540
Planning Delivery	182	0	(182)	0	0	0	0	0	0	0	0	0	0	0	0	0
Planning Legal	0	200	0	200	0	0	200	0	0	200	0	0	200	0	0	200
Planning Policy	255	0	(255)	0	0	0	0	0	0	0	0	0	0	0	0	0

GENERAL FUND RESERVE SUMMARY 2019/20 TO 2023/24

	2019/20			2020/21			2021/22			2022/23			2023/24			
	Opening Balance 01/04/19 £'000	Revised Transfers In £'000	Revised Transfers Out £'000	Revised Closing Balance 31/3/20 £'000	Revised Transfers In £'000	Revised Transfers Out £'000	Revised Closing Balance 31/3/21 £'000	Revised Transfers In £'000	Revised Transfers Out £'000	Revised Closing Balance 31/3/22 £'000	Revised Transfers In £'000	Revised Transfers Out £'000	Revised Closing Balance 31/3/23 £'000	Revised Transfers In £'000	Revised Transfers Out £'000	Revised Closing Balance 31/3/24 £'000
Planning Training	52	0	(52)	0	0	0	0	0	0	0	0	0	0	0	0	0
<i>Service Transformation</i>																
Business Plan Delivery	234	16	0	250	0	0	250	0	0	250	0	0	250	0	0	250
Transformation	1,322	0	(315)	1,007	1,500	(70)	2,437	0	0	2,437	0	0	2,437	0	0	2,437
Earmarked Reserves - Revenue sub-total	27,519	4,617	(9,775)	22,361	4,086	(5,267)	21,180	1,288	(3,490)	18,978	748	(1,522)	18,204	220	(1,628)	16,796
<i>Earmarked Reserves - Business Rates</i>																
Business Rate Equalisation	8,476	2,472	(3,943)	7,005	5,913	(116)	12,802	0	(136)	12,666	0	(87)	12,579	0	(190)	12,389
<i>Earmarked Reserves - Port Health:</i>																
Port Health	4,623	211	(50)	4,784	296	(11)	5,069	232	(30)	5,271	177	0	5,448	139	0	5,587
<i>Earmarked Reserves - Capital:</i>																
Capital	3,761	5,932	(3,932)	5,761	605	(1,292)	5,074	39	(320)	4,793	379	(80)	5,092	379	(50)	5,421
Coastal Protection	176	0	0	176	0	0	176	0	0	176	0	0	176	0	0	176
Short Life Assets	588	596	(681)	503	618	(525)	596	618	(525)	689	618	(525)	782	618	(525)	875
Southwold Beach Front	175	0	0	175	0	(175)	0	0	0	0	0	0	0	0	0	0
Earmarked Reserves - Capital sub-total	4,700	6,528	(4,613)	6,615	1,223	(1,992)	5,846	657	(845)	5,658	997	(605)	6,050	997	(575)	6,472
Total Earmarked Reserves	45,318	13,828	(18,381)	40,765	11,518	(7,386)	44,897	2,177	(4,501)	42,573	1,922	(2,214)	42,281	1,356	(2,393)	41,244
In-Year Net Movement on Earmarked Reserves		(4,553)			4,132			(2,324)			(292)			(1,037)		

EFFICIENCY STRATEGY 2016/17 TO 2021/22

1 BACKGROUND

- 1.1 The predecessor Councils first Efficiency Strategies were produced in response to the Statutory Guidance on the Flexible Use of Capital Receipts issued by the Ministry of Housing, Communities and Local Government (MHCLG), formerly the Department for Communities and Local Government (DCLG).
- 1.2 The Guidance provides the flexibility to local authorities to use capital receipts to fund the revenue set up and implementation costs of projects designed to generate ongoing revenue savings.
- 1.3 This Strategy forms part of the delivery of the East Suffolk Business Plan and particularly supports the overall objective of Financial Self-Sufficiency.
- 1.4 The Council is currently developing a brand new plan and vision for East Suffolk, focussing on the five key themes of:
 - Economic Growth
 - Enabling Communities
 - Financial Sustainability
 - Digital Transformation
 - The Environment
- 1.5 As the plan is developed, new projects will be identified to deliver on these key themes and included in an updated Efficiency Strategy if eligible.

2 OBJECTIVES

- 2.1 The Guidance enables authorities to use capital receipts to fund one-off revenue costs associated with projects intended to produce ongoing revenue savings. The Guidance does not enable ongoing revenue costs to be funded by this method. The Guidance originally applied to capital receipts and projects over the period 2016/17 to 2018/19, but in the 2018/19 Provisional Local Government Finance Settlement it was announced that:

“Local government operates in a society that is constantly changing. To meet the challenges of the future, the Communities Secretary confirmed that the flexibility to use capital receipts to help meet the revenue costs of transformation will be extended for a further 3 years to April 2022”.

- 2.2 The objectives of this Strategy are to:
 - Outline the methodology and criteria for projects that might be eligible for capital receipts funding.
 - Identify projects that are considered to be eligible and which may be funded by this method.
 - Report on the progress of projects approved in previous years.

3 METHODOLOGY

- 3.1 The Efficiency Strategy is produced annually for the period 2016/17 to 2021/22, and is approved by Full Council as part of approval of the Council's Budget. If required, a revised Strategy is prepared during the course of the year to reflect significant changes to both the range and potential funding value of eligible projects. This is the fifth annual Efficiency Strategy prepared since the guidance was issued.
- 3.2 Key Financial Self-Sufficiency projects will be project managed by the Strategic Management Team (SMT).
- 3.3 To make use of this flexibility, capital receipts must arise in the period 2016/17 to 2021/22, and qualifying expenditure must take place in the same period. For example, a capital receipt realised in 2016/17 could finance a project in 2021/22, but not in 2022/23. Capital receipts realised before 2016/17 cannot be used.
- 3.4 If projects are identified in the Strategy, they can still be financed in whole or in part from other sources, e.g. revenue budgets. The Council is not obliged to fund these projects from capital receipts, and new capital receipts might not necessarily be available during the period of the Strategy. It is essential that eligible projects should identify alternative sources of funding to enable them to proceed, as capital receipts cannot necessarily be relied upon. In addition, the decision to use capital receipts to fund these projects needs to be taken in the context of the Council's overall capital financing requirements.
- 3.5 If appropriate, the Council will approve the budgeted funding of the projects in the strategy when approving the Capital Programme for the year, and will determine the actual financing when approving the Council's Capital Programme outturn and financing for the year.
- 3.6 There is no formal check by MHCLG on the eligibility of projects to be classified as qualifying expenditure, nor is the Strategy specifically reviewed by external audit.

4 ELIGIBLE PROJECTS AND USE OF CAPITAL RECEIPTS 2020/21

- 4.1 The decision to use capital receipts to fund transformation projects needs to be taken in the context of the Council's overall capital financing requirements, and in the event all of these capital receipts will be required to fund the Council's Capital Programme. Consequently, no use of this flexibility is currently proposed in respect of projects in 2020/21. Funding of the one-off revenue costs of the identified projects will be made from other sources, e.g. existing revenue resources.
- 4.2 To date there has been no use of capital receipts to fund one-off revenue costs.

5 ELIGIBLE EFFICIENCY STRATEGY PROJECTS

- 5.1 A brief summary of the projects identified from the East Suffolk Business Plan included in this Strategy as being eligible for capital receipts funding are summarised below, with a description of the project and project objectives.

Project	Project Description	Project Objectives	Project Progress
ES4: TRANSFER OF AMENITY AND COMMUNITY ASSETS TO TOWN AND PARISH COUNCILS	To empower local town and parish councils by continuing to transfer amenity and community assets.	To achieve ongoing savings to the Council's budget and potential efficiencies and strengthened third-tier service delivery.	<p>The Council has been working with the Town and Parish Councils to increase their role in influencing and delivering local services. As part of this process, many of the Town and Parish Councils expressed a desire to play a more active role in the provision of local discretionary services, such as public conveniences, parks and play areas, and the Council recognises that they are often best placed to deliver these services on behalf of their local community. By transferring responsibility for assets it not only helps to generate pride in a local area, but often secures a service that might otherwise have been at risk.</p> <p>Around 70 assets have been transferred to local Town and Parish Councils, including Waveney Meadow to Beccles Town Council, a boating lake to Southwold Town Council, allotments to Felixstowe Town Council and Oak Meadow to Kesgrave Town Council.</p> <p>A good example of this in 2020/21 is the potential transfer of assets to Melton Parish Council, which is estimated to save East Suffolk Council running costs of around £6,000 per annum, as well as enabling the enhancement of amenities in the parish.</p>
ES8: LONG TERM EMPTY PROPERTIES	To continue to reduce the number of long term empty properties.	To achieve additional New Homes Bonus (NHB) income and potential additional council tax income.	Work to identify empty homes and bring them back into use has seen the number of empty properties across East Suffolk reduce. The Council has also introduced a new streamlined process for dealing with empty homes and has begun purchasing its long term empty homes in order to bring them back into use.
ES15: LEISURE SERVICES FINANCIAL SELF-SUFFICIENCY	To pursue service developments and initiatives intended to reduce costs and / or increase income.	Increased access to quality leisure, cultural facilities and activities. Achieving a substantial reduction in the net cost of Leisure Services.	The Council is undertaking a five year programme to improve leisure facilities. The Deben Leisure Centre has been completed and work is also underway on the £3.5 million refurbishment of Leiston Leisure Centre and a business case for the redevelopment of the Bungay Leisure Centre.

Project	Project Description	Project Objectives	Project Progress
ES20: RECYCLING PROMOTION	Promotion of Recycling and reduction of net expenditure through reducing costs and / or increasing income.	To continue to promote and encourage recycling across East Suffolk through a financially sustainable service.	<p>The Suffolk Waste Partnership (SWP), of which the Council is a member, continues to promote recycling services (including home composting) across Suffolk, using a variety of communication campaigns and medias, jointly supported by equal funding from all SWP member authorities. The SWP has recently secured funding from DEFRA for 15 'smart' litter bins to be installed on the county's trunk roads in an effort to reduce littering.</p> <p>The Council continues to facilitate the Greenprint Forum with the focus on plastics, with funding secured to develop and run a programme of activities relating to understanding the plastics industry in our area, reducing plastic waste and promoting effective waste management and recycling behaviours. To date the Council has engaged key stakeholders, including the Marine Conservation Society and the Environment Agency, taken part in 15 public events (8 of which were litter picks), and undertaken litter surveys in both Lowestoft and Felixstowe to identify the key items of litter to enable targeted messaging and campaigns.</p>
ES23: COASTAL MANAGEMENT	Development of a shared coastal management service for East Anglia.	Integrate coastal management expertise with other local authorities to ensure most effective local delivery.	Coastal Partnership East is working across four local authorities to effectively utilise our collective resources to deliver not only a £150 million capital investment plan (Inc. Lowestoft £63 million scheme) but also coastal adaptation at numerous locations along the Norfolk and Suffolk coastline. There are significant benefits of scale and expertise being derived from being in this partnership.

Project	Project Description	Project Objectives	Project Progress
ES26: BUILDING CONTROL	Development of a Suffolk-wide commercial Building Control service.	Achieve a resilient and competitive Building Control service increasing net income.	There is now growing momentum within Suffolk to share mutual support within Building Control services in order to create capacity for the service developments the Council needs to undertake. The Council has secured funding of £140,000 to support a shared development and implementation plan. This proposal is integral to our Suffolk-wide approach to developing common services that support good growth. Effective implementation of the approach will inform joint development on areas of common interest/concern, often working with a sector that goes beyond boundaries and helps support stronger and more resilient services across the county.
ES28: FURTHER TRANSFORMATION IN EAST SUFFOLK	Explore the options for further integration for more streamlined and resilient district services, and evaluate the potential for greater East Suffolk autonomy.	Achievement of further efficiencies and resilience.	The creation of East Suffolk Council from 1 April 2019 will provide greater resilience and sustainability in the longer term and will allow the Council to withstand significant reductions in central government funding. As a single council, the Council will be able to continue to protect and deliver the best possible services for local people, as well as having a stronger voice at regional and national level (and greater leverage) in order to deliver its ambitions in terms of growth, infrastructure and housing.

LOCAL GOVERNMENT ACT 2003 – REPORT BY THE CHIEF FINANCIAL OFFICER

1. SUMMARY

- 1.1 This report assesses the risks arising from the budget proposed for 2020/21, and the adequacy of the available mitigations, in the context of the proposed reserves and the outlook for 2021/22 and beyond.
- 1.2 It concludes that the estimates as proposed are sufficiently robust to allow the Council to set the budget but raises some concerns about the longer term sustainability in view of the uncertainties regarding the local government finances beyond 2020/21.

2. INTRODUCTION

- 2.1 The Chief Financial Officer has a statutory duty under Section 25 of the 2003 Local Government Act to make a statement on the adequacy of reserves and the robustness of the budget.
- 2.2 In the context of its service and financial planning the Council's overall approach to risk management is to take appropriate action to mitigate risks, or ensure that sufficient contingency exists, so that service provision is not threatened by unforeseen financial problems during the financial year.
- 2.3 Making changes to service provision at short notice in order to resolve a budget problem can have a number of undesirable consequences. These can include:
- (a) damage to the Council's reputation and customer relationships if advertised services are unavailable or delayed
 - (b) failure to meet agreed performance targets
 - (c) inefficiencies in overall service provision
 - (d) associated costs of reducing service provision, such as staff redundancies, when planning changes over a longer timescale would allow greater flexibility
 - (e) potential problems for partner organisations that are dependent upon Council financial support to achieve agreed goals.
- 2.4 To avoid such problems the Council manages its financial risks by ensuring that its annual budget represents a reasonable estimate of the costs of providing agreed service levels. It also holds appropriate balances and reserves so that resources are available to allow a managed and considered response should any significant variations or emergencies arise.
- 2.5 This report considers:
- The robustness of the budget and key budget areas.
 - Adequacy of General Fund balances.
 - Review of Earmarked Reserves and risks to incentivised income.
 - Future Years beyond 2020/21.

3. ROBUSTNESS OF THE 2020/21 ESTIMATES AND TAX CALCULATIONS

- 3.1 The Council Tax calculations for 2020/21 are based upon forecasts of expenditure, income and council tax revenues up to 31st March 2021, with some significant assumptions made in order to prepare these forecasts. When setting its Council Tax for 2020/21 the Council needs to be satisfied that these assumptions are reasonable. In order to ensure the robustness of the budgeting, the Council's budget process commenced in September 2019 and progressed with Cabinet's consideration of the MTFS in February 2020.
- 3.2 All areas of budgets have been reviewed by Heads of Service. In addition, a number of budgets are subject to overall cross-service review, including the Council's employee budgets.
- 3.3 Some comments on the areas of the budget having key financial impacts are set out below:

(a) Pay and Pensions

The budget includes provision for an increase of 2% per annum and continues to provide for annual progression through pay scales where this is part of the terms and conditions of employment. A 1% change in pay amounts to around £230,000 per annum.

From April 2014 the Local Government Pension Scheme has moved to a career average scheme that combines an increased accrual rate of 49ths with commensurate changes to employee contributions. The latest triennial actuarial valuation of the assets and liabilities of the Suffolk County Pension Fund was completed on 31 March 2019. The Council has been advised that its share of the pension fund was 98% fully funded at this date. The proposed employers pension contribution rate for 2020/21, 2021/22 and 2022/23 is 34%, 33% and 32% and is a reduction on the current rate for East Suffolk of 35.4%. The current rate is based on a Primary Rate of 22.8%, plus a deficit payment of £2.6 million at 12.6%. For 2020/21 to 2022/23 onwards there will not be a deficit payment, and instead it is incorporated into the primary rate.

The Council's establishment budget is based on a full establishment. To allow for in-year vacancy savings the budget includes an annual vacancy saving of £300k. This is based on previous years' out-turn.

(b) Price Increases

Provision has been made for known price increases including the effects of utilities and business rates. Unless specifically requested by services, the budget assumes any price inflation is absorbed by the service.

(c) Income from Fees and Charges

A significant part of the Council's costs continues to be met from fees and charges. Progress against income targets will need to be monitored throughout the year, particularly in the light of continuing economic volatility.

The budgeted increases in fees and charges are based on three key principles; cost recovery, market value and inflationary increases. The budget also includes those increases that are set and proposed by Government.

(d) Investment Income

Since March 2009 interest rates have continued to produce low returns from investments. On 29 January 2020 the Bank of England maintained the Bank of England rate at 0.75% (increased from 0.50% to 0.75% on 2 August 2018).

Security of the Council's cash is the over-riding consideration in setting its Treasury Management Policy Statement. During the year the Council constantly receives advice from its Treasury Advisors with regard to the creditworthiness of financial institutions.

Following advice from the Council's external treasury advisors Arlingclose the Council has invested just under £10 million into a pooled Local Authorities Property Fund (LAPF) to increase return on investment and to also diversify the portfolio from just purely investing with banks and building societies. The Property fund's value is derived from a mixture of capital values and rental income. The current projected dividend yield is 4.69% (the projected capital return when the investment is redeemed). With any investment there is risk and fluctuations in market activity or a downturn in the property market could affect the capital return on investment.

The budget takes a cautious view on interest rates, making allowance in line with forecast inter-bank lending rates.

(e) Housing Benefit

At a forecast £41 million, Housing Benefit remains the Council's largest financial transactions and subject to increasing risk and change. Welfare and benefit changes, and localised council tax support, which all began in April 2013, together with the planned introduction of Universal Credit, serve to make the existing arrangements more complex.

Welfare changes will continue to be closely monitored in order to continue to protect the Council from any emerging risks and liabilities.

(f) Business Rate Retention

From April 2013, councils have been able to retain a proportion of the business rates generated within the district and benefit from business growth over the longer term.

As business rates is an increasingly important income source for the Council, measures for closer monitoring of the local economy and its performance, and the impact on business rates have been put in place.

The significant reform in the local government finance system which will include resetting business rates baselines that was intended for 2020/21 has now been deferred until 2021/22. Reset of the system and the establishment of new funding formulae could result in the Council losing its financial advantage under the current system – predecessor Council, Suffolk Coastal, benefited from actual business rates income being significantly above the baseline, which was set at a low level in 2013/14. The postponement of these proposed changes has effectively enabled the Council to set a balanced budget in 2020/21 and contribute to reserves, continuing ongoing community initiatives and provide a further degree of security against future uncertainty.

As a prudent budgeting approach, the Council's MTFs from 2021/22 onwards only includes business rate income at the government baseline level, assuming that the reset of the system will eliminate this current advantage in whole or in part.

(g) Government Grant

As part of continued public sector deficit reduction measures, and as part of moves to address social care expenditure pressures in local government, the Council has seen large reductions to Revenue Support Grant (RSG). The announcement of a one year Local Government Finance Settlement for 2020/21 means that the Council will receive RSG of £327,700 in 2020/21, a roll forward of the 2019/20 RSG updated by inflation, and £248,100 of Rural Services Delivery Grant (RSDG). Given the uncertainty of the local government finance environment beyond 2020/21, the MTFS has assumed RSG and RSDG will not be received in future years.

(h) Council Tax Income

Council Tax income is one of the most important and stable income streams to the Council, funding approximately 50% of the Council's Net Budget Requirement. The change from council tax benefit to council tax support in April 2013 saw a reduction in the tax base of some 9,700 band D equivalents, with one implication being that the Council needed to try and recover council tax from low income claimants. Collection rates have been carefully monitored, and in calculating the 2020/21 tax base, the Council was able to maintain the estimated collection rate at 99%.

(i) Council Tax Levels

In the 2020/21 Final Local Government Finance Settlement, Council Tax increase referendum limits for shire districts is a maximum of £5 or 2%, whichever is the greater. The 2020/21 Budget incorporates a council tax increase of 2.98%. This equates to an increase of £4.95 and generates an additional £435,000 of income to the Council in 2020/21.

(j) Capital Investment

The forecast costs of specific schemes included in the approved capital investment plans are based upon reasonable estimates of cost and capacity to deliver the programme. If additional works are proposed during the year, these will be subject to formal approval and the financial implications will need to be considered at that time.

The capital investment proposals rely upon an overall funding envelope made up of a number of sources, including internal borrowing, capital receipts, and capital grant and revenue contributions. In determining the overall affordability of its capital programme, the Council has taken a prudent approach of not including anticipated capital receipts as a source of funding in the programme until such a time when the income is received and realised.

The capital investment programme for the Council is partly funded by borrowing (internal and external). The Council is required to complete a range of calculations (Prudential Indicators) to evidence that borrowing for capital expenditure is affordable, prudent and sustainable over the medium term. This makes sure that the cost of paying for interest charges and repayment of principal by a minimum revenue contribution (MRP) each year is taken into account when drafting the Budget and Medium Term Financial Strategy.

The Council makes use of the Short Life Assets Reserve to purchase a number of short life assets, such as vehicles and ICT acquisition and replacement. Funding of new assets from the Reserve is repaid over the life of the asset from the revenue budget recognising the

use of the asset. This approach ensures that the Council's borrowing approvals are used for funding spend on assets with a longer life, such as land and buildings.

The Council also makes use of the Capital Reserve to fund revenue contributions to the capital programme.

(k) Transformation and Efficiency

The Council has an enviable record of delivering its efficiency targets and once again the budget includes a number of efficiencies and savings that will need to be achieved in the coming year. However, finance settlements continue to make increasing demands on the Council to balance its resource and spending plans. Over the coming months the Council must continue to develop more innovative and some radical solutions to service delivery in order to address the estimated cumulative shortfall in resources. The Council remains committed to fund initiatives and projects that will produce savings or deliver additional income in future years' revenue budgets and has sufficient earmarked reserves for this purpose.

- 3.4 The Council's integrated performance management process includes a requirement for Cabinet to review the overall financial position every quarter. This review monitors revenue and capital budgets, and Treasury Management. In addition, key high profile General Fund revenue budgets are subject to additional review by the Council's Corporate Management Team. This helps to ensure that the Council takes appropriate action to resolve any financial issues as they arise and reduces the possibility of significant unforeseen problems during the year.

4. CHIEF FINANCE OFFICER BUDGET ASSESSMENT

- 4.1 I hold the view that the assumptions made in preparing the Budget for 2020/21 are reasonable and that the resulting estimates and Council Tax calculations are robust.

5. ADEQUACY OF GENERAL FUND BALANCES

- 5.1 The Council holds a number of reserves and balances to enable it to plan and manage its finances soundly. The Council's General Fund is estimated to have a balance of £6 million as at 1 April 2020 with no further use anticipated for the future years (subject to on-going review). At that level the General Fund Balance is within the thresholds established as part of the MTFS and represents a strong component in the Council's overall financial wellbeing.
- 5.2 I consider that the General Fund Balance is adequate to:
- a) provide cover for a reasonable level of variation in spending or income in the case of reserves held to mitigate against possible future events
 - b) meet unforeseen variations in the assumptions underlying the budget
 - c) address the risks arising from the Government's transfer of business rates, council tax and welfare changes
 - d) meet expenditure in advance of income being received
 - e) allow emergencies to be dealt with quickly.

- 5.3 With the significant financial challenges and opportunities facing the Council over the medium term, the Council should continue to maintain a robust level of General Fund Balance of about 3% to 5% of budgeted gross expenditure. This equates to about £4 million to £6 million.
- 5.4 The main budget risks and sensitivity to the Council's key in-year income and expenditure variables are shown below. The Council has sufficient contingencies and balances to manage these key risks.

Review & Risk Assessment of General Fund Revenue Balances 2020/21

Risk Area	Identified Risk	2020/21 £'000	Risk	
			Likelihood / Sensitivity %	Risk Value £'000
Pay Costs	Additional 1% on pay award	230	5%	12
Investment Income	Reduction in investment rates by 0.5%	550	10%	55
Car Parking Income	Economic, environmental, and market risks to income budgets	4,728	10%	473
Planning Fee Income	Economic, environmental, and market risks to income budgets	2,245	15%	337
Building Control Income	Economic, environmental, and market risks to income budgets	863	15%	129
Land Charges Income	Economic, environmental, and market risks to income budgets	415	50%	208
Garden Waste Income	Economic, environmental, and market risks to income budgets	2,366	30%	710
Waste Recycling Income	Possible decline in dry recyclables market	2,400	30%	720
Housing Benefit Subsidy	Possible adverse variance on subsidy	41,008	0.5%	205
Housing Benefit Overpayments	Possible adverse variance on overpayments recovered	1,314	10%	131
Council Tax Support	Possible increase in caseload - Effect on tax base	1,626	10%	163
Homelessness Administration	Possible increased caseload resulting from economic factors and welfare changes	764	15%	115
Partnerships	Potential operational failures and need to implement transitional arrangements	1,556	20%	311
Savings and Efficiencies	Non-achievement of vacancy saving	400	20%	80
Business Rates	Reduction in income to Safety Net level	530	50%	265
Risk Value Sub Total				3,914
Add: Contingency for unforeseen factors				550
Total Risk Value				4,464

6. REVIEW OF EARMARKED RESERVES AND RISKS TO INCENTIVISED INCOME

- 6.1 In addition to the General Fund Balance, the Council holds a range of Earmarked Reserves as part of its overall financial management. Two of the most significant Earmarked Reserves that the Council currently holds have been built up from incentivised income under the current arrangements for financing local government. These reserves form an extremely important part of delivering a range of Council objectives and are subject to specific risks in the medium term. These are referred to in more detail below.

Business Rate Equalisation Reserve

- 6.2 The Council operates an earmarked Business Rate Equalisation Reserve. This Reserve holds additional business rates income over and above the baseline level required for the General Fund Budget. Increased use of business rates income in support of the budget constitutes an increased risk to the council, as this income is subject to uncertainty and volatility, especially in respect of economic factors.
- 6.3 Due to reform of the Business Rates system and the re-set of the business rates baselines from April 2021 the funding picture for 2021/22 onwards is one of significant uncertainty.

New Homes Bonus

- 6.4 The New Homes Bonus (NHB) is funding allocated to councils based on the building of new homes and bringing empty homes back into use. It has become an extremely important source of incentivised income for the Council.
- 6.5 The Council makes use of up to 70% of its in-year NHB allocation (average of £1.3 million across the MTFS period) to support community initiatives and projects, with the remaining 30% being made available to support budget pressures if required. Unused NHB funding is held in a reserve. This approach adopted by the Council provides continued support to community initiatives but balances it against the overriding need to retain financial sustainability.
- 6.6 As part of the one-year roll-forward Settlement the Government will retain the £900 million top-slice of RSG to fund NHB payments in 2020/21. In addition to funding legacy payments associated with previous allocations, there is a new round of allocations for 2020/21. As the roll forward is for one year, with any funding beyond 2020/21 subject to the 2020 Spending Review and potential new proposals, new allocations in 2020/21 will not result in legacy payments being made in subsequent years on those allocations. The payment of an allocation for one year instead of four years has a significant impact on NHB funding availability, as current annual allocations amount to over £500,000 per year.
- 6.7 The Government will be consulting in the Spring on incentivising housing growth, and there are indications that NHB may be phased out more rapidly than previously anticipated and may be abolished altogether in its current form.
- 6.8 The forecasts included in the Budget and MTFS indicate the continuation of healthy balances on the incentivised income reserves, albeit with considerably more rapid reductions in the NHB Reserve for the reasons outlined above. It is important in this Chief Financial Officer report that the Council's attention is drawn to the risks associated with such significant areas of the Council's overall financing.

7. FUTURE YEARS BEYOND 2020/21

- 7.1 The Council is faced with significant challenges over the coming years. The Council will have to monitor the impact on its financial position and service provision arising from:
- (a) managing and addressing the impact of welfare changes on residents and the delivery of services
 - (b) the introduction of Universal Credit
 - (c) its success or otherwise in being able to promote a sustainable local economy in order to maintain and or increase its income derived from Government's business rate retention scheme
 - (d) ensuring that its planning policies continue to support a proportionate and sustainable growth in employment, the local economy, housing and infrastructure
 - (e) significant reform in the local government finance system from 2021/22, including an updated, more robust and transparent distribution methodology to set baseline funding levels and resetting business rates baselines. This reform places greater uncertainty and income risk on the Council

- (f) changes to the NHB funding system and the resulting sustainability of continuing to support community initiatives and projects that have benefited from this incentivised income.

7.2 With continued substantial change and further significant reductions in public sector funding, the Council will need to respond in increasingly innovative ways to support its communities and maintain the momentum of improvement over the medium and longer term. Overall, the Council's budget is robust, and it has sufficient earmarked and general balances to manage key risks and deliver on a range of objectives. However, it is important that the Council recognises the risks to incentivised income areas outside of the budget itself and does not become over reliant on these sources to both balance the budget and finance its longer-term ambitions.

8. CIPFA FINANCIAL RESILIENCE INDEX

8.1 In December 2019 CIPFA introduced the Financial Resilience Index, which is a comparative analytical tool that may be used by chief financial officers to support good financial management, providing a common understanding within a council of their financial position. The index shows a council's position on a range of measures associated with financial risk. The selection of indicators has been informed by the extensive financial resilience work undertaken by CIPFA over the past four years, public consultation and technical stakeholder engagement.

8.2 Together with taking into account the Auditors VfM Assessment of the authority, the Index assesses risk on the following indicators of financial stress:

- Reserves Sustainability Measure.
- Level of Reserves – further subdivision into Unallocated and Earmarked Reserves.
- Change in Reserves – further subdivision into Unallocated and Earmarked Reserves.
- Interest Payable / Net Revenue Expenditure.
- Gross External debt.
- Social Care Ratio.
- Fees and Charges to Service Expenditure Ratio.
- Council Tax Requirement / Net Revenue Expenditure.
- Growth above Baseline.

8.3 This report has been prepared with reference to the CIPFA Financial Resilience Index for 2018/19, although it is difficult to relate this directly to East Suffolk Council as it has been prepared in respect of the Council's predecessor authorities of Suffolk Coastal DC and Waveney DC. None of the financial stress indicators for either authority gives particular cause for concern, and it will be useful to assess the comparative position for East Suffolk when the Index is produced for 2019/20 which will feature the new authorities. Going forward, the Financial resilience Index is expected to be a useful tool in supporting assessment of financial risk.

9. FINANCIAL GOVERNANCE

- 9.1 Given the forecast financial position of the Council in the medium term, and in particular the reductions in Government funding and the risks and uncertainties concerning incentivised income, it is imperative that the Council's commitment to strong financial governance is maintained and strengthened. During 2020/21, the Council will be implementing the CIPFA Financial Management Code, for which CIPFA intends the first full year of compliance to be 2021/22. The FM Code is designed to set the standards of financial management for local authorities, support good practice in financial management, and assist local authorities in demonstrating their financial sustainability.

Simon Taylor (CPFA)

Chief Finance Officer (S151 Officer)

PAY POLICY STATEMENT 2020/21

ES/0309

1 INTRODUCTION

- 1.1 This Pay Policy Statement is produced in accordance with Part 1; Chapter 8 of the Localism Act 2011 and is available on the website. In addition, the website also includes separately published data on salary information relating to Chief Officers. A pay policy statement was first issued by the predecessor Councils, Suffolk Coastal and Waveney, in 2013 and each year thereafter.
- 1.2 The Council recognises that, in the context of managing scarce public resources, remuneration at all levels needs to be adequate to attract and retain high quality employees dedicated to the service of the public, but at the same time needs to reflect that the Council is part of the public sector, funded through the tax payer and not a private sector organisation. As a general principle, the Council believes in rewarding all employees in a fair and equitable manner.
- 1.3 It is important that local authorities are able to determine their own pay policies and structures in order to address local priorities and to compete in the local labour market.

2. REMUNERATION OF EMPLOYEES

- 2.1 For employees subject to the 'National Agreement on Pay and Conditions of Service of the National Joint Council for Local Government Services' (commonly known as the 'Green Book'), the Councils use a pay spine that commences at national Spinal Column Point (SCP) 1 and ends at SCP 53. SCP's 1-43 are national and 44 -53 are locally agreed. The NJC pay agreement for 2018-20 included the introduction of a new pay spine on 1 April 2019.
- 2.2 The pay spine is divided into grades and posts are allocated to a pay band through a process of job evaluation.
- 2.3 For the purpose of this Pay Policy Statement, employees on Salary Band 1 are defined as our lowest paid employees. This is because no permanent and directly employed employee of the Council is paid at a SCP that is lower than SCP 1, other than Apprentices who are currently paid at the national Apprentice hourly rate. The Council will retain SCP 1 as the lowest pay rate for all permanent and directly employed staff unless this is superseded by the National Living Wage.
- 2.4 The value of the SCPs in these pay grades are up rated by the pay awards notified from time to time by the National Joint Council for Local Government Services. The NJC pay claim for 2020/21 and accompanying submission was made by the Joint Trade Union Side (UNISON, GMB and UNITE) to the Local Government Association in July 2019 and is currently being considered.

3. REMUNERATION OF CHIEF OFFICERS

3.1 Chief Executive

The Chief Executive is the statutory Head of Paid Service (section 4(1) of the Local Government and Housing Act 1989) and is paid £149,503. The salary is a "spot salary" which means that it does not attract pay progression.

The Council has considered the relationship between Chief Officer remuneration and that of other staff. The ratio between the salary of the Chief Executive and the median salary paid is 1:5.91. The ratio of the Chief Executive's salary to the lowest paid employee is 1:8.61

It is the Council's policy that the FTE salary range for the post of Chief Executive will normally be no greater than 11 x the FTE salary range of a Salary Band 1 'Green Book' employee. The Council currently meets this requirement.

The Chief Executive also receives a Returning Officer fee in respect of electoral duties. This applies to Parliamentary, County, District and Parish elections, referenda and Police and Crime Commissioner elections. The Council is required to appoint a Returning Officer under Section 35 of the Representation of the People Act 1983. The fees are always based on the latest Returning Officers Charges Order as set by Parliament and the latest County Council Scale of Fees & Charges. The budgets for fees are provided by Central Government.

3.2 Strategic Directors

There are two Strategic Director posts both reporting to the Chief Executive. The annual FTE range for the grade of the Strategic Director is £93,639 - £102,211. There are four incremental points in the grade.

It is the Council's policy that the salary for the Strategic Director posts is no greater than 7 x the FTE salary of a salary Band 1 employee. This is currently being achieved.

3.3 Heads of Service and Chief Financial Officer

These post holders report to the Strategic Directors or to the Chief Executive. The annual FTE range for the grade of these posts is £62,244 - £73,070 for the lower banded Head of Service posts, and £75,777 - £86,134 for the higher band. It is the Council's policy that the salary for these posts will normally be no greater than 6 x the FTE salary range of a salary Band 1 'Green Book' employee. This is currently being achieved.

The Head of Legal and Democratic Services also undertakes the statutory role of Monitoring Officer (section 5(1) of the Local Government and Housing Act 1989). Remuneration for these duties is incorporated within the salary.

The Head of Finance also undertakes the statutory role of Chief Finance Officer (section 151 of the Local Government Act 1972). Remuneration for these duties is incorporated within the salary.

3.4 The value of the Chief Officers' salaries quoted above can be up rated by the pay awards notified from time to time by the Joint Negotiating Committee (JNC) for Chief Executives and Chief Officers of Local Authorities. The JNC have issued the following Pay Claim for 2020/21:

1. A substantial increase on all salaries and relevant allowances – the claim states:

"We note the 10% pay claim made by the Staff Side of the NJC for Local Government Services, and we expect parity of treatment for all local government employees."

2. A joint survey of all local authorities to establish the extent of the gender pay gap among Chief Officers across local authorities, and a commitment to a joint approach to removing the gender pay gap.
 3. A commitment to agree a new package to improve Chief Officers' work-life balance This should include (but not be limited to) an increase in annual leave of one day, and a commitment to incorporate binding rules on working hours into the JNC agreement.
- 3.5 Performance management is vital to ensure that the Council's agenda is being successfully delivered and the performance of the senior team is effectively managed. Targets are set and an annual appraisal and assessment of performance against targets is measured with progression through salary scales being determined by performance. The practice, under the national agreements for chief executives and other chief officers, which had been to apply automatic incremental progression generally regardless of performance, is not applied and will continue not to be applied.
- 4. GENDER PAY GAP**
- 4.1 With effect from 30 March 2018 the Councils are required by law to report annually on their gender pay gap and publish this information. This must include mean and median gender pay gaps; the mean and median gender bonus gaps; the proportion of men and women who received bonuses; and the proportions of male and female employees in each pay quartile. This deadline will be met.
- 5. GENERAL PRINCIPLES APPLYING TO REMUNERATION OF CHIEF OFFICERS AND EMPLOYEES**
- 5.1 On recruitment, individuals will be placed on the appropriate SCP within the pay grade for the post that they are appointed to, dependent on knowledge, skills, and if necessary market forces. Access to appropriate elements of the Council's Relocation Scheme may also be granted in certain cases, when new starters need to move to the area.
- 5.2 Individuals will normally receive an annual increment, subject to the top of their grade not being exceeded. In exceptional circumstances (e.g. examination success), individuals may receive accelerated increments. Again, this is subject to the top of their grade not being exceeded.
- 5.3 It is not the Council's policy to award bonuses for any employees, including senior officers.
- 5.4 Employees who are required to travel in order to carry out their duties will be recompensed under the terms of the Council's locally agreed travel policy.
- 5.5 On ceasing to be employed by the Council, individuals will only receive compensation:
- (a) in circumstances that are relevant (e.g. redundancy); and/or
 - (b) that is in accordance with our Policy Statement on how we exercise the various employer discretions provided by the Local Government Pension Scheme (LGPS).
- 5.6 If it is appropriate for an honorarium to be paid this will be in accordance with the Council's Special Payments Policy.

- 5.7 Any subsistence allowance that is paid will normally be no higher than the rates notified from time to time by the East of England Local Government Association.

6. REVIEW

The Localism Act requires councils to prepare a Pay Policy Statement for each subsequent financial year. The Policy can be amended during the course of the year for example to incorporate a pay award. However, any changes must comply with this Statement. The next Statement is scheduled to be for 2021/22.

GLOSSARY

Pay spine – a scale showing the rates of pay for employees working at each level of the organisation.

Spinal Column Point – the incremental steps that make up the pay spine. Each spinal column point has an associated salary value.

Full time equivalent – a value assigned to signify the number of full-time employees that could have been employed if the reported number of hours worked by part-time employees had been worked by full-time employees instead.

Job evaluation - a method of determining on a systematic basis the relative importance of a number of different jobs.

Setting the Council Tax – Background information**ES/0309**

The Localism Act 2011 requires the billing authority to calculate a Council Tax requirement for the year. The precept levels of other precepting bodies have been received and are detailed below:

Town and Parish Councils

The Town and Parish Council Precepts for 2020/21 are detailed in Appendix F1 and total £6,380,874.29. The increase in the average Band D Council Tax for Town and Parish Councils is 3.83% and results in an average Band D Council Tax figure of £72.60 for 2020/21.

Suffolk County Council

Suffolk County Council met on 13th February 2020 and set their precept at £118,088,364.62. This results in a Band D Council Tax of £1,343.61.

Police and Crime Commissioner for Suffolk

The Police and Crime Commissioner for Suffolk presented his proposal to the Police and Crime Panel on 31st January 2020 to set the precept at £19,577,245.79. This results in a Band D Council Tax of £222.75.

Council Tax Resolutions

If the formal Council Tax Resolution below is approved, the total Band D Council Tax will be as follows:

	2019/20 £	2020/21 £	Increase %
East Suffolk Council	166.32	171.27	2.98
Suffolk County Council	1,292.13	1,343.61	3.98
Police and Crime Commissioner for Suffolk	212.76	222.75	4.70
Sub-Total	1,671.21	1,737.63	3.97
Town & Parish Councils (average)	69.92	72.60	3.83
Total	1,741.13	1,810.23	3.97

The Council is recommended to resolve as follows:

1. Council Tax Base

That it be noted that on 15th January 2020, Full Council, calculated the Council Tax Base for 2020/21

 - (a) for the whole Council area as 87,888.87 [Item T in the formula in Section 31B of the Local Government Finance Act 1992, as amended (the "Act")]; and
 - (b) for dwellings in those parts of its area to which one or more special items relate as in the attached Appendix F1.
2. Council Tax Requirement

That the Council Tax requirement for the Council's own purposes for 2020/21 (excluding Town and Parish precepts) is £15,052,727
3. Council Tax Calculations

That the following amounts be calculated for the year 2020/21 in accordance with Sections 31 to 36 of the Act: -

 - (a) £141,816,201

being the aggregate of the amounts which the Council estimates for the items set out in Section 31A(2) of the Act taking into account all precepts issued to it by Town and Parish Councils (*i.e. Gross Expenditure*)
 - (b) £120,382,600

being the aggregate of the amounts which the Council estimates for the items set out in Section 31A(3) of the Act. (*i.e. Gross Income*)
 - (c) £21,433,601

being the amount by which the aggregate at 3(a) above exceeds the aggregate at 3(b) above, calculated by the Council in accordance with Section 31A(4) of the Act as its Council Tax requirement for the year. (Item R in the formula in Section 31B of the Act).
 - (d) £243.87

being the amount at 3(c) above (Item R), all divided by Item T (1(a) above), calculated by the Council, in accordance with Section 31B of the Act, as the basic amount of its Council Tax for the year (including Town and Parish precepts). (Average Council Tax).
 - (e) £6,380,874

being the aggregate amount of all special items (Town and Parish precepts) referred to in Section 34(1) of the Act (as per the attached Appendix F1).
 - (f) £171.27

being the amount at 3(d) above less the result given by dividing the amount at 3(e) above by Item T (1(a) above), calculated by the Council, in accordance with Section 34(2) of the Act, as the basic amount of its Council Tax for the year for dwellings in those parts of its area to which no special item relates. (Basic Council Tax)
4. Major Precepting Bodies

To note that the County Council and the Police and Crime Commissioner have issued precepts to the Council in accordance with Section 40 of the Local Government Finance Act 1992 for each category of dwellings in the Council's area as indicated in the table below.

5. Aggregate Amounts of Council Tax

That the Council, in accordance with Sections 30 and 36 of the Local Government Finance Act 1992, hereby sets the aggregate amounts shown in Appendix F2 as the amounts of Council Tax for 2020/21 for each part of its area and for each of the categories of dwellings.

Valuation Bands							
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EAST SUFFOLK COUNCIL (£)

A	B	C	D	E	F	G	H
114.18	133.21	152.24	171.27	209.33	247.39	285.45	342.54

SUFFOLK COUNTY COUNCIL (£)

A	B	C	D	E	F	G	H
895.74	1,045.03	1,194.32	1,343.61	1,642.19	1,940.77	2,239.35	2,687.22

POLICE AND CRIME COMMISSIONER FOR SUFFOLK (£)

A	B	C	D	E	F	G	H
148.50	173.25	198.00	222.75	272.25	321.75	371.25	445.50

AGGREGATE OF COUNCIL TAX REQUIREMENTS (£)

A	B	C	D	E	F	G	H
1,158.42	1,351.49	1,544.56	1,737.63	2,123.77	2,509.91	2,896.05	3,475.26

6. Excessive Council Tax

That the Council's basic amount of Council Tax for 2020/21 is not excessive in accordance with principles approved under Section 52ZB Local Government Finance Act 1992.

SPECIAL ITEMS - PARISH PRECEPTS AND SPECIAL EXPENSES

PARISH / AREA	EXPENSE	TAX BASE	EQUIVALENT COUNCIL TAX	BASIC AMOUNT OF COUNCIL TAX
	£		£	£
Aldeburgh	215,000.00	1,883.62	114.14	285.41
Alderton	7,000.00	174.22	40.18	211.45
Aldringham-Cum-Thorpe	8,000.00	575.43	13.90	185.17
All Saints & St. Nicholas, St. Michael and St. Peter S E	3,000.00	102.49	29.27	200.54
Badingham	9,691.81	224.14	43.24	214.51
Barnby	2,775.50	217.09	12.79	184.06
Barsham and Shipmeadow	1,227.55	129.08	9.51	180.78
Bawdsey	7,650.00	188.02	40.69	211.96
Beccles	116,852.00	3,206.36	36.44	207.71
Benacre	0.00	33.97	0.00	171.27
Benhall & Sternfield	9,000.00	290.55	30.98	202.25
Blaxhall	5,000.00	112.44	44.47	215.74
Blundeston and Flixton	9,222.83	456.35	20.21	191.48
Blyford and Sotherton	3,000.00	71.01	42.25	213.52
Blythburgh	7,950.00	191.21	41.58	212.85
Boulge	0.00	14.85	0.00	171.27
Boyton	4,000.00	59.66	67.05	238.32
Bramfield & Thorington	6,000.00	191.03	31.41	202.68
Brampton with Stoven	3,071.33	148.52	20.68	191.95
Brandeston	3,500.00	146.11	23.95	195.22
Bredfield	5,428.74	147.28	36.86	208.13
Brightwell, Foxhall & Purdis Farm	7,500.00	985.21	7.61	178.88
Bromeswell	5,820.00	154.82	37.59	208.86
Bruisyard	2,900.00	66.12	43.86	215.13
Bucklesham	9,100.00	200.74	45.33	216.60
Bungay	124,997.00	1,631.58	76.61	247.88
Burgh	0.00	79.37	0.00	171.27
Butley, Capel St Andrew & Wantisden	2,814.87	113.32	24.84	196.11
Campsea Ashe	5,500.00	155.05	35.47	206.74
Carlton Colville	57,622.07	2,657.67	21.68	192.95
Charsfield	5,700.00	145.84	39.08	210.35
Chediston, Linstead Magna & Linstead Parva	3,250.00	158.06	20.56	191.83
Chillesford	800.00	63.35	12.63	183.90
Clopton	4,500.00	145.80	30.86	202.13
Cookley & Walpole	10,000.00	153.33	65.22	236.49
Corton	6,460.00	567.16	11.39	182.66
Covehithe	0.00	10.84	0.00	171.27
Cransford	0.00	67.42	0.00	171.27
Cratfield	3,500.00	148.76	23.53	194.80
Cretingham, Hoo & Monewden	2,607.00	207.77	12.55	183.82
Dallinghoo	0.00	84.77	0.00	171.27
Darsham	5,660.00	181.67	31.16	202.43
Debach	0.00	32.01	0.00	171.27
Dennington	9,998.00	232.70	42.97	214.24
Dunwich	2,000.00	86.20	23.20	194.47
Earl Soham	13,227.00	202.46	65.33	236.60
Easton	9,154.70	163.04	56.15	227.42

Council Tax Resolutions

Appendix E1

PARISH / AREA	EXPENSE	TAX BASE	EQUIVALENT COUNCIL TAX	BASIC AMOUNT OF COUNCIL TAX
	£		£	£
Eyke	9,130.00	154.63	59.04	230.31
Felixstowe	600,570.00	8,474.25	70.87	242.14
Flixton, St. Cross S E & St. Margaret South Elmham	1,500.00	165.31	9.07	180.34
Framlingham	157,196.00	1,492.68	105.31	276.58
Friston	7,669.22	211.74	36.22	207.49
Frostenden, Uggheshall and South Cove	2,500.00	164.76	15.17	186.44
Gisleham	3,500.00	248.05	14.11	185.38
Great Bealings	4,820.00	132.25	36.45	207.72
Great Glemham	4,945.00	103.37	47.84	219.11
Grundisburgh & Culpho	19,800.00	634.94	31.18	202.45
Hacheston	7,300.00	159.69	45.71	216.98
Halesworth	116,641.15	1,719.61	67.83	239.10
Hasketon	8,475.15	175.12	48.40	219.67
Hemley	0.00	25.33	0.00	171.27
Henstead with Hulver Street	4,000.00	139.22	28.73	200.00
Heveningham	4,437.63	65.50	67.75	239.02
Hollesley	32,140.00	475.97	67.53	238.80
Holton	14,350.00	308.32	46.54	217.81
Homersfield	3,514.00	59.30	59.26	230.53
Huntingfield	6,369.86	78.65	80.99	252.26
Iken	1,500.00	63.31	23.69	194.96
Kelsale-cum-Carlton	21,500.00	406.67	52.87	224.14
Kesgrave	302,000.00	4,788.23	63.07	234.34
Kessingland	119,688.57	1,427.93	83.82	255.09
Kettleburgh	4,715.00	109.66	43.00	214.27
Kirton & Falkenham	21,205.00	554.01	38.28	209.55
Knodishall	16,800.00	315.05	53.32	224.59
Leiston	305,000.00	1,777.07	171.63	342.90
Letheringham	1,200.00	42.82	28.02	199.29
Levington & Stratton Hall	8,740.00	125.62	69.57	240.84
Little Bealings	9,000.00	213.74	42.11	213.38
Little Glemham	3,800.00	67.14	56.60	227.87
Lound	1,700.00	117.41	14.48	185.75
Lowestoft	1,837,731.00	12,682.12	144.91	316.18
Marlesford	3,000.00	87.42	34.32	205.59
Martlesham	140,497.00	2,296.38	61.18	232.45
Melton	86,948.17	1,822.60	47.71	218.98
Mettingham	1,507.36	82.10	18.36	189.63
Middleton	6,505.00	198.64	32.75	204.02
Mutford	4,500.00	185.31	24.28	195.55
Nacton	9,500.00	344.26	27.60	198.87
Newbourne	5,250.00	107.22	48.96	220.23
North Cove	2,900.00	149.89	19.35	190.62
Orford & Gedgrave	28,000.00	394.25	71.02	242.29
Otley	4,803.55	288.92	16.63	187.90
Oulton	25,000.00	1,463.43	17.08	188.35
Oulton Broad	213,981.00	3,250.37	65.83	237.10
Parham	5,850.00	120.08	48.72	219.99
Peasenhall	11,957.39	232.77	51.37	222.64

Council Tax Resolutions

Appendix E1

PARISH / AREA	EXPENSE	TAX BASE	EQUIVALENT COUNCIL TAX	BASIC AMOUNT OF COUNCIL TAX
	£		£	£
Pettistree	2,500.00	87.15	28.69	199.96
Playford	8,000.00	112.89	70.87	242.14
Ramsholt	0.00	12.77	0.00	171.27
Redisham	0.00	52.13	0.00	171.27
Rendham	2,800.00	129.57	21.61	192.88
Rendlesham	146,637.00	939.42	156.09	327.36
Reydon	29,000.00	1,192.36	24.32	195.59
Ringsfield and Weston	7,000.00	221.44	31.61	202.88
Rumburgh	3,731.78	119.50	31.23	202.50
Rushmere	0.00	33.07	0.00	171.27
Rushmere St Andrew	123,000.00	2,573.67	47.79	219.06
Saxmundham	224,500.00	1,566.89	143.28	314.55
Saxtead	5,147.00	126.06	40.83	212.10
Shadingfield, Sotterley, Willingham and Ellough	7,544.26	180.14	41.88	213.15
Shottisham	4,444.09	84.33	52.70	223.97
Sibton	1,750.00	94.89	18.44	189.71
Snape	11,250.00	329.04	34.19	205.46
Somerleyton, Ashby & Herringfleet	3,000.00	164.18	18.27	189.54
Southwold	120,000.00	1,094.99	109.59	280.86
Spexhall	3,950.00	85.38	46.26	217.53
St. Andrew Ilketshall	2,006.47	110.89	18.09	189.36
St. James South Elmham	1,800.00	87.83	20.49	191.76
St. John Ilketshall	0.00	20.38	0.00	171.27
St. Lawrence Ilketshall	0.00	61.77	0.00	171.27
St. Margaret Ilketshall	750.00	69.38	10.81	182.08
Stratford St Andrew and Farnham	4,500.00	138.50	32.49	203.76
Sudbourne	2,838.84	184.58	15.38	186.65
Sutton	3,300.00	142.39	23.18	194.45
Sutton Heath	9,750.00	327.25	29.79	201.06
Sweffling	3,331.38	96.45	34.54	205.81
Swilland & Winesham	14,000.00	398.60	35.12	206.39
Theberton	6,916.08	152.35	45.40	216.67
Trimley St Martin	31,275.00	731.42	42.76	214.03
Trimley St Mary	55,000.00	1,267.47	43.39	214.66
Tuddenham St Martin	6,200.00	164.05	37.79	209.06
Tunstall	10,000.00	264.01	37.88	209.15
Ubbeston	4,995.00	42.45	117.67	288.94
Ufford	20,466.00	382.86	53.46	224.73
Walberswick	25,000.00	388.72	64.31	235.58
Waldringfield	13,574.00	249.75	54.35	225.62
Wangford with Henham	6,500.00	249.08	26.10	197.37
Wenhaston with Mells Hamlet	23,000.00	417.09	55.14	226.41
Westerfield	9,520.77	234.74	40.56	211.83
Westhall	3,120.00	130.45	23.92	195.19
Westleton	12,000.00	308.52	38.90	210.17
Wickham Market	73,000.00	818.13	89.23	260.50
Wissett	3,978.00	123.66	32.17	203.44
Woodbridge	325,828.00	3,149.75	103.45	274.72
Worlingham	38,494.00	1,289.04	29.86	201.13

PARISH / AREA	EXPENSE	TAX BASE	EQUIVALENT COUNCIL TAX	BASIC AMOUNT OF COUNCIL TAX
	£		£	£
Wrentham	17,142.70	382.53	44.81	216.08
Yoxford	14,216.47	343.31	41.41	212.68
Total	<u>6,380,874.29</u>	<u>87,888.87</u>	<u>72.60</u>	<u>243.87</u>

BASIC AMOUNT OF COUNCIL TAX represents the Council Tax payable on a Band D property for District Council purposes. Police and Crime Commissioner for Suffolk and Suffolk County Council's basic amount will be added to this figure.

AMOUNTS OF COUNCIL TAX 2020/21

The Council, in accordance with Sections 30 and 36 of the Local Government Finance Act 1992, hereby sets the aggregate amounts shown in the table below as the amounts of Council Tax for 2020/21 for each part of its area and for each of the categories of dwellings.

PART OF THE COUNCIL'S AREA	VALUATION BANDS							
	A	B	C	D	E	F	G	H
	£	£	£	£	£	£	£	£
Aldeburgh	1,234.51	1,440.27	1,646.02	1,851.77	2,263.27	2,674.78	3,086.28	3,703.54
Alderton	1,185.21	1,382.74	1,580.28	1,777.81	2,172.88	2,567.95	2,963.02	3,555.62
Aldringham-Cum-Thorpe	1,167.69	1,362.30	1,556.92	1,751.53	2,140.76	2,529.99	2,919.22	3,503.06
All Saints & St. Nicholas, St. Michael and St. Peter S E	1,177.93	1,374.26	1,570.58	1,766.90	2,159.54	2,552.19	2,944.83	3,533.80
Badingham	1,187.25	1,385.12	1,583.00	1,780.87	2,176.62	2,572.37	2,968.12	3,561.74
Barnby	1,166.95	1,361.44	1,555.93	1,750.42	2,139.40	2,528.38	2,917.37	3,500.84
Barsham and Shipmeadow	1,164.76	1,358.89	1,553.01	1,747.14	2,135.39	2,523.65	2,911.90	3,494.28
Bawdsey	1,185.55	1,383.14	1,580.73	1,778.32	2,173.50	2,568.68	2,963.87	3,556.64
Beccles	1,182.71	1,379.83	1,576.95	1,774.07	2,168.31	2,562.55	2,956.78	3,548.14
Benacre	1,158.42	1,351.49	1,544.56	1,737.63	2,123.77	2,509.91	2,896.05	3,475.26
Benhall & Sternfield	1,179.07	1,375.59	1,572.10	1,768.61	2,161.63	2,554.66	2,947.68	3,537.22
Blaxhall	1,188.07	1,386.08	1,584.09	1,782.10	2,178.12	2,574.14	2,970.17	3,564.20
Blundeston and Flixton	1,171.89	1,367.21	1,562.52	1,757.84	2,148.47	2,539.10	2,929.73	3,515.68
Blyford and Sotherton	1,186.59	1,384.35	1,582.12	1,779.88	2,175.41	2,570.94	2,966.47	3,559.76
Blythburgh	1,186.14	1,383.83	1,581.52	1,779.21	2,174.59	2,569.97	2,965.35	3,558.42
Boulge	1,158.42	1,351.49	1,544.56	1,737.63	2,123.77	2,509.91	2,896.05	3,475.26
Boyton	1,203.12	1,403.64	1,604.16	1,804.68	2,205.72	2,606.76	3,007.80	3,609.36
Bramfield & Thorington	1,179.36	1,375.92	1,572.48	1,769.04	2,162.16	2,555.28	2,948.40	3,538.08
Brampton with Stoven	1,172.21	1,367.57	1,562.94	1,758.31	2,149.05	2,539.78	2,930.52	3,516.62
Brandeston	1,174.39	1,370.12	1,565.85	1,761.58	2,153.04	2,544.50	2,935.97	3,523.16
Bredfield	1,182.99	1,380.16	1,577.32	1,774.49	2,168.82	2,563.15	2,957.48	3,548.98
Brightwell, Foxhall & Purdis Farm	1,163.49	1,357.41	1,551.32	1,745.24	2,133.07	2,520.90	2,908.73	3,490.48
Bromeswell	1,183.48	1,380.73	1,577.97	1,775.22	2,169.71	2,564.21	2,958.70	3,550.44
Bruisyard	1,187.66	1,385.60	1,583.55	1,781.49	2,177.38	2,573.26	2,969.15	3,562.98
Bucklesham	1,188.64	1,386.75	1,584.85	1,782.96	2,179.17	2,575.39	2,971.60	3,565.92
Bungay	1,209.49	1,411.08	1,612.66	1,814.24	2,217.40	2,620.57	3,023.73	3,628.48
Burgh	1,158.42	1,351.49	1,544.56	1,737.63	2,123.77	2,509.91	2,896.05	3,475.26
Butley, Capel St Andrew & Wantisden	1,174.98	1,370.81	1,566.64	1,762.47	2,154.13	2,545.79	2,937.45	3,524.94
Campsea Ashe	1,182.07	1,379.08	1,576.09	1,773.10	2,167.12	2,561.14	2,955.17	3,546.20
Carlton Colville	1,172.87	1,368.35	1,563.83	1,759.31	2,150.27	2,541.23	2,932.18	3,518.62
Charsfield	1,184.47	1,381.89	1,579.30	1,776.71	2,171.53	2,566.36	2,961.18	3,553.42
Chediston, Linstead Magna & Linstead Parva	1,172.13	1,367.48	1,562.84	1,758.19	2,148.90	2,539.61	2,930.32	3,516.38
Chillesford	1,166.84	1,361.31	1,555.79	1,750.26	2,139.21	2,528.15	2,917.10	3,500.52
Clopton	1,178.99	1,375.49	1,571.99	1,768.49	2,161.49	2,554.49	2,947.48	3,536.98
Cookley & Walpole	1,201.90	1,402.22	1,602.53	1,802.85	2,203.48	2,604.12	3,004.75	3,605.70
Corton	1,166.01	1,360.35	1,554.68	1,749.02	2,137.69	2,526.36	2,915.03	3,498.04
Covehithe	1,158.42	1,351.49	1,544.56	1,737.63	2,123.77	2,509.91	2,896.05	3,475.26
Cransford	1,158.42	1,351.49	1,544.56	1,737.63	2,123.77	2,509.91	2,896.05	3,475.26
Cratfield	1,174.11	1,369.79	1,565.48	1,761.16	2,152.53	2,543.90	2,935.27	3,522.32
Cretingham, Hoo & Monewden	1,166.79	1,361.25	1,555.72	1,750.18	2,139.11	2,528.04	2,916.97	3,500.36
Dallinghoo	1,158.42	1,351.49	1,544.56	1,737.63	2,123.77	2,509.91	2,896.05	3,475.26
Darsham	1,179.19	1,375.73	1,572.26	1,768.79	2,161.85	2,554.92	2,947.98	3,537.58
Debach	1,158.42	1,351.49	1,544.56	1,737.63	2,123.77	2,509.91	2,896.05	3,475.26
Dennington	1,187.07	1,384.91	1,582.76	1,780.60	2,176.29	2,571.98	2,967.67	3,561.20
Dunwich	1,173.89	1,369.53	1,565.18	1,760.83	2,152.13	2,543.42	2,934.72	3,521.66
Earl Soham	1,201.97	1,402.30	1,602.63	1,802.96	2,203.62	2,604.28	3,004.93	3,605.92
Easton	1,195.85	1,395.16	1,594.47	1,793.78	2,192.40	2,591.02	2,989.63	3,587.56
Eyke	1,197.78	1,397.41	1,597.04	1,796.67	2,195.93	2,595.19	2,994.45	3,593.34
Felixstowe	1,205.67	1,406.61	1,607.56	1,808.50	2,210.39	2,612.28	3,014.17	3,617.00
Flixton, St. Cross S E & St. Margaret South Elmham	1,164.47	1,358.54	1,552.62	1,746.70	2,134.86	2,523.01	2,911.17	3,493.40
Framlingham	1,228.63	1,433.40	1,638.17	1,842.94	2,252.48	2,662.02	3,071.57	3,685.88
Friston	1,182.57	1,379.66	1,576.76	1,773.85	2,168.04	2,562.23	2,956.42	3,547.70
Frostenden, Uggeshall and South Cove	1,168.53	1,363.29	1,558.04	1,752.80	2,142.31	2,531.82	2,921.33	3,505.60
Gisleham	1,167.83	1,362.46	1,557.10	1,751.74	2,141.02	2,530.29	2,919.57	3,503.48
Great Bealings	1,182.72	1,379.84	1,576.96	1,774.08	2,168.32	2,562.56	2,956.80	3,548.16
Great Glemham	1,190.31	1,388.70	1,587.08	1,785.47	2,182.24	2,579.01	2,975.78	3,570.94
Grundisburgh & Culpho	1,179.21	1,375.74	1,572.28	1,768.81	2,161.88	2,554.95	2,948.02	3,537.62

Council Tax Resolutions

Appendix E2

PART OF THE COUNCIL'S AREA

VALUATION BANDS

	A	B	C	D	E	F	G	H
	£	£	£	£	£	£	£	£
Hacheston	1,188.89	1,387.04	1,585.19	1,783.34	2,179.64	2,575.94	2,972.23	3,566.68
Halesworth	1,203.64	1,404.25	1,604.85	1,805.46	2,206.67	2,607.89	3,009.10	3,610.92
Hasketon	1,190.69	1,389.13	1,587.58	1,786.03	2,182.93	2,579.82	2,976.72	3,572.06
Hemley	1,158.42	1,351.49	1,544.56	1,737.63	2,123.77	2,509.91	2,896.05	3,475.26
Henstead with Hulver Street	1,177.57	1,373.84	1,570.10	1,766.36	2,158.88	2,551.41	2,943.93	3,532.72
Heveningham	1,203.59	1,404.18	1,604.78	1,805.38	2,206.58	2,607.77	3,008.97	3,610.76
Hollesley	1,203.44	1,404.01	1,604.59	1,805.16	2,206.31	2,607.45	3,008.60	3,610.32
Holton	1,189.45	1,387.69	1,585.93	1,784.17	2,180.65	2,577.13	2,973.62	3,568.34
Homersfield	1,197.93	1,397.58	1,597.24	1,796.89	2,196.20	2,595.51	2,994.82	3,593.78
Huntingfield	1,212.41	1,414.48	1,616.55	1,818.62	2,222.76	2,626.90	3,031.03	3,637.24
Iken	1,174.21	1,369.92	1,565.62	1,761.32	2,152.72	2,544.13	2,935.53	3,522.64
Kelsale-cum-Carlton	1,193.67	1,392.61	1,591.56	1,790.50	2,188.39	2,586.28	2,984.17	3,581.00
Kesgrave	1,200.47	1,400.54	1,600.62	1,800.70	2,200.86	2,601.01	3,001.17	3,601.40
Kessingland	1,214.30	1,416.68	1,619.07	1,821.45	2,226.22	2,630.98	3,035.75	3,642.90
Kettleburgh	1,187.09	1,384.93	1,582.78	1,780.63	2,176.33	2,572.02	2,967.72	3,561.26
Kirton & Falkenham	1,183.94	1,381.26	1,578.59	1,775.91	2,170.56	2,565.20	2,959.85	3,551.82
Knodishall	1,193.97	1,392.96	1,591.96	1,790.95	2,188.94	2,586.93	2,984.92	3,581.90
Leiston	1,272.84	1,484.98	1,697.12	1,909.26	2,333.54	2,757.82	3,182.10	3,818.52
Letheringham	1,177.10	1,373.28	1,569.47	1,765.65	2,158.02	2,550.38	2,942.75	3,531.30
Levington & Stratton Hall	1,204.80	1,405.60	1,606.40	1,807.20	2,208.80	2,610.40	3,012.00	3,614.40
Little Bealings	1,186.49	1,384.24	1,581.99	1,779.74	2,175.24	2,570.74	2,966.23	3,559.48
Little Glemham	1,196.15	1,395.51	1,594.87	1,794.23	2,192.95	2,591.67	2,990.38	3,588.46
Lound	1,168.07	1,362.75	1,557.43	1,752.11	2,141.47	2,530.83	2,920.18	3,504.22
Lowestoft	1,255.03	1,464.20	1,673.37	1,882.54	2,300.88	2,719.22	3,137.57	3,765.08
Marlesford	1,181.30	1,378.18	1,575.07	1,771.95	2,165.72	2,559.48	2,953.25	3,543.90
Martlesham	1,199.21	1,399.07	1,598.94	1,798.81	2,198.55	2,598.28	2,998.02	3,597.62
Melton	1,190.23	1,388.60	1,586.97	1,785.34	2,182.08	2,578.82	2,975.57	3,570.68
Mettingham	1,170.66	1,365.77	1,560.88	1,755.99	2,146.21	2,536.43	2,926.65	3,511.98
Middleton	1,180.25	1,376.96	1,573.67	1,770.38	2,163.80	2,557.22	2,950.63	3,540.76
Mutford	1,174.61	1,370.37	1,566.14	1,761.91	2,153.45	2,544.98	2,936.52	3,523.82
Nacton	1,176.82	1,372.96	1,569.09	1,765.23	2,157.50	2,549.78	2,942.05	3,530.46
Newbourne	1,191.06	1,389.57	1,588.08	1,786.59	2,183.61	2,580.63	2,977.65	3,573.18
North Cove	1,171.32	1,366.54	1,561.76	1,756.98	2,147.42	2,537.86	2,928.30	3,513.96
Orford & Gedgrave	1,205.77	1,406.73	1,607.69	1,808.65	2,210.57	2,612.49	3,014.42	3,617.30
Otley	1,169.51	1,364.42	1,559.34	1,754.26	2,144.10	2,533.93	2,923.77	3,508.52
Oulton	1,169.81	1,364.77	1,559.74	1,754.71	2,144.65	2,534.58	2,924.52	3,509.42
Oulton Broad	1,202.31	1,402.69	1,603.08	1,803.46	2,204.23	2,605.00	3,005.77	3,606.92
Parham	1,190.90	1,389.38	1,587.87	1,786.35	2,183.32	2,580.28	2,977.25	3,572.70
Peasenhall	1,192.67	1,391.44	1,590.22	1,789.00	2,186.56	2,584.11	2,981.67	3,578.00
Pettistree	1,177.55	1,373.80	1,570.06	1,766.32	2,158.84	2,551.35	2,943.87	3,532.64
Playford	1,205.67	1,406.61	1,607.56	1,808.50	2,210.39	2,612.28	3,014.17	3,617.00
Ramsholt	1,158.42	1,351.49	1,544.56	1,737.63	2,123.77	2,509.91	2,896.05	3,475.26
Redisham	1,158.42	1,351.49	1,544.56	1,737.63	2,123.77	2,509.91	2,896.05	3,475.26
Rendham	1,172.83	1,368.30	1,563.77	1,759.24	2,150.18	2,541.12	2,932.07	3,518.48
Rendlesham	1,262.48	1,472.89	1,683.31	1,893.72	2,314.55	2,735.37	3,156.20	3,787.44
Reydon	1,174.63	1,370.41	1,566.18	1,761.95	2,153.49	2,545.04	2,936.58	3,523.90
Ringsfield and Weston	1,179.49	1,376.08	1,572.66	1,769.24	2,162.40	2,555.57	2,948.73	3,538.48
Rumburgh	1,179.24	1,375.78	1,572.32	1,768.86	2,161.94	2,555.02	2,948.10	3,537.72
Rushmere	1,158.42	1,351.49	1,544.56	1,737.63	2,123.77	2,509.91	2,896.05	3,475.26
Rushmere St Andrew	1,190.28	1,388.66	1,587.04	1,785.42	2,182.18	2,578.94	2,975.70	3,570.84
Saxmundham	1,253.94	1,462.93	1,671.92	1,880.91	2,298.89	2,716.87	3,134.85	3,761.82
Saxtead	1,185.64	1,383.25	1,580.85	1,778.46	2,173.67	2,568.89	2,964.10	3,556.92
Shadingfield, Sotterley, Willingham and Ellough	1,186.34	1,384.06	1,581.79	1,779.51	2,174.96	2,570.40	2,965.85	3,559.02
Shottisham	1,193.55	1,392.48	1,591.40	1,790.33	2,188.18	2,586.03	2,983.88	3,580.66
Sibton	1,170.71	1,365.83	1,560.95	1,756.07	2,146.31	2,536.55	2,926.78	3,512.14
Snapes	1,181.21	1,378.08	1,574.95	1,771.82	2,165.56	2,559.30	2,953.03	3,543.64
Somerleyton, Ashby & Herringfleet	1,170.60	1,365.70	1,560.80	1,755.90	2,146.10	2,536.30	2,926.50	3,511.80
Southwold	1,231.48	1,436.73	1,641.97	1,847.22	2,257.71	2,668.21	3,078.70	3,694.44
Spexhall	1,189.26	1,387.47	1,585.68	1,783.89	2,180.31	2,576.73	2,973.15	3,567.78
St. Andrew Ilketshall	1,170.48	1,365.56	1,560.64	1,755.72	2,145.88	2,536.04	2,926.20	3,511.44
St. James South Elmham	1,172.08	1,367.43	1,562.77	1,758.12	2,148.81	2,539.51	2,930.20	3,516.24
St. John Ilketshall	1,158.42	1,351.49	1,544.56	1,737.63	2,123.77	2,509.91	2,896.05	3,475.26
St. Lawrence Ilketshall	1,158.42	1,351.49	1,544.56	1,737.63	2,123.77	2,509.91	2,896.05	3,475.26

PART OF THE COUNCIL'S AREA

VALUATION BANDS

	A	B	C	D	E	F	G	H
	£	£	£	£	£	£	£	£
St. Margaret Ilketshall	1,165.63	1,359.90	1,554.17	1,748.44	2,136.98	2,525.52	2,914.07	3,496.88
Stratford St Andrew and Farnham	1,180.08	1,376.76	1,573.44	1,770.12	2,163.48	2,556.84	2,950.20	3,540.24
Sudbourne	1,168.67	1,363.45	1,558.23	1,753.01	2,142.57	2,532.13	2,921.68	3,506.02
Sutton	1,173.87	1,369.52	1,565.16	1,760.81	2,152.10	2,543.39	2,934.68	3,521.62
Sutton Heath	1,178.28	1,374.66	1,571.04	1,767.42	2,160.18	2,552.94	2,945.70	3,534.84
Sweffling	1,181.45	1,378.35	1,575.26	1,772.17	2,165.99	2,559.80	2,953.62	3,544.34
Swilland & Winesham	1,181.83	1,378.81	1,575.78	1,772.75	2,166.69	2,560.64	2,954.58	3,545.50
Theberton	1,188.69	1,386.80	1,584.92	1,783.03	2,179.26	2,575.49	2,971.72	3,566.06
Trimley St Martin	1,186.93	1,384.75	1,582.57	1,780.39	2,176.03	2,571.67	2,967.32	3,560.78
Trimley St Mary	1,187.35	1,385.24	1,583.13	1,781.02	2,176.80	2,572.58	2,968.37	3,562.04
Tuddenham St Martin	1,183.61	1,380.88	1,578.15	1,775.42	2,169.96	2,564.50	2,959.03	3,550.84
Tunstall	1,183.67	1,380.95	1,578.23	1,775.51	2,170.07	2,564.63	2,959.18	3,551.02
Ubbeston	1,236.87	1,443.01	1,649.16	1,855.30	2,267.59	2,679.88	3,092.17	3,710.60
Ufford	1,194.06	1,393.07	1,592.08	1,791.09	2,189.11	2,587.13	2,985.15	3,582.18
Walberswick	1,201.29	1,401.51	1,601.72	1,801.94	2,202.37	2,602.80	3,003.23	3,603.88
Waldringfield	1,194.65	1,393.76	1,592.87	1,791.98	2,190.20	2,588.42	2,986.63	3,583.96
Wangford with Henham	1,175.82	1,371.79	1,567.76	1,763.73	2,155.67	2,547.61	2,939.55	3,527.46
Wenhaston with Mells Hamlet	1,195.18	1,394.38	1,593.57	1,792.77	2,191.16	2,589.56	2,987.95	3,585.54
Westerfield	1,185.46	1,383.04	1,580.61	1,778.19	2,173.34	2,568.50	2,963.65	3,556.38
Westhall	1,174.37	1,370.09	1,565.82	1,761.55	2,153.01	2,544.46	2,935.92	3,523.10
Westleton	1,184.35	1,381.75	1,579.14	1,776.53	2,171.31	2,566.10	2,960.88	3,553.06
Wickham Market	1,217.91	1,420.89	1,623.88	1,826.86	2,232.83	2,638.80	3,044.77	3,653.72
Wissett	1,179.87	1,376.51	1,573.16	1,769.80	2,163.09	2,556.38	2,949.67	3,539.60
Woodbridge	1,227.39	1,431.95	1,636.52	1,841.08	2,250.21	2,659.34	3,068.47	3,682.16
Worlingham	1,178.33	1,374.71	1,571.10	1,767.49	2,160.27	2,553.04	2,945.82	3,534.98
Wrentham	1,188.29	1,386.34	1,584.39	1,782.44	2,178.54	2,574.64	2,970.73	3,564.88
Yoxford	1,186.03	1,383.70	1,581.37	1,779.04	2,174.38	2,569.72	2,965.07	3,558.08

Council Tax Resolutions

Appendix E3

PARISH / TOWN COUNCIL AND SPECIAL EXPENSE TAX BASE – BAND D EQUIVALENTS

Parish Area	2019/20 Taxbase	2020/21 Taxbase
Aldeburgh	1,869.81	1,883.62
Alderton	177.28	174.22
Aldringham-Cum-Thorpe	576.82	575.43
All Saints & St. Nicholas, St. Michael and St. Peter S E	101.25	102.49
Badingham	219.72	224.14
Barnby	214.49	217.09
Barsham and Shipmeadow	130.74	129.08
Bawdsey	188.48	188.02
Beccles	3,198.11	3,206.36
Benacre	34.33	33.97
Benhall & Sternfield	288.33	290.55
Blaxhall	109.76	112.44
Blundeston and Flixton	446.39	456.35
Blyford and Sotherton	72.39	71.01
Blythburgh	187.24	191.21
Boulge	13.91	14.85
Boyton	61.21	59.66
Bramfield & Thorington	190.65	191.03
Brampton with Stoven	145.21	148.52
Brandeston	144.24	146.11
Bredfield	149.29	147.28
Brightwell, Foxhall & Purdis Farm	984.12	985.21
Bromeswell	157.31	154.82
Bruisyard	65.85	66.12
Bucklesham	200.26	200.74
Bungay	1,628.79	1,631.58
Burgh	81.11	79.37
Butley, Capel St Andrew & Wantisden	112.68	113.32
Campsea Ashe	147.02	155.05
Carlton Colville	2,652.40	2,657.67
Charsfield	146.41	145.84
Chediston, Linstead Magna & Linstead Parva	154.35	158.06
Chillesford	63.34	63.35
Clopton	144.54	145.80
Cookley & Walpole	151.90	153.33
Corton	554.75	567.16
Covehithe	10.41	10.84
Cransford	65.34	67.42
Cratfield	147.65	148.76
Cretingham, Hoo & Monewden	200.37	207.77
Dallinghoo	82.52	84.77
Darsham	177.51	181.67
Debach	32.22	32.01
Dennington	234.56	232.70
Dunwich	88.91	86.20
Earl Soham	198.87	202.46
Easton	151.37	163.04
Eyke	149.69	154.63
Felixstowe	8,324.16	8,474.25
Flixton, St. Cross S E & St. Margaret South Elmham	162.58	165.31

PARISH / TOWN COUNCIL AND SPECIAL EXPENSE TAX BASE – BAND D EQUIVALENTS

Parish Area	2019/20 Taxbase	2020/21 Taxbase
Framlingham	1,391.92	1,492.68
Friston	207.09	211.74
Frostenden, Uggeshall and South Cove	169.39	164.76
Gisleham	245.15	248.05
Great Bealings	127.85	132.25
Great Glemham	101.44	103.37
Grundisburgh & Culpho	631.37	634.94
Hacheston	159.33	159.69
Halesworth	1,695.51	1,719.61
Hasketon	172.61	175.12
Hemley	26.08	25.33
Henstead with Hulver Street	138.42	139.22
Heveningham	64.21	65.50
Hollesley	469.73	475.97
Holton	303.11	308.32
Homersfield	59.44	59.30
Huntingfield	76.31	78.65
Iken	62.83	63.31
Kelsale-cum-Carlton	398.23	406.67
Kesgrave	4,782.80	4,788.23
Kessingland	1,422.07	1,427.93
Kettleburgh	108.42	109.66
Kirton & Falkenham	545.10	554.01
Knodishall	312.46	315.05
Leiston	1,702.25	1,777.07
Letheringham	40.95	42.82
Levington & Stratton Hall	127.01	125.62
Little Bealings	212.78	213.74
Little Glemham	67.32	67.14
Lound	118.75	117.41
Lowestoft	12,554.29	12,682.12
Marlesford	88.61	87.42
Martlesham	2,301.57	2,296.38
Melton	1,744.44	1,822.60
Mettingham	81.68	82.10
Middleton	191.13	198.64
Mutford	183.55	185.31
Nacton	341.44	344.26
Newbourne	106.28	107.22
North Cove	148.71	149.89
Orford & Gedgrave	398.50	394.25
Otley	289.69	288.92
Oulton	1,411.47	1,463.43
Oulton Broad	3,240.96	3,250.37
Parham	122.53	120.08
Peasenhall	235.03	232.77
Pettistree	87.00	87.15
Playford	110.05	112.89
Ramsholt	13.02	12.77
Redisham	51.57	52.13

PARISH / TOWN COUNCIL AND SPECIAL EXPENSE TAX BASE – BAND D EQUIVALENTS

Parish Area	2019/20 Taxbase	2020/21 Taxbase
Rendham	127.47	129.57
Rendlesham	936.97	939.42
Reydon	1,176.73	1,192.36
Ringsfield and Weston	219.71	221.44
Rumburgh	119.15	119.50
Rushmere	32.78	33.07
Rushmere St Andrew	2,560.08	2,573.67
Saxmundham	1,520.55	1,566.89
Saxtead	125.30	126.06
Shadingfield, Sotterley, Willingham and Ellough	171.96	180.14
Shottisham	84.23	84.33
Sibton	93.24	94.89
Snape	323.12	329.04
Somerleyton, Ashby & Herringfleet	161.52	164.18
Southwold	1,052.55	1,094.99
Spexhall	84.31	85.38
St. Andrew Ilketshall	113.36	110.89
St. James South Elmham	88.84	87.83
St. John Ilketshall	20.30	20.38
St. Lawrence Ilketshall	61.52	61.77
St. Margaret Ilketshall	70.13	69.38
Stratford St Andrew and Farnham	139.34	138.50
Sudbourne	175.83	184.58
Sutton	138.26	142.39
Sutton Heath	320.82	327.25
Sweffling	95.54	96.45
Swilland & Witnesham	391.91	398.60
Theberton	150.53	152.35
Trimley St Martin	719.86	731.42
Trimley St Mary	1,247.84	1,267.47
Tuddenham St Martin	164.51	164.05
Tunstall	236.97	264.01
Ubbeston	43.27	42.45
Ufford	358.42	382.86
Walberswick	377.68	388.72
Waldringfield	251.81	249.75
Wangford with Henham	248.23	249.08
Wenhaston with Mells Hamlet	411.58	417.09
Westerfield	231.48	234.74
Westhall	129.95	130.45
Westleton	298.94	308.52
Wickham Market	814.49	818.13
Wissett	120.79	123.66
Woodbridge	3,121.95	3,149.75
Worlingham	1,278.44	1,289.04
Wrentham	368.67	382.53
Yoxford	342.12	343.31
Total Taxbase - Band D	86,755.14	87,888.87



COUNCIL

Wednesday 26 February 2020

EAST SUFFOLK STRATEGIC PLAN

EXECUTIVE SUMMARY

1. This report sets out the development of the Council's Strategic Plan for the four year period to 2024.
2. The Strategic Plan is a strategic-level document to set out the ambitions of the Council, guide decision making and demonstrate the direction of travel for the authority.
3. Both Scrutiny Committee and Cabinet have reviewed the draft plan and associated governance structure and recommend its adoption by full Council.

Is the report Open or Exempt?	Open
Wards Affected:	All

Cabinet Member:	Councillor Steve Gallant Leader of the Council
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Supporting Officers:	Stephen Baker, Chief Executive 01394 444378 stephen.baker@eastsuffolk.gov.uk Sandra Lewis, Business Solutions Manager 01394 444205 sandra.lewis@eastsuffolk.gov.uk
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1 INTRODUCTION

- 1.1 The Local Government Act 2000 and associated guidance and regulations give the Council responsibility for approving the Budget and Policy Framework.
- 1.2 The Strategic Plan makes up part of the Council's Budget and Policy Framework, contained within Section B Paragraph 3 of the Constitution.
- 1.3 A new Strategic Plan is proposed for East Suffolk Council as part of its formation as a new Council on 1 April 2019, to set out the strategic aims and objectives of the Council for the period 2020 to 2024.

2 THE STRATEGIC PLAN

- 2.1 The proposed Strategic Plan covers five main themes, following on from the robust direction of the previous business plan:
 - Growing our economy
 - Enabling our communities
 - Financial sustainability
 - Digital transformation
 - Our environment
- 2.2 The plan is written as a strategic-level document, showing the aims and objectives of the Council at a high level, to steer both the organisation's decision making and day to day management of services. It uses a premise of 'Our Compass' because of this reason, not only because the East Suffolk logo is in fact a compass point, but because it will guide the authority in the right direction.
- 2.3 All five themes are connected, they are overarching principles for the way in which the authority will work as a whole – rather than being seen in isolation, the plan aims to present the themes and priorities as the ethos under which decisions will be made and the direction the authority will travel over the next four years.
- 2.4 Within each theme, key priorities are identified. These statements guide what is important to the council and provide a steer on the areas which will be focused on within each theme.
- 2.5 Against each priority, there are points listed to show how progress will be measured, to understand the whether the council is delivering to each priority over the coming four years. These points, again at a strategic level, will form the basis of the performance reporting presented to Cabinet, to show at a strategic level whether the authority is moving in the right direction on the areas identified to focus on.
- 2.6 Many services, teams or individuals may contribute to the priorities listed in the plan, this is part of the strategy – the steer is shown at the top and feeds through the organisation to enable everyone to contribute to many areas of the overall plan.
- 2.7 Being a strategic level document means that the detail, 'how' it will be delivered, sits below the Strategic Plan within action plans from the appropriate Service Areas, and a governance arrangement has been proposed to manage this going forward, detailed below in paragraph 4.
- 2.8 The proposed Strategic Plan can be found at Appendix A to this report.

3 HOW DOES THIS RELATE TO THE EAST SUFFOLK BUSINESS PLAN?

- 3.1 This proposal is for a new Strategic Plan for East Suffolk Council, the existing Business Plan was created in 2015 for the former partnership of Suffolk Coastal and Waveney District Councils and will replace that plan.

4 FINANCIAL AND GOVERNANCE IMPLICATIONS

- 4.1 In order to govern the direction of the authority, using the Strategic Plan as the steering document, a change to the way the organisation works has been proposed.
- 4.2 A governing board will be created to monitor delivery of the Strategic Plan, to be known as the Strategic Plan Delivery Board. The Board will report to Cabinet and will be responsible for overseeing the delivery of the plan, including strategic risks and performance. The performance reporting framework will feed into this Board, with the Strategic Performance Report being the output to Cabinet.
- 4.3 Feeding into the Board are five programmes, based on the five themes. The programme in place for each theme will manage the detailed delivery and actions – the ‘how’ the Strategic Plan will be delivered. The programme plans will be created from all Service Plans, capturing projects and tasks delivering to the priorities of the Strategic Plan. There will be one or more responsible Heads of Service overseeing each programme in consultation with the appropriate Portfolio Holders.
- 4.4 As such, all Service Plans and activity across the authority will feed into the five programme themes, with planned workshops to identify how each team contributes to the overall Strategic Plan.
- 4.5 A governance diagram for the delivery of the Strategic Plan is shown at Appendix B.

5 OTHER KEY ISSUES

- 5.1 This report has been prepared having taken into account the results of an Equality Impact Assessment – no negative impact on any of the characteristics protected under the Equality Act 2010 are identified as a result of the new Strategic Plan, the plan aims for inclusion and equality in our workplace and communities.

6 CONSULTATION

- 6.1 The creation of the proposed Strategic Plan has been a collaborative effort. Service Areas and Members have been invited to contribute and play a part in the formation of the plan, using their local knowledge, key data and service delivery experience to form a complete view.
- 6.2 Staff from all service areas were initially consulted during the formation of the new Council in January/February 2019 and again in September 2019 once the Council had been in operation for six months.
- 6.3 In October 2019, a three-day hothouse event was held at BT Adastral Park, with a combined total of 81 attendees made up of Members and staff, including CMT and SMT. Partners were also invited to the event. The truly collaborative atmosphere of the hothouse enabled a fully rounded picture to be formed for the new plan, and it is the output from the hothouse which has created the proposed Strategic Plan as presented with this report.
- 6.4 Evidence and data presented and available at the hothouse included demographic data to inform areas of need within the district and other areas of expertise were also available to inform the work being produced out of the three-day event.
- 6.5 On 23 January 2020, Scrutiny Committee reviewed the draft Strategic Plan, some minor amendments were suggested by the Committee, which have been included in the final draft. Scrutiny Committee recommends to full Council that the Strategic Plan is adopted.
- 6.6 On 4 February 2020, Cabinet reviewed the draft Strategic Plan, a minor amendment was suggested, which has been included in the final draft. Cabinet recommends to full Council

that the Strategic Plan is adopted.

7 OTHER OPTIONS CONSIDERED

- 7.1 The development of the Strategic Plan included a rigorous process of option appraisal, collaboration and consultation in its creation.

8 REASON FOR RECOMMENDATION

- 8.1 Approval of a Strategic Plan is required as part of the Budget and Policy Framework.

RECOMMENDATIONS

1. That the East Suffolk Strategic Plan and associated governance structure be adopted.
2. That delegated authority be given to the Chief Executive, in consultation with the Leader, to make minor amendments to the Strategic Plan.

APPENDICES

Appendix A	East Suffolk Strategic Plan (to follow)
Appendix B	Governance diagram

BACKGROUND PAPERS Please note that copies of background papers have not been published on the Council's website www.eastsuffolk.gov.uk but copies of the background papers listed below are available for public inspection free of charge by contacting the relevant Council Department.

Date	Type	Available From
20 Dec 2019	Equality Impact Assessment	

APPENDIX A
(to follow)

APPENDIX B

Community
Groups

Town and
Parish Councils

CABINET
(performance
reporting)

Economic Growth
Programme
KEY PRIORITIES DELIVERY

The Environment
Programme
KEY PRIORITIES DELIVERY

Strategic Plan
Delivery Board
Leader
Portfolio Holders
SMT

Enabling Communities
Programme
KEY PRIORITIES DELIVERY

Financial Sustainability
Programme
KEY PRIORITIES DELIVERY

Digital Programme
KEY PRIORITIES DELIVERY

Businesses

Partners



COUNCIL

Wednesday, 26 February 2020

CABINET MEMBERS' REPORT AND OUTSIDE BODIES REPRESENTATIVES' REPORT TO COUNCIL

EXECUTIVE SUMMARY

To receive the Cabinet Members' Report and the Outside Bodies Representatives' Report to Council, for information.

Is the report Open or Exempt?	Open
Wards Affected:	All Wards in the District
Cabinet Member:	Councillor Steve Gallant Leader of the Council

CABINET MEMBERS' REPORTS TO COUNCIL

Cabinet Member:	Councillor Mary Rudd, Cabinet Member for Community Health
Contact Details:	mary.rudd@easstsuffolk.gov.uk Tel: 07867 372976

Community Safety Partnership Event

The CSP held a 'Safer and Stronger Together' event on 3rd February. This was attended by a wide range of partners and is effectively the springboard for the relaunch of the CSP and the development of a new CSP Action Plan setting out the Community Safety and ASB priorities for East Suffolk. Work around Community Safety includes additional training for staff and partner organisations around Gangs and County Lines and ongoing delivery of Prevent (Preventing Violent Extremism) Training.

Fit and Fed Summer Activities

The Communities Team worked hard last summer holidays to deliver, in conjunction with a range of partners, the largest ever programme of summer activities in a range of market town locations. Additional 'Fit and Fed' funding was secured by Suffolk County Council to provide lunch each day for young people on free school meals.

The biggest programme was delivered in north and south Lowestoft with four-hour sessions offered four days a week for four weeks. The most popular activities were the climbing wall, boxing and cricket. The new sites at Britten Field and Normanston attracted good numbers so, if funding is available, it would be good to continue these as well as the original programme of beach activities. The Department for Education announced at the end of last year that they would be providing a 'Holiday Activities and Food Fund again in 2020 and the County Council has approached ESC to be a delivery partner in the project. Additional requirements for 2020 are the addition of nutritional education for both children and their families/carers.

At the review meeting for the Fit and Fed programme in Leiston and Saxmundham it was agreed that there was a clear need for continued support and activities in subsequent school holidays. Similarly, in Carlton Colville the ambition is to organise summer activities across the six-week summer holidays next year following the successful pilot this year.

Crucial Crew Plus

Nine of the thirteen target schools have signed up to be part of the Crucial Crew Plus (CC+) programme which is aimed at 13- 15 years olds and provides short snappy presentations (delivered by a range of partners) on a range of personal and community safety issues including drugs and alcohol, County Lines, staying safe online and consent. The next phase of CC+ events started in January.

The Waveney Youth Council meeting in February 2020 included a workshop, delivered in partnership with the police, on the key themes of Crucial Crew Plus after the members of the Youth Council identified 'Keeping Safe' as a priority. Very well received by school staff and students.

Crucial Crew

The Crucial Crew event for the south of the District was attended by a total of 870 pupils and at the final day of the event The Rotary Club awarded Julia Catterwell from the Communities Team with the Paul Harris Fellow Award for her partnership work with them to deliver Crucial Crew over a number of years.

Whitton Project

This project is a direct response to recent ASB issues involving young people on the Whitton estate in Lowestoft. Following the huge response (more than 200 participants) to the temporary ice rink and associated consultation exercise, Whitton Project. We are on phase 3 of the project, working in partnership with Lowestoft Town Council, and an application to pocket parks funding for the green itself for £25K was submitted on 20th December. The money has to be match funded. We should find out by the end of February if the bid is successful or not.

An event is planned for the evening of 20th February at Whitton Residents Hall targeting young people 14 years and above, including free boxing and drum and bass sessions.

County Lines

The County Lines event on 17th October in Lowestoft attracted 65 attendees and the guest speaker was Tony Saggars, a national expert on Urban Street Gangs and County Lines. More localised events organised by the team include an awareness session delivered to Just 42 volunteers and the Town Council in Woodbridge and Alter Ego theatre production performances in schools to raise awareness of the dangers of County Lines.

Dragonfly Unit

This unit is a twelve-bed unit at Carlton Court for young people who need short inpatient stays in relation to conditions such as depression, anxiety, psychosis and eating disorders. The team is working with the Attic PRU on a couple of projects including a memory box project linked to a local residential care home and a music project based around steel drums.

Compassionate Communities

The project on the Deben Peninsular is progressing well with a number of 'Compassionate Companions' now trained to support those who are at end of life and their families. Further events are being planned locally with a target of 10 by March 2020.

A workshop event was held at the new Pear Tree Centre in Halesworth on January 29th to explore what a Compassionate Community is and identify priorities for a Compassionate Communities programme in the town. It was well attended by a wide range of partners and local groups who had lots of great ideas about how to make Halesworth a 'compassionate community'.

Live Well events

Live Well has now launched in Bungay with the aim of raising the profile of VCSE groups in the area, encourage people to be more active, increase volunteering levels and generally improve health and wellbeing. This has led to the development of a database of local groups and how to access them and a range of networking events.

The Team has worked with Community Action Suffolk to organise a Wellbeing event at the Kirkley Centre in the February half term building on the successful session in the October half term, which was attended by more than 50 young people. The event will promote activity and health, with some information stalls but mainly activities including music, art and craft, food savvy smoothie bike and boxing.

An event is planned at the same venue in Kirkley on 7th April targeting the older community, with lots of information stalls and some holistic free sessions planned (acupuncture, beamer chair therapy) to entice people in.

Connected Communities

The provider for the new mobile social prescribing project aimed at four of our Community Partnership areas and targeted at people over 65 in rural areas is Suffolk Family Carer. This scheme complements the four existing social prescribing schemes that cover East Suffolk. Events are being held in the target areas to promote the scheme and highlight issues around social isolation. Almost half a million pounds of funding has been secured from Ipswich and East Suffolk CCG to extend the Connect for Health (C4H) social prescribing programme in the south of the area up to March 2021 – great news!

Dementia Support

Dementia Café, Kesgrave launched in late October and attendance has tripled in three months. We have provided resources for the group and will be working with the Treasurer to ensure they remain sustainable for the long term.

Cabinet Member:	Councillor Letitia Smith, Cabinet Member for Communities, Leisure and Tourism
Contact Details:	letitia.smith@easstsuffolk.gov.uk Tel: 07824 865973

Community Partnerships

Eight Community Partnership Workshops were held in October/November 2019. Attendance ranged from 30 to almost 80 and they will provide an excellent starting point for our new East Suffolk Community Partnerships.

The top three priorities from each workshop were as follows:



Community Partnership Priorities

Lowestoft and northern parishes	Kesgrave, Martlesham and villages	Melton, Woodbridge and Deben Peninsula	Carlton Colville, Kessingland, Southwold and villages
1. Improve mental health and wellbeing (45)	1. Reduce social isolation & loneliness (27)	1. Active and sustainable transport provision (39)	1. Active and sustainable transport provision, particularly rural (27)
2.= Tackle childhood obesity (31)	2. Environmental care and sustainable transport (23)	2. Village Hub – bringing services to people (28)	2. Reduce social isolation and loneliness
2.= Reduce social isolation – all ages (31)	3. Support people to age well/Traffic and road safety (17)	3. Youth Engagement, opportunities and services (21)	3. Facilities, activities and employment for young people (20)
Felixstowe Peninsular	Beccles, Bungay, Halesworth and villages	Framlingham, Wickham Market and villages	Aldeburgh, Leiston, Saxmundham and villages
1. Community spaces and physical enhancements (35)	1. Active and sustainable transport solutions / community transport (47)	1. Developing opportunities for young people (24)	1. Transport and access to services (30)
2. Social isolation and loneliness (33)	2. Reduce social isolation and loneliness (42)	2.= Reduce social isolation and loneliness (22)	2. Economic Regeneration / High Streets (28)
3. Education – aspirations, ambition and standards (24)	3. Improve wellbeing and enable people to live healthy lives (34)	2.= Alternative, active and sustainable transport provision (22)	3. Housing that meets local needs (18)

The first meetings in each area are being held in January and February and the first Community Partnership Board, which bring the eight Chairs together with a range of strategic partners including the County Council, Police and Clinical Commissioning Groups, will be held on March 16th 2020. A workshop was also held for almost 50 people at the East Suffolk Partnership Annual Forum on Friday 15th November. Delegates considered the East Suffolk Data Pack as well as some of the findings from the individual workshops and identified social isolation, transport, housing quality/warmth, mental health and transport as some of the priorities at East Suffolk level.

Young People

Youth Voice is being rolled out across the whole District from January 2020, including the creation of a 'Youth Voice' website for young people who don't attend some form of education e.g. NEETS and home schooled. Locations are currently being identified to host suggestions boxes in the north of the district, including schools and youth settings.

Youth Take Over Day took place on Friday 29th November in Lowestoft with the theme being Eco-Day and a focus on things such as plastic pollution, global warming, being eco friendly, recycling etc. The organisers from the First Light Festival joined students for the afternoon to gather views from schools on how to make next year's festival more eco-friendly.

The Team worked with the East Suffolk Council Apprentices to deliver a workshop at the East Suffolk Partnership Forum on youth engagement, which particularly focussed on good and bad examples of youth engagement to influence future services and projects in East Suffolk.

Following the launch of the Cultural Strategy, the Ness Fest Youth Cultural Festival was held during October half term week offering a range of 10 creative activities. More than 100 young people participated directly and usage of the library doubled during the week. Other highlights include the fact that the Festival was co-designed with a group of 10 young people who formed a Ness Fest Youth Team and that it also involved a group of adults from the Involve Active additional needs group.

Disability

The Waveney Disability Forum is still working with partners to improve Beach Access at Lowestoft South Beach for people in wheelchairs, people using crutches and parents with pushchairs. Forum members provided feedback to working group on design specification of the proposed boardwalk (funded by ESC) and project is now out to tender.

The Forum is organising a Disability Information and Awareness Day in the spring in order to help promote services and support for people with disabilities and their carers and families.

Intergenerational Activities

The Muncheon Mingle Inter-generational Project has received 2 awards for the work with isolated communities in Beccles – ‘Community Group of the Year’ at East Suffolk Business and Community Awards and ‘Community Group of the Year’ at The Stars of Suffolk Awards.

The next Muncheon Mingle (MM) event in Beccles in February is themed around Valentines day to focus on to those who do not have loved ones to share the occasion with. Students from both Beccles high schools are attending a Social Isolation public event being organised in the town to help maintain the profile of the MM project.

A new intergenerational project has been launched in Felixstowe called the Felixstowe Friendships Project. ESC, with the help of the Dementia Action Alliance, have developed a programme of events with Kingsfleet and Colneis Primary schools, paired with various care homes in the area. The initial launch, held at Kingsfleet Primary School, included year 5 students designing the project, meeting the care home staff and an adapted Dementia Friends session.

From March 2020, the children will be writing a pen pal letter to their ‘buddy’. Following this, every other month will see a visit to their buddy care home in between letter exchanges. Activities will include board games, reading, arts and crafts etc. and to celebrate the Women’s Tour in June, the groups will be doing specific activities designed around bicycles. The project promises to tackle social isolation and increase community spirit, especially for those without grandchildren/parents. Other intergenerational projects at the end of 2019 include a Tea Dance at Saxmundham Market Hall supported by students at Saxmundham Free School, an event in Woodbridge involving the Woodbridge Dementia Project and Melton Primary School talks in Halesworth about an inter-generational project working with local primary schools and the second . Kesgrave High School Christmas Intergenerational Event, which was well attended by older people from the local area with refreshments and entertainments provided by the students.

Hidden Needs and Social Isolation

One of the projects funded through the Hidden Needs grant scheme has involved volunteers working with Melton Primary School to help with reading classes and two days of improving the school grounds by painting fences etc.

A range of meetings have been held in Kessingland with an enthusiastic group of local people keen to set up a Men’s Shed, potential premises have been identified and the Halesworth Men’s Shed are mentoring the group. Meetings are also being held to establish a potential Men’s Shed in Oulton Broad and the Council is working with members of HAZ community group on a potential Shed in north Lowestoft to explore potential premises.

A new 'Chinwags' group was launched in conjunction with Age UK in Woodbridge in January 2020. This is one of a number of new groups that was funded through the East Suffolk Partnership 'Hidden Needs' funding which will continue under the auspices of the new Community Partnership Board. A Good Neighbour Scheme is a voluntary initiative run by a group of local residents who want to help their people in their locality to enjoy a better quality of life by offering them support with everyday tasks. This can include offering a lift to a hospital appointment, taking a dog for a walk because the owner is unable to, picking up essential shopping items or just popping in for a cuppa and chat. These groups are especially needed in the rural areas where services/support are either unavailable or local people are unable to access them due to limited transport. There is a network of GNSs in East Suffolk supported by Community Action Suffolk and new schemes have recently started in Orford, Rendlesham and Tunstall.

The Team has provided a range of advice and support to a group of young mothers who have set up the Kessingland Fitness project – a range of fitness activities on the local community centre field - with the aim of combatting social isolation and helping with mental health and self esteem. We are also working with the Town Council in Carlton Colville on a new Community Hub in the local Methodist Church and with Ashley Academy Trust and Broadlands Residential Home on a Memory Box Project – boxes will be presented by the students to the older people at an event in February. The Free Little Library is a project connected to the Lowestoft Seagull Men's Shed who have agreed to make the little library box which is to be located on a site in Pakefield. One idea is that when books are borrowed and left each person is encouraged to write on a postcard, leaving a message or poem etc for next person to read when borrowing the book.

Via the teams Facebook page, a request for a 'talking bench' was made to tackle social isolation. The bench will have a plaque to encourage people to have a chat to each other and the Communities Team is working with the Town Council and Lowestoft Vision to identify existing benches that could become talking benches, new sites and funding, with the ultimate intention to roll these out across the District.

Cabinet Member:	Councillor J Mallinder, Cabinet Member for the Environment
Contact Details:	james.mallinder@eastsuffolk.gov.uk Tel: 07810 815879

I attended the Suffolk Local Access Forum Steering group at the end of January. It was particularly interesting as we discussed the impact of the coastal path and loss and movement of footpaths at Friston. Coastal path proposals are fully supported by myself and the Steering Group especially in regard of encouraging resident and visitors to enjoy and appreciate our amazing biodiversity and environments on our doorstep. Concerns were raised in reference to the impact to birdlife but it was felt that with the correct fencing - as suggested by the Suffolk County Council footpaths representative, and positioning the paths the correct side of river and coastal walls, the impact would be minimal. The biggest problem is dogs so I will be looking at PSPOs as and when they are necessary.

Extension of the coastal path is a great project and fully support their proposals. SPR at Friston seem to have a total disregard of footpaths and access to the countryside and its disappointing their lack of regard to local paths walked over 100 of years. I confirmed we at East

Suffolk although agree in principle to clean renewable energy, do not accept SPR's proposals as they stand and will continue to work for our residents to make sure we get the best deal possible. A presentation was given by our planning department on RAMS and I look forward to both elected ward members and the AONB being involved in a strategic level in determining projects and allocation of spending.

I attended the Suffolk Waste Partnership meeting where we discussed the performance of our facilities and looked at the longer strategic plans. Ultimately we need to wait for national government to confirm minimum requirements before we change any systems or engage with any new polices. We continue however to reinforce our message of reduce / reuse and recycle.

I attended the Lowestoft Flood Risk Management project, supporting Cllr David Ritchie and also the Coastal Partnership East Board meeting.

Cabinet Member:	Councillor R Kerry, Cabinet Member for Housing
Contact Details:	richard.kerry@eastssuffolk.gov.uk Tel: 07903 301075

The Council is aware of the high priority of Housing to the current Government as well as the local communities in our district. The adoption of three new strategies in Housing in the last 6 months with another due shortly demonstrates that the Council's Housing Service recognises this and is taking a range of actions to meet these priorities.

In 2020 I can inform you that my housing teams will be undertaking many new initiatives which includes:

- Progressing on the redevelopment of the post office site in Lowestoft to provide 9 units of accommodation in the town centre as well as bringing a new retail unit onto the high street that will help to regenerate the centre. The planning application will be considered in the coming months;
- Helping to address the issue of rough sleeping in our district by submitting a bid for funding to employ a qualified senior social worker to work with homeless vulnerable adults in our district. We are also seeking funding for two outreach workers. We are waiting to hear the outcome of this bid but we are hopeful and it should make a great positive impact on addressing the problem of homelessness in East Suffolk;
- We have been funded by the Government through an *Innovation bid* to develop a scheme working with the voluntary sector to pilot a new approach to hoarding and self- neglect. By working with our partners we intend to develop best practice around decluttering, with ongoing support for tenants to achieve long term improvements in their mental health and reduce the incidence of recurrence;
- We have a 'Landlord's Digital Plan' of digital transformation work for our Landlord service that has already commenced. This will improve customer service and operating efficiency in the housing management service and includes:

- the introduction of predictive analytics for rental income,
 - online rent accounts for tenants,
 - text messaging for customer service,
 - computer based scheduling of maintenance works across East Suffolk District and a substantial move to paperless, mobile working.
- We have been successful in bidding for S106 properties in Darsham, expanding the Council's housing stock into the south of the district – the first council housing here for nearly 30 years and an objective that we intend to continue with;
 - The Council's involvement with the CityFibre project that will deliver a full fibre network across the county, but specifically for us in Lowestoft, Felixstowe and Woodbridge. This initiative will bring great benefits to residents in those towns, something that the Housing Team wish to take advantage of with our move to increased digitalisation for our service.
 - We will be involved in a new Housing Supply and Demand project as a partnership with the Suffolk Office of Data and Analytics and will pilot techniques to predict and inform future requirements for social housing. This will potentially provide essential information to help direct our future council housing development at locations where it is needed and of the type that is needed.

All together this highlights the broad range of the housing service and the different initiatives being undertaken in the coming year to improve the lives of our tenants and our communities.

Outside Bodies Representatives Reports

Felixstowe Landguard Partnership Committee	
Representative:	Councillor Stuart Bird
Contact Details:	stuart.bird@easstsuffolk.gov.uk Tel: 01394 275128

NEW AGREEMENT

Still with English Heritage for signing off. The Governance Review may require an alteration of the wording of the agreement.

GOVERNANCE REVIEW

Two workshops and three fact finding visits to other Heritage sites conducted. Next review meeting is in March.

CAR PARKING CHARGES

These will come under the wider ESC parking charges review, with the aim to simplify tariffs. New charges planned to be implemented in April.

FELIXSTOWE MUSEUM

2019 visitor numbers were up. Meeting agreed a need to promote Landguard more fully as a visitor destination.

FERRY

2019 saw the equivalent of 38000 one way passengers.

NATURE RESERVE RANGER

The post is currently vacant, it is being advertised as a 12 month FTC.

BUDGET

Healthy but amounts were earmarked for future expenditure.

RECOMMENDATION

That the report be received.

APPENDICES – None

BACKGROUND PAPERS – None