



# EAST CAMBRIDGESHIRE DISTRICT COUNCIL

THE GRANGE, NUTHOLT LANE,  
ELY, CAMBRIDGESHIRE CB7 4EE  
Telephone 01353 665555

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## MEETING: FINANCE & ASSETS COMMITTEE

TIME: 4:30pm

DATE: Tuesday 5<sup>th</sup> October 2021

VENUE: Council Chamber, The Grange, Nutholt Lane, Ely, CB7 4EE

ENQUIRIES REGARDING THIS AGENDA: Caroline Evans

TELEPHONE: (01353) 665555 EMAIL: caroline.evans@eastcambs.gov.uk

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## MEMBERSHIP:

### Conservative Members

Cllr David Brown (Chairman)  
Cllr David Ambrose Smith  
Cllr Anna Bailey  
Cllr Ian Bovingdon (Vice-Chairman)  
Cllr Julia Huffer  
Cllr Bill Hunt

### Substitutes:

Cllr Christine Ambrose Smith  
Cllr Joshua Schumann  
Cllr Jo Webber

### Liberal Democrat Members

Cllr Alison Whelan (Lead Member)  
Cllr Lorna Dupré  
Cllr Simon Harries  
Cllr John Trapp

### Substitutes:

Cllr Matthew Downey  
Cllr Alec Jones  
Cllr Gareth Wilson

### Independent Member

Cllr Sue Austen (Lead Member)

### Substitute:

Cllr Paola Trimarco

### Lead Officer

Emma Grima, Director Commercial

Quorum: 5 Members

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## AGENDA

- 1. Public Question Time** [oral]  
The meeting will commence with up to 15 minutes public question time.
- 2. Apologies and Substitutions** [oral]
- 3. Declarations of Interest** [oral]  
To receive declarations of interest from Members for any Items on the Agenda in accordance with the Members Code of Conduct.

**4. Minutes**

To confirm as a correct record the Minutes of the meeting of the Finance & Assets Committee held on 22<sup>nd</sup> July 2021.

**5. Chairman's Announcements**

[oral]

**ITEMS FOR DECISION**

**6. Local Council Tax Reduction Scheme (LCTRS) for 2022/23**

**7. Internal Drainage Boards Appointments**

**ITEMS FOR NOTING**

**8. East Cambs Trading Company Accounts 2020/21**

**9. Gender Pay Report**

**10. Assets Update**

**11. Health & Safety Annual Report 2020/21**

**12. Finance Report**

**13. Medium Term Financial Strategy Update**

**14. Forward Agenda Plan**

**EXCLUSION OF THE PUBLIC INCLUDING REPRESENTATIVES OF THE PRESS**

That the press and public be excluded during the consideration of the remaining items because it is likely, in view of the nature of the business to be transacted or the nature of the proceedings, that if members of the public were present during the items there would be disclosure to them of exempt information of Categories 1, 2 & 3 of Part I Schedule 12A to the Local Government Act 1972 (as amended).

**15. Write Off of Unrecoverable Debt**

**16. ECTC Board Meeting Minutes**

i) 11<sup>th</sup> February 2021

ii) 17<sup>th</sup> February 2021

**17. Exempt Minutes**

To confirm as a correct record the Exempt Minutes of the meeting of the Finance & Assets Committee held on 22<sup>nd</sup> July 2021.

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## NOTES:

1. Members of the public are welcome to attend this meeting. If you are visiting The Grange during normal working hours you should report to the main reception desk. If you come to an evening meeting please enter via the door in the glass atrium at the back of the building. Public Questions/Statements are welcomed on any topic related to the Committee's functions as long as there is no suspicion that it is improper (e.g. offensive, slanderous or might lead to disclosures of Exempt or Confidential information). Up to 15 minutes is allocated for this at the start of the meeting. Further details about the Public Question Time scheme are available at: <https://www.eastcambs.gov.uk/committees/public-question-time-scheme>
2. The Council has adopted a 'Purge on Plastics' strategy and is working towards the removal of all consumer single-use plastics in our workplace. Therefore, we do not provide disposable cups in our building or at our meetings and would ask members of the public to bring their own drink to the meeting if required.
3. Fire instructions for meetings:
  - If the fire alarm sounds please make your way out of the building by the nearest available exit i.e. the back staircase or the fire escape in the Chamber. Do not attempt to use the lifts.
  - The fire assembly point is in the front staff car park by the exit barrier.
  - The building has an auto-call system to the fire services so there is no need for anyone to call the fire services.

The Committee Officer will sweep the area to ensure that everyone is out.

4. Reports are attached for each agenda item unless marked "oral".
5. If required, all items on the agenda can be provided in different formats (e.g. large type, Braille or audio tape, or translated into other languages), on request, by calling Main Reception on (01353) 665555 or e-mail: [translate@eastcambs.gov.uk](mailto:translate@eastcambs.gov.uk)
6. If the Committee wishes to exclude the public and press from the meeting, a resolution in the following terms will need to be passed:

"That the press and public be excluded during the consideration of the remaining item no(s). X because it is likely, in view of the nature of the business to be transacted or the nature of the proceedings, that if members of the public were present during the item(s) there would be disclosure to them of exempt information of Category X of Part I Schedule 12A to the Local Government Act 1972 (as amended)."

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EAST  
CAMBRIDGESHIRE  
DISTRICT COUNCIL

Minutes of a meeting of the Finance & Assets Committee held at 4:30pm on Thursday 22<sup>nd</sup> July 2021 in the Council Chamber at The Grange, Nutholt Lane, Ely, CB7 4EE

**PRESENT**

Cllr Christine Ambrose Smith (Substitute for Cllr Julia Huffer)  
Cllr David Ambrose Smith  
Cllr Sue Austen  
Cllr Anna Bailey  
Cllr Ian Bovingdon (Vice-Chairman in the Chair)  
Cllr Charlotte Cane  
Cllr Simon Harries  
Cllr Bill Hunt  
Cllr John Trapp  
Cllr Jo Webber (Substitute for Cllr David Brown)  
Cllr Gareth Wilson (Substitute for Cllr Alison Whelan)

**OFFICERS**

Emma Grima – Director Commercial  
Ian Smith – Finance Manager  
Sally Bonnett – Infrastructure & Strategy Manager  
Maggie Camp – Legal Services Manager  
Tracy Couper – Democratic Services Manager  
Caroline Evans – Democratic Services Officer  
Angela Tyrrell – Senior Legal Assistant  
Russel Wignall – Legal Assistant

**IN ATTENDANCE**

Nigel Ankers – Finance Manager, ECTC

**24. PUBLIC QUESTION TIME**

No questions were submitted by members of the public.

**25. APOLOGIES AND SUBSTITUTIONS**

Apologies for absence were received from Cllrs David Brown, Julia Huffer and Alison Whelan.

Cllrs Christine Ambrose Smith, Jo Webber and Gareth Wilson were attending as substitutes.

Due to Cllr Brown's absence, Vice Chairman Cllr Ian Bovingdon Chaired the meeting.

**26. DECLARATIONS OF INTEREST**

No declarations of interest were made.

**27. MINUTES**

The Committee received the Minutes of the meeting held on 7<sup>th</sup> June 2021 and the Chairman noted that the word “remote” would be removed from the title on page 1.

A Member asked if the amendment to Minute 122, as detailed in Minute 9i, had been completed; the Democratic Services Manager explained that revisions had been drafted and approval requested from the Chairman prior to publication in accordance with the Minute.

Regarding Minute 12, a Member asked for an update on various aspects of the Soham High Street Renewal Capital Grant Fund Scheme. The Chairman reminded Members that the agenda item was purely to consider the accuracy of the Minutes, and suggested that the Member could contact the appropriate Officer outside of the meeting.

It was resolved unanimously:

That, subject to the removal of the word “remote” from the title on page 1, the Minutes of the meeting held on 7<sup>th</sup> June 2021 be confirmed as a correct record.

**28. CHAIRMAN’S ANNOUNCEMENTS**

The Chairman informed Members that, in order to aid discussions, he had invited Nigel Ankers (Finance Manager, East Cambs Trading Company) to attend the meeting.

**29. 2020/21 TREASURY OPERATIONS ANNUAL PERFORMANCE REVIEW**

The Committee considered a report (W42, previously circulated) reviewing the Treasury Management activity during the financial year 2020/21 and reporting on the prudential indicators as required by CIPFA’s Treasury Management Code of Practice.

The Finance Manager introduced the report and explained that the significant increase in the Council’s cash holdings was mainly related to COVID-19; receipt of various Government funds, both for the Council’s use and for the Council to distribute, and the overall revenue underspend linked to the pandemic.

Cllr Bovingdon proposed the recommendations in the report, seconded by Cllr D Ambrose Smith.

In response to a Member’s questions, the Finance Manager and S151 Officer provided further information as follows:

- The exact amount of additional interest that had been earned due to COVID-related Government funding being in the Council’s bank account was not known, although calculations could be made, if needed. Members were reminded that interest rates were generally poor.
- Regarding COVID-related funds received from the Government, significant extra Business Rates funding had been provided and was expected to need to be repaid in December. There was also a period of time between the Council receiving funds to be used for supporting local businesses, and those funds being paid out to the recipients.

- Regarding the loan repayment from East Cambs Trading Company (ECTC) to the Council and the new loans paid to ECTC from the Council, both transactions had taken place on 31<sup>st</sup> March 2021. The new loans of £4.9m, as agreed by Council on 16<sup>th</sup> July 2020, had been paid to ECTC a short while before the original loan repayment was received. In response to a further question from a Member it was confirmed that for a very short period between the two transactions, there was more money outstanding to the Council from ECTC than the £4.9m that had been approved.
- The S151 Officer remained confident that ECTC was able to repay its loan, and was in the process of arranging a meeting with the ECTC Finance Manager to assess the detailed financial position.
- None of the approved loan to the East Cambs CLT had yet been transferred.

A Member commended the Officer for the internally-managed funds which had demonstrated an average rate of return that was higher than the benchmark 7-day London Inter-bank Bid Rate.

Several Members spoke positively of their personal experiences of receiving COVID-related grants administered by the Council for business or voluntary organisations. They thanked the Infrastructure & Strategy Manager, and other Officers, for their swift and proactive handling of the grants and related queries. Due diligence had been undertaken for all applications, as was important when managing taxpayers' money in order to avoid fraudulent claims. A Member stated that it would be useful to receive an update from Officers regarding the speed of allocation of grants, and how that compared with other Councils.

**It was unanimously resolved to RECOMMEND TO COUNCIL:**

**That the report on the Council's Treasury operations during 2020/21, including the prudential and treasury indicators as set out in Appendix 1, be approved.**

**30. EAST CAMBRIDGESHIRE £100K HOMES ALLOCATION POLICY AND GUIDANCE**

The Committee considered a report (W43, previously circulated) recommending approval of a £100k Homes Allocation Policy and Guidance for East Cambridgeshire. The Director Commercial explained that, although it was unlikely that the £100k Homes programme would be continued by the Combined Authority, East Cambridgeshire had two sites in the District that had been secured for the delivery of £100k Homes and therefore a process for their allocation would be needed. Appendix 1 of the report detailed the four eligibility criteria for the scheme and the subsequent point-scoring process for prioritising eligible applicants. If all else was equal, then the order of receipt of applications would be the determining factor. In response to a question posed in advance of the meeting, she did not consider that the scheme would be discriminatory since there were points available for employment and for connectivity.

Cllr Anna Bailey proposed the recommendation in the report, seconded by Cllr David Ambrose Smith.

A Member questioned why the scheme should continue since it had been a policy of the previous Mayor and was opposed by the current Mayor. Shared ownership

was an effective and established route to help people on to the housing ladder, whereas the £100k Homes scheme was unique to Cambridgeshire and therefore it could be hard for people to get a mortgage since it would be unfamiliar to lenders. The Haddenham Community Land Trust (CLT) was cited as an example of shared ownership that had worked well, and where a maximum of 80% of each property could be owned. Another Member explained that the majority of shared ownership properties were controlled by Housing Associations (as opposed to CLTs) and generally enabled owners to staircase to 100% ownership, at which point the property would be lost from affordable housing stock. Additionally, from the owner's perspective, a disadvantage of shared ownership was that they would always be exposed to the uncertainty of the rental element.

The Director Commercial clarified that the £100k Homes would be wholly owned by the purchasers and therefore, although both provided affordable housing, the scheme differed markedly from the shared ownership model. The percentage discount from the market price would be permanently tied to the property so that when the owner came to sell it would again be sold at a discount from the market price, and in that way remained as affordable housing in perpetuity. The First Homes scheme recently launched by the Government was also discounted market sale housing, similar to the £100k Homes scheme, and therefore lenders would soon be more familiar with the concept. Sales of the £100k Homes in Fordham were in progress. When the £100k Homes were first devised there had been discussions with lenders and solicitors and it was considered that mortgages would be provided because, in the event of defaulting, the lender would take ownership of the property without the market discount. Upon further questioning about this, she clarified that the lender could only recover their losses and would be required to pay the Council an overage. Therefore, although the original property would have been lost from local affordable housing stock under these circumstances, the overage could be reinvested in local affordable housing. The Director Commercial was not aware of the situation regarding overage payments on shared ownership properties in an equivalent position.

Upon hearing this, a Member addressed the S151 Officer, stating that when the loan to the East Cambs CLT had been discussed in a different meeting it had been stated that the loan would be secure due to the ownership of the properties, but the situation in event of a default had not been clarified. Another Member raised a Point of Order that this was unrelated to the agenda item; the Chairman concurred that debate should focus solely on the £100k Homes scheme.

Several Members questioned whether, when the purchaser had outgrown their home, the percentage discount tied to the home would prevent them being able to move up the housing ladder since the increase in value would not be fully reflected in their equity. The restrictions on who the property could be sold to could also affect both its value and the ease of resale.

A Member expressed concern at the lack of an Equality Impact Assessment (EIA) on the grounds that any scheme to provide affordable housing would need an EIA. An example was given of a disabled person whose disability prevented them from working, and with no local family, who needed to be in the area to be close to their support network. In those circumstances they would receive a low points score. The Director Commercial replied that an EIA had already been considered by several panels before an allocation policy was adopted by the Combined Authority. Points could be scored on a variety of grounds and also reflected other schemes,



such as CLT policies. Another Member raised several issues regarding the point scoring; the relative allocations for employment vs connectivity, lack of clarity regarding armed forces, and the various different categories regarding where the applicant currently or previously lived.

The Chairman commented that lots of points had been raised but there were a limited number of houses and any allocations policy could never cater for every eventuality.

A Member commended the scheme as an excellent way to help local, often young, people to get on to the property ladder. Shared ownership represented an alternative system of providing affordable housing for a slightly different section of the market.

Speaking as the proposer of the Motion, Cllr Bailey reminded Members that the updated Corporate Plan had been approved by Full Council the previous week and had included support of the £100k Homes scheme, it was therefore the policy of this Authority. There were many young people in East Cambs who were struggling to buy homes and were having to move further away for affordability reasons. For earlier generations, home ownership had been comparatively more affordable than it was now, and market discount schemes such as £100k Homes were one way to address this along with others such as shared ownership, affordable rent and social rent. The Government's new First Homes policy would require developers on large sites to deliver a very similar product, the key difference being that it did not apply solely to one-bedroom properties, with 25% of their affordable housing being First Homes. Shared ownership did not suit everybody and the affordability of a £100k Home benefitted from there being no rent due, therefore the owner would be better able to save for their next step on the housing ladder. She thanked Hill Homes for their delivery of the Fordham site and stated that, despite assertions to the contrary on social media, the homes had been delivered without cost to the taxpayer as part of Hill Homes' affordable housing.

A Member offered general support to Hill Construction for their excellent work in offering innovative solutions for homeless people.

Speaking as the seconder of the Motion, Cllr D Ambrose Smith expressed his support for the proposal and explained that all of the criteria and processes were discussed in detail when developed by the Combined Authority and had been shaped with the input of many representatives. He asked when the Member Seminar mentioned in paragraph 3.11 would take place and the Director Commercial replied that dates would be circulated imminently.

It was resolved:

That the £100k Homes Allocation Policy and Guidance, as detailed in Appendix 1 of the report, be approved.

**31. RECOMMENDATIONS FROM THE EAST CAMBRIDGESHIRE BUS, CYCLE, WALK WORKING PARTY**

The Committee considered a report (W44, previously circulated) containing recommendations and Minutes from meetings of the East Cambs Bus, Cycle, Walk Working Party. The Infrastructure & Strategy Manager explained that the Working

Party had identified five priority cycling/walking routes in the District and had obtained quotes from Sustrans for the provision of feasibility studies to give a better understanding of factors to be considered in their delivery, as well as estimates of their costs. The Committee was asked to approve the commissioning of the studies, to be financed from the Cambridgeshire Horizons funding. Approval was also sought for a change to the Working Party's Terms of Reference to include mention of the Combined Authority's Local Transport Plan Refresh.

Cllr D Ambrose Smith proposed the recommendations in the report, seconded by Cllr Cane.

The Chairman thanked the Leader of Council for the work to obtain the Cambridgeshire Horizons funding.

Several Members spoke in support of the proposals and thanked the Infrastructure & Strategy Manager and the Working Party Members for all of their work. A Member commented on the demonstrable value of Working Parties and other Members highlighted that, although the District Council did not have responsibility for cycleways or footpaths, the feasibility studies would lay the foundations to support the delivery of schemes to give the District an excellent cycling and walking network. One Member commended the mention of discussion of mixed modes of transport in the Minutes of the Working Party.

It was resolved unanimously:

i) that the recommendation made by the East Cambridgeshire Bus, Cycle, Walk Working Party to commission the five route feasibility studies set out in paragraph 4.1 of the report and refresh the Wicken to Soham route costs at a total cost of £103,165, as set out in paragraph 4.4 of the report, be approved.

ii) that the amendment to the Terms of Reference for the East Cambridgeshire Bus, Cycle, Walk Working Party, as detailed in paragraph 4.5 and Appendix 1 of the report, be approved.

iii) that the Minutes of the East Cambridgeshire Bus, Cycle, Walk Working Party meeting held on 10<sup>th</sup> March 2021, and the draft Minutes of the meeting held on 24<sup>th</sup> June 2021, be noted.

## **32. APPOINTMENT TO CAWDLE FEN INTERNAL DRAINAGE BOARD**

The Committee received a report (W45, previously circulated) seeking approval for the appointment of a City of Ely Councillor to fill one of three vacancies on the Cawdle Fen Internal Drainage Board. The Democratic Services Officer (Committees) explained the process for seeking nominations and drew Members' attention to the statement that had been provided by Cllr Ian Lindsay in support of his nomination.

Cllr Bailey proposed the recommendation in the report, seconded by Cllr Bovingdon.

One Member commented that a different vacancy had recently been discussed at a meeting of Littleport Parish Council and there had been enthusiastic support.

Another Member stated how important the Internal Drainage Boards were and how essential it was to be involved with, and supportive of, their work.

It was resolved unanimously:

That City of Ely Parish Councillor Ian Lindsay be appointed to fill one of the vacancies on the Cawdle Fen Internal Drainage Board.

### **33. FINANCE REPORT**

The Committee received a report (W46, previously circulated) providing Members with budget monitoring information for services under the Finance & Assets Committee and, as part of its corporate remit, for the Council as a whole. The Finance Manager highlighted that both the Committee and the Council had a yearend underspend. The Council's underspend had been transferred to the Surplus Savings Reserve which now had a balance of £7.837m and would be used in future years to smooth the budget.

Cllr Bovingdon proposed that the recommendations in the report be noted, and Cllr Bailey seconded the Motion.

A Member questioned how the £218k costs for the proposed Mepal Crematorium had been authorised and the Finance Manager replied that additional consultancy costs related to ecology and access had already been explained at previous meetings.

In response to a Member's question about the £30k underspend on the registration of electors, the Democratic Services Manager explained that the greater use of electronic means of receiving information rather than traditional 'door knocking' canvassing methods had reduced costs. The COVID-19 pandemic had postponed the planned canvass redesign process, which now would be undertaken in the forthcoming year in conjunction with Central Government Canvass Reform, and was expected to further reduce costs.

The Director Commercial explained that the pandemic had also resulted in reduced demand on existing commuter car parking and therefore no increase in provision was currently needed, hence the underspend in relation to car parking capital spend as detailed in paragraph 3.7 of the report.

Following a Member's question, the Finance Manager corrected a typographical error on page 2 of the report - the explanation for the Housing Strategic table entry should refer to "vacancies" rather than "vacancy" – and explained that there had also been savings on consultancy fees in that area.

Regarding the £846,526 figure entitled "COVID-19", a Member asked for a more detailed breakdown. The Finance Manager explained that the Government grant received was un-ringfenced and could be used for any COVID-related expenditure. Following another Member's question about the funding provided to East Cambs Street Scene (ECSS) and the Leisure Centre, the Finance Manager explained that ECSS had received ~£77k (initially ~£91k but some had been refunded) and an agreement had not yet been reached with GLL for the Leisure Centre but an allowance had been made in the accounts. The GLL management fee fell within

the Government's compensation scheme for sales, fees and charges, and so the Council would be receiving ~70% of the budgeted fee from the Government.

It was resolved unanimously:

That the following be noted:

- The Finance and Assets Committee has a projected yearend underspend of £1,075,641 when compared to its approved revenue budget of £4,754,985.
- That overall the Council has a projected yearend underspend of £2,165,572 when compared to its approved revenue budget of £13,644,206.
- That this Committee has an expected underspend of £1,603,846 when compared with its revised capital budget of £8,048,680.
- That the overall position for the Council on Capital is a projected outturn of £7,159,257, which is an underspend of £4,711,753 when compared to its revised budget of £11,871,010.

#### **34. ASSETS UPDATE**

The Committee received a report (W47, previously circulated) providing an update on Council-owned assets. The Director Commercial explained that there were no items to report to Members since the last meeting (7<sup>th</sup> June 2021, Agenda Item 9) so this report had concentrated on explaining how asset updates would be provided in the future. A standard report template was shown in Appendix 1 to indicate the level of detail that Members could expect to receive at future meetings.

The recommendations in the report were proposed by Cllr Hunt and seconded by Cllr Webber.

Members spoke positively about the clarity and detail that the new reports would provide, as well as the benefits of consistency. A Member commented that it would be useful to receive updates on the asset matters that had been discussed in exempt session at recent meetings.

It was resolved unanimously:

That the update on Council-owned assets, be noted.

#### **35. ACTION TAKEN BY THE CHIEF EXECUTIVE ON THE GROUNDS OF URGENCY**

The Committee received a report (W48, previously circulated) detailing the action taken by the Chief Executive on the grounds of urgency to enable the appointment of substitutes to the Finance and Assets (Ethical Governance) Sub-Committee.

It was resolved unanimously:

That the action taken by the Chief Executive on the grounds of urgency, be noted.

**36. FORWARD AGENDA PLAN**

The Committee received the updated Forward Agenda Plan for the following 12 months.

In response to a Member's question, the Director Commercial confirmed that the Health and Safety Annual Report would be added to the agenda plan for September.

Members also requested that consideration of the ECTC accounts be moved from November to September, that the ECTC budget consideration in March should instead be in January, and that an update be provided on the Mepal Outdoor Centre. The Director Commercial stated that the dates for the ECTC items would be reviewed, and the Chairman committed to discussing the Mepal update with Officers.

It was resolved unanimously:

That the Forward Agenda Plan be noted and the Health & Safety Annual Report be added to the Agenda Plan for the September 2021 meeting.

**37. EXCLUSION OF THE PUBLIC INCLUDING REPRESENTATIVES OF THE PRESS**

It was resolved unanimously:

That the press and public be excluded during the consideration of the remaining items because it is likely, in view of the nature of the business to be transacted or the nature of the proceedings, that if members of the public were present during the item there would be disclosure to them of exempt information of Categories 1, 2 & 3 of Part I Schedule 12A to the Local Government Act 1972 (as amended).

**38. ECTC MANAGEMENT ACCOUNTS (APRIL – JUNE 2021)**

The Committee considered a report, previously circulated, containing the ECTC Management Accounts for the three months to June 2021.

It was resolved unanimously:

That the contents of the report be noted.

**39. WRITE OFF OF UNRECOVERABLE DEBT**

The Committee considered a report (W49, previously circulated) concerning the write-off of unrecoverable debt.

It was resolved:

i) That the recommendation in the report be approved.

ii) That the contents of paragraph 4.2 be noted.

**40. EXEMPT MINUTES**

The Committee received the Exempt Minutes from the meeting of the Finance & Assets Committee held on 7<sup>th</sup> June 2021.

It was resolved unanimously:

That the Exempt Minutes of the meeting held on 7<sup>th</sup> June 2021 be confirmed as a correct record.

*The meeting concluded at 6:48pm.*

**TITLE: LOCAL COUNCIL TAX REDUCTION SCHEME (LCTRS) FOR 2022/23**

Committee: Finance and Assets Committee

Date: 5<sup>th</sup> October 2021

Author: Finance Manager

[W70]

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1. ISSUE

- 1.1 To review the 2021-22 scheme and consider options for the Local Council Tax Reduction Scheme (LCTRS) for 2022-23.

2. RECOMMENDATION

- 2.1 To approve that the Council moves forward with a consultation on the changes to the LCTRS scheme for the 2022-23 year, with the consultation being based on the recommendations detailed in section six of this report.

3. BACKGROUND / OPTIONS

- 3.1 Each year the Council is required to review its Local Council Tax Reduction Scheme (LCTRS). This report provides an annual review of the 2021 scheme and provides several options to consider in relation to recommendations for scheme amendments for 2022/23.
- 3.2 This is now the ninth year of LCTRS; a locally set scheme that replaced the previous nationally set Council Tax Benefit (CTB) scheme from April 2013.
- 3.3 In 2013-14 the Council took advantage of a one-off Government grant that compensated in part for the reduction in Government funding for the Working Age scheme that year. This meant that the maximum LCTRS awarded was the 91.5%. For 2014/15 to 2017/18 the Council retained the original scheme, except that allowances and premiums (the amounts of income from state-administered benefits such as Jobseekers' Allowance) were increased in line with other benefits such as Housing Benefit.
- 3.4 For the 2018-19 scheme the Council consulted on a proposal to harmonise the scheme with DWP welfare reforms introduced for Housing Benefit and LCTRS for Pensioners and introduced closer links to Universal Credit data share for claims, thereby removing the requirement to make a separate claim. This was subsequently approved and introduced. The Council retained this scheme in 2019/20.
- 3.5 For 2020/21 the Council introduced a fluctuating earnings rule to the treatment of Universal Credit (UC). A weekly tolerance level of £15 (£65 per month) was introduced to reduce the number of monthly reassessments

impacting customers every time a revised Universal Credit notification is received. No further changes were made for the 2021-22 scheme when the 2020/21 scheme was retained.

#### 4. MATTERS TO CONSIDER

- 4.1 Councils are required to review their LCTRS schemes annually and consider whether any changes need to be made. Where it is determined to retain the existing scheme, this must be decided by 11<sup>th</sup> March of the preceding financial year.
- 4.2 Where councils decide that they wish to amend their schemes they need to consult preceptors and stakeholders prior to a wider consultation to inform a final scheme design by 28<sup>th</sup> February of the preceding financial year and the final report will need to be submitted to Finance and Assets Committee in January 2022.
- 4.3 The current East Cambridgeshire Working Age LCTRS scheme provides a maximum benefit of 91.5% for working age claimants and the scheme also fully protects War Pensioners. The aim in designing the scheme was to achieve a balance in charging an amount of Council Tax to encourage customers back into work whilst setting the amount charged at an affordable and recoverable level during the year.
- 4.4 A statutory scheme applies to Pensioners who can receive up to a maximum 100% reduction of their Council Tax bill.

#### 5. SCHEME REVIEW

- 5.1 The Council could determine to retain the 2021/22 scheme in its current form for 2022/23. However, as no changes were made last year, there are a number of options to consider to potentially implement, these are detailed below.

##### **Options to consider - Financial Savings**

- 5.2 **OPTION 1** - Increasing the contribution rate to more than 8.5%.

The potential savings to the collection fund to be realised by increasing the minimum contribution rate to 10%, 15% or 20% and the number of claimants affected are detailed below:

<b>Options</b>	<b>Saving</b>	<b>Customers gaining</b>	<b>Customers with reductions</b>
Increase in liability to 10%	£43,638	none	2261
Increase in liability to 15%	£184,708	none	2261
Increase in liability to 20%	£324,566	none	2261



5.3 However, it is forecast that the increase in Council Tax charged by the Council would be less than the additional costs of recovery incurred (additional staff, postage and enquires to customer services), and in many cases we would be unable to recover the debt in year by deduction from DWP benefits and therefore this is not recommended.

5.4 If this option was proposed it should be noted a 12-week consultation period would be required.

5.5 **OPTION 2** - Cap LCTRS entitlement to Band D liability.

This would realise savings to the Collection Fund of around £29,196 per year and would result in 63 customers who reside in Band E properties or higher having their liability calculated on the cap at Band D. A breakdown of those affected is shown below:

Option	Saving	Customers gaining	Customers with reductions
Cap LCTRS entitlement to Band D liability	£29,196	none	63

#### Options to consider - Improving the Customer Journey

5.6 **OPTION 3** - Reduce the capital threshold from £16,000 to £10,000 and abolish tariff income.

This option would result in:

- A simplified scheme reducing the burden on customer and evidence requirements
- Reduce the number of claim adjustments as there would be no requirement to notify changes in capital of £250 or more
- More streamlined customer experience and reduced processing times for universal credit claims as tariff income details are not provided in DWP data share records
- Targeting help to those most in need as those with less capital will receive increased awards and those who no longer qualify will have more than £10,000 capital

5.7 Simplification would enable us to provide quicker decisions to customers as the need to manually calculate tariff income would be removed.

5.8 This option focuses on improved customer journey and although indicating some savings it is likely to be relatively cost neutral as detailed in the table below:

Option	Saving	Customers gaining	Customers with reductions
Capital upper threshold £10,000 with no tariff income	£11,171	7	11

5.9 **OPTION 4** – Introduce a Fixed Rate Non-Dependant Deduction.

This option would result in:

- Reduced burden on customer and evidence requirements
- Reduced number of claim adjustments as there would be no requirement to notify changes in non-dependant income. This is something the customer is not always aware of or able to obtain verification of themselves
- The functionality to verify and receive automatic income updates from DWP and HMRC does not extend to non-dependants meaning verification is always a manual process and the onus is solely on the customer to identify and report changes for their adult household members
- More streamlined customer experience and quicker processing times for Universal Credit claims as DWP do not gather details of non-dependant's income and the responsibility on the Local Authority to obtain this missing information delays claim processing
- Delays in and failure to provide non-dependant income details results in incorrect LCTRS awards, often impacting council tax collection and arrears.

5.10 An administrative consequence of this proposal would be that our ability to increase automation and provide decisions to customers in one day would be extended to those with non-dependants, as the need to request follow up details would be removed.

5.11 We would retain existing protections for customers entitled to a severe disability premium meaning they would continue to be exempt from non-dependant deductions.

5.12 This option focusses on an improved customer journey and reduction in administrative burden and although indicating some savings the proposed deduction rates have been modelled to provide a relatively cost neutral option as detailed in the table below:

Options	Saving	Customers gaining	Customers with reductions
Fixed non-dep deduction £5.30 for all non-dependants	-£8,962	77	119
Fixed non-dep deduction to £7.40 for those not passported	£3,151	94	92

The first option above applies one fixed rate deduction of £5.30 per week for all non-dependants based on the current average deduction rate, including those on passported benefit, whilst the preferred second option above retains a nil deduction for non-dependants in receipt of passported benefits but introduces a fixed rate deduction of £7.40 per week for non-dependants based on current average.

5.13 **OPTION 5 – Streamlining the Claim Process**

5.14 DWP signpost everyone claiming Universal Credit (UC) to their Local Authority to make a separate application for LCTRS. However, whilst our scheme was amended to allow us to treat DWP notification of UC outcome as a claim, we often receive separate customer claims.

5.15 Simplifying the claim process to improve the customer journey can be achieved through introducing the following classes of applicant who can claim LCTRS:

- a. those in receipt of a legacy (pre-UC) DWP benefit
- b. those claiming or already in receipt of UC
- c. customers not required to claim UC, such as war pensioners and widows

This proposal will minimise customer engagement, improve speed of administration and improve processing times for customers by:

- Clarifying the customer journey by removing any confusion that a separate claim is required
- Reducing customer burden to provide evidence through making a non-UC claim
- Removing requirement for both DWP and ourselves to verify the same income details
- Maximising customer income by signposting customers to claim Universal Credit
- Makes full use of DWP data share functionality.

5.16 Data analysis undertaken for the first quarter of this financial year has identified only three customers have applied directly to the Council without being in receipt of a legacy benefit or UC or whilst also making a fresh claim for UC at the same time. Implementing this change would signpost all these to claim directly with the DWP, resulting in two of them being entitled to UC and LCTRS and one not being entitled to UC, but still being entitled to LCTRS. Therefore, whilst a small sample, the data suggests two thirds of the customers we would signpost to claim UC, as they haven't already done so, would be better off as a result and so would not need to make a separate claim to the Council for LCTRS.

5.17 **OPTION 6 – Increase Tolerance for Universal Credit Data Re-assessments**

5.18 In April 2020 a tolerance rule of £65 per month was introduced which meant we no longer reassessed income changes of less than £15 per week for UC customers.

5.19 UC is designed to be paid monthly, calculated on the customer's circumstances, including Real Time Information (RTI) earnings data from HM Revenue and Customs. Given customers' circumstances, especially earnings,

fluctuate, this leads to significant volumes of monthly revised UC awards sent to the Council by the DWP

- 5.20 Due to the tolerance rule such customers have seen a reduction by one third in Council Tax adjustment notifications, as well as a reduction in direct debit amendments and the need to request a refund. This has provided greater certainty to customers to enable them to manage their payments and household budgets. This change has been well received and is working as expected.
- 5.21 The introduction of a fluctuating earnings rule has been particularly beneficial given the significant increase in the Covid-19 workload for Anglia Revenues Partnership, which peaked at a 500% increase compared to the same point the previous year, before reducing to 200% and now starting to return to normal levels.
- 5.22 A review of the tolerance rule suggests increasing the figure from £65 per month to £100 per month would further reduce the need for re-assessments from a third to a half, thereby providing more customers with stable payment arrangements, fewer adjustments and improved financial certainty. By retaining the discretion to review exceptional cases we will be able to override the rule in the case of a single beneficial change being reported. However, we are yet to see a case where discretion has been needed with the current £65 tolerance, given most cases have monthly fluctuations reported which evens out any impact of applying the tolerance over the course of a year.

## 6. OPTION RECOMMENDATIONS

- 6.1 It is recommended to focus on the customer journey options and consider implementation of:
- Reducing the capital threshold to £10,000 and abolish tariff income
  - Introducing a fixed rate deduction of £7.40 per week for non-passported non-dependants
  - Streamlining the claim process
  - Increasing tolerance for Universal Credit data re-assessments

These options are recommended to improve the customer journey and reduce customer contact and the burden of evidence requirement. The expected benefits for each individual change is detailed against each option for consideration.

## 7. STAKEHOLDERS / CONSULTATION / TIMESCALES

- 7.1 If it is agreed to move forward with the recommendations proposed in section six of this report, a consultation exercise will need to take place in the Autumn with a consultation period of six weeks.
- 7.2 The consultation will take the form of an online customer survey, asking stakeholders for their views on the proposals and any unforeseen impacts.

The link to the survey will be made available on the Council and ARP websites, sent to all stakeholders and preceptors.

## 8. FINANCIAL IMPLICATIONS / EQUALITY IMPACT ASSESSMENT

- 8.1 The potential changes in Council Tax receipts (the financial implications of this paper) are detailed within the body of this report.
- 8.2 An Equality Impact Assessment (INRA) is not required to move forward with the consultation, but will be needed before a final paper is brought back to Committee considering the results of the consultation and a final decision made as to what changes should be recommended to Full Council to approve.
- 8.3 Carbon Impact Assessment (CIA) not required.

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<u>Background Documents</u>	<u>Location</u>	<u>Contact Officer</u>
	Room 206 The Grange Ely	Ian Smith Finance Manager Tel: (01353) 616470 E-mail: <a href="mailto:ian.smith@eastcambs.gov.uk">ian.smith@eastcambs.gov.uk</a>
		Adrian Mills Head of Benefits & Council Tax Billing, ARP Tel: 07984 255437 Email: <a href="mailto:Adrian.mills@angliarevenues.gov.uk">Adrian.mills@angliarevenues.gov.uk</a>



**TITLE: INTERNAL DRAINAGE BOARDS APPOINTMENTS**

Committee: Finance & Assets Committee

Date: 5<sup>th</sup> October 2021

Author: Democratic Services Officer (Committees)

[W71]

1.0 ISSUE

1.1 Representation on the Padnal & Waterden Internal Drainage Board and the Middle Fen & Mere Internal Drainage Board.

2.0 RECOMMENDATIONS

2.1 That Littleport Parish Councillor Clive Webber be appointed to fill the vacancy on the Padnal & Waterden Internal Drainage Board.

2.2 i) That a Member be appointed to fill the vacancy on the Middle Fen & Mere Internal Drainage Board.

Or

ii) That the Democratic Services Officer (Committees) be authorised to seek nominations for a representative on the Middle Fen & Mere Internal Drainage Board from the relevant Parish Councils.

3.0 BACKGROUND/OPTIONS

3.1 The annual reports from Council representatives on Outside Bodies were presented to the Finance & Assets Committee on 7<sup>th</sup> June 2021. Several vacancies on two Internal Drainage Boards (IDBs) were highlighted in that report: one on the Padnal & Waterden IDB and three on the Cawdle Fen IDB. No nominations were received from District Councillors and therefore, in accordance with the previously-agreed process, City of Ely Council was invited to submit nominations for all vacancies and nominations for the Padnal & Waterden vacancy were requested from Littleport Parish Council. City of Ely Council nominee Ian Lindsay was subsequently appointed to fill one of the Cawdle Fen IDB vacancies at the Finance & Assets Committee meeting on 22<sup>nd</sup> July 2021.

3.2 City of Ely Council does not have any further nominations at this time. Littleport Parish Council has nominated Cllr Clive Webber to fill the vacancy on Padnal & Waterden IDB. Cllr Webber supplied the following statement to demonstrate his suitability:

“I am currently Chair of Littleport Parish Council, have been for the last 6yrs, also Chair of the Littleport Independent Food Band and Trustee of the Town Lands Charity (land owner within the area). Run my own construction company and I am Chartered Construction Manager (CIOB). Have served for a short period on the board before the last election.”

3.3 In addition to the afore-mentioned vacancies, a new vacancy has arisen on the Middle Fen & Mere IDB following the resignation of former Cllr Victoria Charlesworth. Group Leaders have been consulted regarding the vacancy and, mindful of the Soham North by-election taking place after finalising this report but before the Committee meeting, have been invited to submit nominations orally at the meeting.

3.4 In the event that there are no nominations from within the Council for the Middle Fen & Mere IDB, the previously-agreed process (see Appendix 1) requires that nominations are sought from all Parish Councils with land covered by the IDB. For Middle Fen & Mere this would be City of Ely Council, Fordham Parish Council, Isleham Parish Council, Soham Town Council and Wicken Parish Council. Any nominations would then be brought to a future meeting of the Finance & Assets Committee for consideration.

#### 4.0 FINANCIAL IMPLICATIONS/EQUALITY IMPACT ASSESSMENT/CARBON IMPACT ASSESSMENT

4.1 There are no additional financial implications arising from this report.

4.2 Equality Impact Assessment (EIA) not required.

4.3 Carbon Impact Assessment (CIA) not required

#### 5.0 APPENDICES

5.1 Appendix 1: Relevant pages from the Outside Bodies Booklet 2021-22

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<u>Background Documents</u>	<u>Location</u>	<u>Contact Officer</u>
Agenda Item 10, Finance & Assets Committee, 7 <sup>th</sup> June 2021	Room 214 The Grange, Ely	Caroline Evans Democratic Services Officer (Committees) (01353) 616457 E-mail: caroline.evans@eastcambs.gov.uk



Section 2INTERNAL DRAINAGE BOARDS

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Internal Drainage Boards (IDBs) are public bodies that manage water levels in areas where there is a special need for drainage. They reduce flood risk to people and property and they manage water levels for agricultural and environmental needs. IDBs are funded by a combination of drainage rates levied on the owners of farmland, and special levies on District and Unitary Councils. District Councils appoint representatives to IDBs, the number of representatives being determined by the IDBs by consideration of the percentage of the Board's income being paid by each Council.

Haddenham Level IDB is part of the Middle Level Commissioners, all other IDBs on which ECDC is represented are part of the Ely Group of Internal Drainage Boards.

Appointment of ECDC representatives to Internal Drainage Boards has been discussed at various Council and Committee meetings<sup>2</sup> and the following process has been agreed:

1. Nominations should be invited from the Members of Council.
2. If vacancies cannot all be filled from within the District Council then;
  - a. former District Councillors who are willing to continue in their IDB role could be nominated as a layperson, and;
  - b. the relevant Parish Council(s) should be invited to submit nominations.

If there are more nominations than vacancies then consideration should be given to the candidates' prior knowledge and experience of both the geographical area and the issues relevant to IDBs. In all cases, the final decision on each appointment rests with the Finance & Assets Committee.

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<sup>2</sup> Resources & Finance Committee: 29 March 2018 (Agenda Item 11, Minute 94); 26 July 2018 (Agenda Item 12, Minute 35).  
 Council: 19 April 2018 (Agenda Item 10, Minute 89).  
 Finance & Assets Committee: 20 June 2019 (Agenda Item 13, Minute 17); 26 September 2019 (Agenda Item 18, Minute 56).

## MIDDLE FEN & MERE INTERNAL DRAINAGE BOARD

<b>District Wards covered</b>	<b>Town/Parish Councils covered</b>
Ely East Ely North Fordham & Isleham Soham North Soham South	City of Ely Council Fordham Parish Council Isleham Parish Council Soham Town Council Wicken Parish Council

<b>Representation</b>	<b>Meetings per year</b>	<b>Status of Member</b>
Five Members	3	Board Member

<b>Expenses paid by Organisation</b>	<b>Insurance Provision</b>
No, paid by the Council	Yes

<b>Category of Officer Support</b>	<b>Contact Officer</b>	<b>Representative(s) for 2020/21</b>
3	Finance Manager, Ian Smith	Cllr Ian Bovingdon Cllr Victoria Charlesworth Cllr Alec Jones Cllr Dan Schumann Derrick Beckett (lay member)

### 2020/21 Report from Cllr Ian Bovingdon

*(Attended 1 of 2 meetings.)*

This board does important work, by protecting agriculture and enforcing correct drainage rules and procedures. Flood defences are maintained and close scrutiny is undertaken of new residential and commercial developments to ensure that they can be delivered without negative impact on flooding locally. This work fits with ECDC's commitment that the District continues to be an area where people want to live, businesses want to grow and people to visit. The main focus is on water management.

Several issues are discussed, including Flood Warden schemes, all of which have an impact on agriculture, ecology and new developments. An important issue in the present and future of the fens, discussing the need for possible pumping stations. Discussions re Covid-19 issues were also discussed as this affects the effectiveness of their workforce. Much of the IDB's work will have an effect on ECDC's plans for future housing development.

Continued representation is worthwhile because this is a very important body protecting the local area from the risk of flooding together with managing irrigation for agriculture. The IDB has a real understanding of the complex issues surrounding development and infrastructure impact on flooding and need to be supported in light of increasing threats from flooding affected by climate changes.

They are producing a conservation document.

There are requirements for more members on the board.

Plans are underway looking forward 50+ years.

They are in constant contact with the E.A. re issues particularly with pumping station issues. December 2020 was one of the wettest in a while which is why pumping stations were pushed to their limits.

2020/21 Report from Cllr Victoria Charlesworth

*(Not received.)*

2020/21 Report from Cllr Alec Jones

*(Attended three of three meetings.)*

This organisation fits in with ECDC's Corporate Plan by ensuring the continued management of the water supply to the farming industry in the District, supplying the many farms and related industries in our area.

Water requirements have increased and large scale alterations to depth of main drainage are being considered. Such large infrastructure improvements need to be managed carefully and work in partnership with Local Government to reduce the impact to businesses.

While there is little direct relevance in the day to day dealings, its relevance to local agricultural business is immense and maintain the links between business and Local Authorities makes this a worthwhile commitment.

2020/21 Report from Cllr Dan Schumann

*(Attended no meetings.)*

The work of the IDB provides essential flood protection for the District and is fundamental to our local agriculture.

This is a key organisation that ECDC need to work with in terms of infrastructure.

2020/21 Report from Derrick Beckett (lay member)

*(Not received.)*

<p style="text-align: center;"><b>Representative(s) for 2021/22</b></p> <p style="text-align: center;">Cllr Ian Bovingdon Cllr Alec Jones Cllr Dan Schumann Derrick Beckett (lay member) <b>Vacancy</b> (created 10/8/21 by a resignation)</p>
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## PADNAL & WATERDEN INTERNAL DRAINAGE BOARD

<b>District Wards covered</b>	<b>Town/Parish Councils covered</b>
Ely North Littleport	City of Ely Council Littleport Parish Council

<b>Representation</b>	<b>Meetings per year</b>	<b>Status of Member</b>
Seven Members	3	Board Member

<b>Expenses paid by Organisation</b>	<b>Insurance Provision</b>
No, paid by the Council	Yes

<b>Category of Officer Support</b>	<b>Contact Officer</b>	<b>Representative(s) for 2020/21</b>
3	Finance Manager, Ian Smith	Cllr David Ambrose Smith Cllr Lis Every Cllr Alison Whelan Paul Cox (lay member) Parish Cllr Edward Carlsson Browne Debra Jordan Sue Kerridge

### 2020/21 Report from Cllr David Ambrose Smith

*(Attended most meetings.)*

IDB's are extremely important partners. ECDC planners work closely with the IDB's and value one another's contribution to the planning process. IDB's praiseworthy concerns regarding increasing their charges perhaps constrains them from carrying out more medium to long term planning.

Continued representation is worthwhile because it gives an understanding of the importance of Internal Drainage Boards within our District and the necessity of keeping drainage infrastructure in good order.

The record amount of rainfall in December highlighted system maintenance issues across the drainage boards, I joined a IDB led working party to help identify ways to overcome these problems for the future.

I believe that all our local IDB's should be amalgamated into a single board which would bring efficiencies at all levels from governance to the water courses. ECDC councillors/representation of one possibly two councillors on this single board would then give ECDC a better joined up understanding of the whole area.

2020/21 Report from Cllr Lis Every

*(Attended three of four meetings.)*

The internal drainage board (IDB) is the operating authority which is established in areas of special drainage need in England and Wales, eg the Fens, with permissive powers to undertake work to secure clean water drainage and water level management within drainage districts. It also has the authority to add a levy to the Council Tax. Internal Draining Boards are a statutory consultee for all Planning Applications. In this area, which seeks growth, the work of the IDB is a very important organisation which has representatives from local farmers and councillor representatives from ECDC.

As seen above, the work undertaken by the IDB is vital for the area, ensuring that there is no flood activity, that the relevant maintenance is undertaken, the right levels of water for irrigation are maintained and the protection of species, ie eels, is undertaken. It is a statutory consultee for all planning applications.

Continued representation is absolutely vital, ie as consultee for planning applications and an influence on the Ultimate Council Tax Levy.

2020/21 Report from Cllr Alison Whelan

*(Attended two of three meetings.)*

The IDB is presently upgrading the Padnal No 1 pumping station as it is near the end of its useful life.

The IDB contracted for the clearing of the Clayway Drain, however, this caused significant destruction of wildlife areas during the spring breeding season. The IDB has learnt from this and will avoid this in future years.

Continued representation is worthwhile because the nature of the land that surrounds Ely is such that water management is crucial to avoid flooding.

Meetings have been held virtually due to the pandemic, however, the IDB acknowledged their failure to meet equality and inclusion standards due to the location of physical meetings and this will be addressed when physical meetings restart.

2020/21 Report from Paul Cox (lay member)

*(Not received.)*

2020/21 Report from Parish Cllr Edward Carlsson Browne

*(Not received.)*

2020/21 Report from Debra Jordan

*(Not received.)*

2020/21 Report from Sue Kerridge

*(Not received.)*

**Representative(s) for 2021/22**

Cllr David Ambrose Smith

Cllr Lis Every

Cllr Alison Whelan

Paul Cox (lay member)

Debra Jordan

Sue Kerridge

**Vacancy**

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**TITLE: EAST CAMBS TRADING COMPANY ACCOUNTS 2020/21**

Committee: Finance & Assets Committee

Date: 05 October 2021

Author: Director Commercial

[W72]

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1.0 ISSUE

1.1 To receive the East Cambs Trading Company accounts 2020/21.

2.0 RECOMMENDATION

2.1 Members are requested to note the East Cambs Trading Company accounts 2020/21 as set out in Appendix 1.

3.0 BACKGROUND/OPTIONS

3.1 East Cambs Trading Company (ECTC) auditors, Price Bailey, have issued an unqualified opinion on the statements, and confirmed that they give a true and fair view of the state of the ECTC's affairs as at 31 March 2021. They also confirm they have been prepared in accordance with the relevant laws and regulations.

3.2 The auditors have pointed out that there is still large uncertainty over the economy as a whole and at this stage nobody can predict the full effects with any certainty. Price Bailey have therefore included a paragraph titled 'Material uncertainty relating to going concern', to point this out to shareholders. This is not uncommon for a whole range of companies reporting in this period whose trade is affected by the pandemic. A similar paragraph was included in last year's accounts.

3.3 The last sentence does stress that the audit opinion is not modified in respect of this matter; that it is still valid to produce the accounts on a going concern basis. This is because the forecasts produced by ECTC show that given the additional time to complete the projects in the plans will enable the business to become profitable and repay the loans when they fall due.

3.4 The ECTC 2020/21 Accounts were approved by ECTC Board on 7 September 2021. These are now provided to the Finance & Assets Committee, as shareholder committee, as stated in the Shareholder Agreement.

4.0 FINANCIAL IMPLICATIONS/EQUALITY IMPACT ASSESSMENT

4.1 There are no financial implications arising from this report.

4.2 EIA not required.

5.0 APPENDICES

5.1 Appendix 1- East Cambs Trading Company accounts 2020/21.

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<b><u>Background Documents</u></b>	<b><u>Location</u></b>	<b><u>Contact Officer</u></b>
None	Room 105, The Grange, Ely	Emma Grima Director Commercial (01353) 616960 E-mail: <a href="mailto:emma.grima@eastcambs.gov.uk">emma.grima@eastcambs.gov.uk</a>



**EAST CAMBS TRADING COMPANY LIMITED**

**DIRECTORS' REPORT AND  
FINANCIAL STATEMENTS**

FOR THE YEAR ENDED 31 MARCH 2021

## **EAST CAMBS TRADING COMPANY LIMITED**

### **COMPANY INFORMATION**

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<b>Directors</b>	P J Remington J Hill E L Grima
<b>Company number</b>	10061867
<b>Registered office</b>	The Grange Nutholt Lane Ely Cambridgeshire CB7 4EE
<b>Auditors</b>	Price Bailey LLP Chartered Accountants & Statutory Auditors Tennyson House Cambridge Business Park Cambridge CB4 0WZ

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## **EAST CAMBS TRADING COMPANY LIMITED**

### **DIRECTORS' REPORT FOR THE YEAR ENDED 31 MARCH 2021**

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The Directors present their report and the audited financial statements of the company for the year ended 31 March 2021

#### **Directors**

The Directors who served during the year were:

P J Remington  
J Hill  
E L Grima

#### **Statement of directors' responsibilities**

The Directors are responsible for preparing the Annual Report and the financial statements in accordance with applicable law and regulations.

Company law requires the directors to prepare financial statements for each financial year. Under that law the directors have elected to prepare the financial statements in accordance with International Financial Reporting Standards as adopted by the European Union. Under company law the directors must not approve the financial statements unless they are satisfied that they give a true and fair view of the state of affairs of the company and of the profit or loss for that period. In preparing these financial statements, the directors are required to:

- select suitable accounting policies and then apply them consistently;
- make judgements and accounting estimates that are reasonable and prudent;
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the company will continue in business.

The Directors are responsible for keeping adequate accounting records that are sufficient to show and explain the company's transactions and disclose with reasonable accuracy at any time the financial position of the company and enable them to ensure that the financial statements comply with the Companies Act 2006. They are also responsible for safeguarding the assets of the company and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

The Directors are responsible for the maintenance and integrity of the corporate and financial information included on the company's website. Legislation in the United Kingdom governing the preparation and dissemination of financial statements may differ from legislation in other jurisdictions.

#### **Statement as to disclosure of information to auditors**

So far as the directors are aware, there is no relevant audit information (as defined by Section 418 of the Companies Act 2006) of which the company's auditors are unaware, and each director has taken all the steps that he ought to have taken as a director in order to make himself aware of any relevant audit information and to establish that the company's auditors are aware of that information.

## **EAST CAMBS TRADING COMPANY LIMITED**

### **DIRECTORS' REPORT (CONTINUED) FOR THE YEAR ENDED 31 MARCH 2021**

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#### **Small companies note**

In preparing this report, the Directors have taken advantage of the small companies exemptions provided by section 415A of the Companies Act 2006.

#### **Auditors**

The auditors, Price Bailey LLP, will be proposed for re-appointment at the forthcoming Annual General Meeting.

This report was approved by the board on ..... and signed on its behalf.

J Hill  
**Director**

## **EAST CAMBS TRADING COMPANY LIMITED**

### **INDEPENDENT AUDITORS' REPORT TO THE SHAREHOLDERS OF EAST CAMBS TRADING COMPANY LIMITED**

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#### **Opinion**

We have audited the financial statements of East Cambs Trading Company Limited (the 'company') for the year ended 31 March 2021 which comprise The Statement of Comprehensive Income, Statement of Financial Position, Statement of Changes in Equity, Cash Flow Statement and notes to the financial statements, including a summary of significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and International Financial Reporting Standards (IFRSs) as adopted by the European Union.

In our opinion the financial statements:

- give a true and fair view of the state of the company's affairs as at 31 March 2021 and of the loss for the year then ended;
- have been properly prepared in accordance with IFRSs as adopted by the European Union;
- have been prepared in accordance with the requirements of the Companies Act 2006.

#### **Basis for opinion**

We conducted our audit in accordance with International Standards on Auditing (UK) (ISAs (UK)) and applicable law. Our responsibilities under those standards are further described in the Auditors' responsibilities for the audit of the financial statements section of our report. We are independent of the company in accordance with the ethical requirements that are relevant to our audit of the financial statements in the UK, including the FRC's Ethical Standard, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

#### **Material uncertainty relating to going concern**

We draw attention to note 1.2 in the financial statements, which describes the directors' assessment of the current and future effects of the COVID-19 pandemic on the company. As stated in note 1.2, since the pandemic started the company's trading has been affected due to the restrictions imposed by the UK Government resulting in a delay in cash flows. Mitigating action has been taken with loans being re-negotiated to ease cash flow concerns. However the effects of COVID-19 are subject to unprecedented levels of uncertainty of outcomes, with the full range of possible effects unknown. Our opinion is not modified in respect of this matter.

#### **Other information**

The Directors are responsible for the other information. The other information comprises the information included in the Annual Report, other than the financial statements and our auditor's report thereon.

Our opinion on the financial statements does not cover the other information and, except to the extent otherwise explicitly stated in our report, we do not express any form of assurance conclusion thereon.

In connection with our audit of the financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated. If we identify such material inconsistencies or apparent material misstatements, we are required to determine whether there is a material misstatement in the financial statements or a material misstatement of the other information. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

## **EAST CAMBS TRADING COMPANY LIMITED**

### **INDEPENDENT AUDITORS' REPORT (CONTINUED) TO THE SHAREHOLDERS OF EAST CAMBS TRADING COMPANY LIMITED**

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#### **Opinions on other matters prescribed by the Companies Act 2006**

In our opinion, based on the work undertaken in the course of the audit:

- the information given in the Director's Report for the financial year for which the financial statements are prepared is consistent with the financial statements; and
- the Director's Report has been prepared in accordance with applicable legal requirements.

#### **Matters on which we are required to report by exception**

In the light of the knowledge and understanding of the company and its environment obtained in the course of the audit, we have not identified material misstatements in the Director's Report.

We have nothing to report in respect of the following matters where the Companies Act 2006 requires us to report to you if, in our opinion:

- adequate accounting records have not been kept, or returns adequate for our audit have not been received from branches not visited by us; or
- the financial statements are not in agreement with the accounting records and returns; or
- certain disclosures of Directors' remuneration specified by law are not made; or
- we have not received all the information and explanations we require for our audit; or
- the Directors were not entitled to take advantage of the small companies exemptions in preparing the Director's Report and from the requirement to prepare a Strategic Report.

#### **Responsibilities of Directors**

As explained more fully in the Directors' Responsibilities Statement set out on page 1, the Directors are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view, and for such internal control as the Directors determine necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, the Directors are responsible for assessing the company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the Directors either intend to liquidate the company or to cease operations, or have no realistic alternative but to do so.

#### **Auditors' responsibilities for the audit of the financial statements**

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an Auditor's Report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with ISAs (UK) will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

Irregularities, including fraud, are instances of non-compliance with laws and regulations. We design procedures in line with our responsibilities, outlined above, to detect material misstatements in respect of irregularities, including fraud. The extent to which our procedures are capable of detecting irregularities, including fraud is detailed below:

We obtained an understanding of the legal and regulatory framework applicable to the company and the industry in which it operates and considered the risk of non-compliance with the applicable laws and regulations including fraud, in particular those that could have a material impact on the financial statements.

This included those regulations directly related to the financial statements, including financial reporting, tax legislation and distributable profits. In relation to the industry this included employment laws and health and safety.

## **EAST CAMBS TRADING COMPANY LIMITED**

### **INDEPENDENT AUDITORS' REPORT (CONTINUED) TO THE SHAREHOLDERS OF EAST CAMBS TRADING COMPANY LIMITED**

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The risks were discussed with the audit team and we remained alert to any indications of non-compliance throughout the audit. We carried out specific procedures to address the risks identified. These included the following:

Reviewing minutes of Board meetings, correspondence with their regulators, agreeing the financial statement disclosures to underlying supporting documentation, enquiries of management including those responsible for the key regulations for any instances of actual, suspected or alleged fraud or non-compliance.

To address the risk of management override of controls, we reviewed systems and procedures to identify potential areas of management override risk. In particular, we carried out testing of journal entries and other adjustments for appropriateness, and evaluating the business rationale of significant transactions to identify large or unusual transactions. We reviewed key authorisation procedures and decision making processes for any unusual or one-off transactions. We also assessed management bias in relation to the accounting policies adopted and in determining significant accounting estimates.

Because of the inherent limitations of an audit, there is a risk that we will not detect all irregularities, including those leading to a material misstatement in the financial statements or non-compliance with regulation. This risk increases the more that compliance with a law or regulation is removed from the events and transactions reflected in the financial statements, as we will be less likely to become aware of instances of non-compliance. The risk is also greater regarding irregularities occurring due to fraud rather than error, as fraud involves intentional concealment, forgery, collusion, omission or misrepresentation.

A further description of our responsibilities for the audit of the financial statements is located on the Financial Reporting Council's website at [www.frc.org.uk/auditorsresponsibilities](http://www.frc.org.uk/auditorsresponsibilities). This description forms part of our Auditor's Report

#### **Use of our report**

This report is made solely to the company's members, as a body, in accordance with Chapter 3 of Part 16 of the Companies Act 2006. Our audit work has been undertaken so that we might state to the company's members those matters we are required to state to them in a Report of the Auditors and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the company and the company's members as a body, for our audit work, for this report, or for the opinions we have formed.

Paul Cullen FCCA (Senior Statutory Auditor)  
for and on behalf of Price Bailey LLP  
Chartered Accountants & Statutory Auditors  
Tennyson House  
Cambridge Business Park  
Cambridge  
CB4 0WZ

Date:



**EAST CAMBS TRADING COMPANY LIMITED****STATEMENT OF COMPREHENSIVE INCOME  
FOR THE YEAR ENDED 31 MARCH 2021**

	Notes	2021 £	2020 £
<b>CONTINUING OPERATIONS</b>			
Revenue from services		1,090,283	1,206,464
Revenue from property development		3,109,020	2,185,935
		4,199,303	3,392,399
Cost of sales		(3,617,779)	(2,867,124)
<b>Gross profit</b>		581,524	525,275
Administrative expenses		(988,201)	(954,422)
Other operating income	6	57,753	-
<b>Operating profit/(loss)</b>		(348,924)	(429,147)
Interest receivable		1,085	-
Interest payable	5	(167,413)	(84,013)
<b>Profit/(Loss) before taxation</b>		(515,252)	(513,160)
Tax on profit	6	-	-
<b>Profit/(Loss) and total comprehensive income for the year</b>		(515,252)	(513,160)

There were no recognised gains and losses from 2021 or 2020 other than those included in the statement of comprehensive income.

The notes on pages 11-27 form part of these financial statements.

**EAST CAMBS TRADING COMPANY LIMITED****STATEMENT OF FINANCIAL POSITION  
AS AT 31 MARCH 2021**

		<b>2021</b>	<b>2020</b>
	<b>Notes</b>	<b>£</b>	<b>£</b>
<b>Non-current assets</b>			
Property, plant and equipment	<b>7</b>	108,172	120,898
Right to use asset	<b>8</b>	218,662	263,063
		<u>326,834</u>	<u>383,961</u>
<b>Current assets</b>			
Inventories	<b>9</b>	32,942,744	30,341,716
Trade and other receivables	<b>10</b>	345,446	276,638
Cash at bank and in hand	<b>11</b>	207,736	88,740
		<u>33,495,926</u>	<u>30,707,094</u>
<b>Current Liabilities</b>			
Trade and other payables	<b>12</b>	(1,432,210)	(741,660)
Financial liabilities - borrowings	<b>13</b>	(9,968,589)	(7,833,842)
Lease liabilities	<b>14</b>	(43,220)	(41,050)
		<u>(11,444,019)</u>	<u>(8,616,552)</u>
<b>Net Current Assets</b>		22,051,907	22,090,542
<b>Total assets less current liabilities</b>		22,378,741	22,474,503
<b>Non-Current Liabilities</b>			
Financial Liabilities – borrowings	<b>13</b>	(23,270,626)	(22,813,978)
Lease liabilities	<b>14</b>	(195,849)	(233,007)
		<u>(23,466,475)</u>	<u>(23,046,985)</u>
<b>Net liabilities</b>		<u>(1,087,734)</u>	<u>(572,482)</u>
<b>Equity</b>			
Called up share capital	<b>16</b>	1	1
Retained earnings		(1,087,735)	(572,483)
		<u>(1,087,734)</u>	<u>(572,482)</u>

**EAST CAMBS TRADING COMPANY LIMITED**

**STATEMENT OF FINANCIAL POSITION (CONTINUED)**  
**AS AT 31 MARCH 2021**

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The financial statements were approved and authorised for issue by the board and were signed on its behalf by:

**J Hill**  
Director

Date: .....

The notes on pages 11-27 form part of these financial statements.

**EAST CAMBS TRADING COMPANY LIMITED****STATEMENT OF CHANGES IN EQUITY  
FOR THE YEAR ENDED 31 MARCH 2021**


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	<b>Share Capital £</b>	<b>Retained earnings £</b>	<b>Total equity £</b>
<b>Balance as at 31 March 2019</b>	1	(59,323)	(59,322)
<b>Comprehensive income</b>			
Loss for the year	-	(513,160)	(513,160)
<b>Total comprehensive income</b>	-	(513,160)	(513,160)
<b>Balance as at 31 March 2020</b>	1	(572,483)	(572,482)
<b>Comprehensive income</b>			
Loss for the year	-	(515,252)	(515,252)
<b>Total comprehensive income</b>	-	(515,252)	(515,252)
<b>Balance as at 31 March 2021</b>	1	(1,087,735)	(1,087,734)

**EAST CAMBS TRADING COMPANY LIMITED****CASH FLOW STATEMENT  
FOR THE YEAR ENDED 31 MARCH 2021**

	Notes	2021		2020	
		£	£	£	£
<b>Cash flows from operating activities</b>					
Net cash outflow from operating activities	20	(1,841,541)	(26,595,888)		
<b>Net cash inflow from operating activities</b>		(1,841,541)	(26,595,888)		
<b>Cash flows from investing activities</b>					
Purchase of fixed assets	7	(29,213)	(36,886)		
Disposal of fixed assets	7	232	15,035		
Interest received		1,085	-		
<b>Cash flows from financing activities</b>					
Interest paid	5	(567,974)	(688,086)		
Repayment of leasing liabilities	23	(34,988)	(45,040)		
Loans advanced	23	5,626,608	27,727,820		
Loans repaid	23	(3,035,213)	(1,700,000)		
<b>Net cash from financing activities</b>		1,988,433	25,294,694		
<b>Net increase in cash and cash equivalents</b>		118,996	(1,323,045)		
<b>Cash and cash equivalents at beginning of year</b>		88,740	1,411,785		
<b>Cash and cash equivalents at end of year</b>	11	207,736	88,740		

## EAST CAMBS TRADING COMPANY LIMITED

### NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2021

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#### 1. Accounting policies

##### 1.1 Statutory information

East Cambs Trading Company Limited is a private company limited by shares incorporated and domiciled in England and Wales, United Kingdom. The address of the registered office is The Grange, Nutholt Lane, Ely, Cambridgeshire, CB7 4EE.

The company is primarily involved in property development and management of council services.

The financial statements are presented in sterling which is the functional currency of the company and rounded to the nearest £.

##### 1.2 Critical accounting estimates and judgements

The preparation of the financial statements requires management to make judgements, estimates and assumptions that affect the amounts reported for revenues and expenses during the year and the amounts reported for assets and liabilities at the statement of financial position date. However, the nature of estimation means that the actual outcomes could differ from those estimates.

The key sources of estimation uncertainty that have a significant risk of causing material adjustment to the carrying amounts of assets and liabilities are discussed below.

##### **Critical accounting judgements:**

Critical judgements, apart from those involving estimations, that are applied in the preparation of the consolidated financial statements are discussed below:

##### **Going concern including liquidity**

In the light of the COVID-19 pandemic the directors have considered whether any adjustments are required to reported amounts in the financial statements.

Although the grounds maintenance division has been unaffected by the pandemic, Ely Market closed either completely or operated with restrictions on the type and number of traders. The Company was able to mitigate the effects of this by applying for and receiving a grant and cancelling some planned expenses. It also benefited from the suspension of business rates payable on the Market Square. Ely Markets is now operating at similar revenue levels to those seen before the COVID-19 pandemic. The property development division of the company initially had to suspend all activities on the two sites where work had commenced, but was able to re-open these albeit under new social-distancing guidelines. The suspension of Stamp Duty Land Tax provided helped keep interest in house purchases at reasonable levels, and although some of the reliefs have been removed, interest in the properties is still good.

The company successfully negotiated amended terms to its loans with Cambridgeshire & Peterborough Combined Authority. The amended terms include interest-free periods and most importantly agreement that the loans would not be due for repayment until March 2023. It also secured new facilities from East Cambridgeshire District Council, made available in March 2021, which enabled the Company to repay its original loans to the council and have sufficient funds to continue its projects. This loan will be due for repayment in 2023.

## EAST CAMBS TRADING COMPANY LIMITED

### NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 MARCH 2021

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#### 1. Accounting policies (continued)

##### 1.2 Critical accounting estimates and judgements

The Directors have prepared cash flow forecasts for a period of 12 months from the year end which cover various scenarios which demonstrate that the cash reserves of the company will be sufficient for it to be able to continue as a going concern during restrictions and once restrictions are fully lifted.

The developing situation with respect to COVID-19 does give rise to some uncertainty around going concern, however management are satisfied that the mitigating factors are sufficient to address downside scenarios and support the going concern judgement.

The financial statements do not contain any adjustments that would be required if the company were not able to continue as a going concern.

##### **Leases – discount rate**

Under IFRS 16, the Company recognises a right-of-use asset representing its right to use the underlying asset and a lease liability representing its obligation to make lease payments.

The lease liability is initially measured at the present value of the remaining lease payments, discounted using the Company's incremental borrowing rate. Management have made a judgement to use a portfolio approach when estimating an incremental borrowing rate.

The incremental borrowing rate is determined on a portfolio basis, the most significant portfolio being the lease of properties. Judgement has been used to determine that a portfolio basis is appropriate on a basis. As the Company has agreed borrowings for general purposes at a rate of 5.22%, this has been determined as the borrowing rate of the lease. Judgement has been used that a portfolio basis is an appropriate basis.

Refer to note 14 for additional disclosures relating to leases held by the Company.

##### **Key sources of estimation uncertainty:**

The key assumptions about the future, and other key sources of estimation uncertainty at the reporting date that may have a significant risk of causing a material adjustment to the carrying amount of assets and liabilities within the next financial year are detailed below.

##### **The valuation of work in progress and allocation of costs to each period**

Costs directly attributable to the projects have been included in the work in progress figure accordingly. When calculating the work in progress the directors consider the stage of completion of the project and the likelihood of all costs being recovered, applying this in accordance with applicable framework.

##### **Lease term**

Under IFRS 16, the Company recognises a right-of-use asset for its properties. A level of estimating is involved in determining the likelihood of exercising break or extension options included within the leases when determining the lease term. Break and extension options are included to provide operational flexibility should the economic outlook for an asset be different to expectations and are especially key when considering the short maturity of the Company's properties. As a result, Management have made an estimate that at commencement of the lease, break or extension options are not typically considered reasonably certain to be exercised when determining the lease term, unless there is a valid business reason otherwise. Instead as the lease approaches maturity the estimate of term considering the extension and break options will be considered at the point where Management are able to make a reasonable estimate.

**EAST CAMBS TRADING COMPANY LIMITED****NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)  
FOR THE YEAR ENDED 31 MARCH 2021**

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**1. Accounting policies (continued)****1.2 Critical accounting estimates and judgements (continued)**

Refer to note 14 for additional disclosures relating to leases held by the Company.

**Useful lives of depreciable assets**

Estimates have been made in respect of useful economic lives of property, plant and equipment, which determine the amount of depreciation charged in profit or loss. Uncertainties in these estimates relate to the technological obsolescence that may change the utility of plant and machinery and could result in a material change to the amount of depreciation recognised. These estimates are reviewed annually at the reporting date based on the expected utility of the assets.

Further detail on useful life estimates is included in the accounting policy note 1.6.

**1.3 Compliance with accounting standards**

These financial statements have been prepared in accordance with International Financial Reporting Standards and IFRIC interpretations and with those parts of the Companies Act 2006 applicable to reporting entities under IFRS.

**Historical cost convention**

The financial statements have been prepared under the historical cost convention.

**Critical accounting estimates**

The preparation of the financial statements requires the use of certain critical accounting estimates. It also requires management to exercise its judgement in the process of applying the company's accounting policies. The areas involving a higher degree of judgement or complexity, or areas where assumptions and estimates are significant to the financial statements, are disclosed in note 1.2.

**1.4 Revenue recognition****Revenue from contracts with customers**

Revenue is recognised at an amount that reflects the consideration to which the Company is expected to be entitled in exchange for transferring goods or services to a customer. For each contract with a customer, the Company: identifies the contract with a customer; identifies the performance obligations in the contract; determines the transaction price which takes into account the time value of money; allocates the transaction price to the separate performance obligations on the basis of the relative stand-alone selling price of each distinct good or service to be delivered; and recognises revenue when or as each performance obligation is satisfied in a manner that depicts the transfer to the customer of the goods promised.

Further details on specifics relating to each revenue stream is listed below:



## EAST CAMBS TRADING COMPANY LIMITED

### NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 MARCH 2021

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#### 1. Accounting policies (continued)

##### 1.4 Revenue recognition (continued)

###### Grounds Maintenance Services

The Company provides a grounds maintenance service predominantly to local authorities and educational establishments. For larger contracts invoices are issued on a monthly basis or as the work is completed for smaller contracts. Payment is usually received within a month of the invoice being issued.

###### Markets

The Company operates street markets on behalf of the local council and collects revenue from the individual stallholders. Invoices are issued on a weekly basis and payments are made via direct debits.

###### Property Development

The Company develops and sells residential properties. Revenue is recognised when control over the property has been transferred to the customer. The properties have generally no alternative use for the company. However, an enforceable right to payment does not arise until legal title has passed to the customer. Therefore, revenue is recognised at a point in time when the legal title has passed to the customer. The revenue is measured at the transaction price agreed under the contract. The consideration is due when legal title has been transferred.

Revenue from a construction contract is recognised when:

- It is probable that the economic benefits associated with the contract will flow to the entity.
- The contract costs attributable to the contract can be clearly identifiable and measured reliably.

##### 1.5 Government grants

Government grants are recognised in Statement of Comprehensive Income on a systematic basis over the periods in which the company recognises as expenses the related costs for which the grants are intended to compensate. The grants are shown separately in the Statement of Comprehensive Income.

Grants are recognised in respect of

- the delivery of affordable housing projects (none recognised in either 2021 or 2020)
- those relating to CJRS and other COVID related support

##### 1.6 Property, plant and equipment

Property, plant and equipment is stated at cost less depreciation. Depreciation is provided at rates calculated to write off the cost of fixed assets, less their estimated residual value, over their expected useful lives on the following bases:

Plant & machinery	25% straight line
Leasehold improvements	16.67% straight line
Office equipment	16.67% straight line
Computer equipment	33.33% straight line

**EAST CAMBS TRADING COMPANY LIMITED****NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)  
FOR THE YEAR ENDED 31 MARCH 2021**

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**1 Accounting policies (continued)****1.7 Right-of-use assets**

## Right-of-use assets

A right-of-use asset is recognised at the commencement date of a lease. The right-of-use asset is measured at cost, which comprises the initial amount of the lease liability, adjusted for, as applicable, any lease payments made at or before the commencement date net of any lease incentives received, any initial direct costs incurred, an estimate of costs expected to be incurred for dismantling and removing the underlying asset, and restoring the site or asset.

Right-of-use assets are depreciated on a straight-line basis over the unexpired period of the lease or the estimated useful life of the asset, whichever is the shorter. Where the company expects to obtain ownership of the leased asset at the end of the lease term, the depreciation is over its estimated useful life. Right-of-use assets are subject to impairment or adjusted for any remeasurement of lease liabilities.

**1.8 Inventories**

Inventories are stated at the lower of cost and net realisable value. Work in progress comprises direct materials, labour costs, site overheads, associated professional charges and other attributable overheads. Net realisable value represents the estimated selling price less costs to complete and sell.

At each year end, inventories are assessed for impairment. If inventories are impaired, the carrying amount is reduced to its selling price less costs to complete and sell. The impairment loss is recognised immediately in profit or loss.

**1.9 Trade and other receivables**

Short term receivables are measured initially at transaction price, and are measured subsequently at amortised costs.

**1.10 Cash and cash equivalents**

Cash is represented by cash in hand and deposits with financial institutions repayable without penalty on notice of not more than 24 hours.

**1.11 Operating profit**

Operating profit is stated before investment income and finance costs.

**1.12 Financial Instruments**

Financial assets and liabilities are recognised on the statement of financial position when the company becomes a party to the contractual provisions of the instrument.

- Cash and cash equivalents comprise cash held at bank and short term deposits
- Trade payables are not interest bearing and are stated at their nominal value
- Trade receivables are measured initially at transaction price, and are measured subsequently at amortised costs.

**EAST CAMBS TRADING COMPANY LIMITED****NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)  
FOR THE YEAR ENDED 31 MARCH 2021**

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**1. Accounting policies (continued)****1.13 Trade and other payables**

Short term payables are measured initially at fair value, and subsequently at amortised cost. Other financial liabilities, including bank loans, are measured initially at fair value, net of transaction costs, and are measured subsequently at amortised cost using the effective interest method.

**1.14 Finance costs**

Finance costs are charged to the Statement of Comprehensive Income over the term of the debt using the effective interest method so that the amount charged is at a constant rate on the carrying amount. Issue costs are initially recognised as a reduction in the proceeds of the associated capital instrument.

**1.15 Pensions****Defined contribution pension plan**

The Company operates a defined contribution plan for its employees. A defined contribution plan is a pension plan under which the Company pays fixed contributions into a separate entity. Once the contributions have been paid the Company has no further payment obligations.

The contributions are recognised as an expense in the Statement of Comprehensive Income when they fall due. Amounts not paid are shown in accruals as a liability in the Statement of Financial Position. The assets of the plan are held separately from the Company in independently administered funds.

**1.16 Taxation**

Current taxes are based on the results shown in the financial statements and are calculated according to local tax rules, using tax rates enacted or substantially enacted by the statement of financial position date.

Deferred tax is recognised in respect of all timing differences that have originated but not reversed at the statement of financial position date.

**1.17 Lease Liabilities**

All leases are accounted for by recognising a right-of-use asset and a lease liability except for:

- Leases of low value assets; and
- Leases with a duration of 12 months or less.

A lease liability is recognised at the commencement date of a lease. The lease liability is initially recognised at the present value of the lease payments to be made over the term of the lease, discounted using the interest rate implicit in the lease or, if that rate cannot be readily determined, the Company's incremental borrowing rate. Lease payments comprise of fixed payments less any lease incentives receivable, variable lease payments that depend on an index or a rate, amounts expected to be paid under residual value guarantees, exercise price of a purchase option when the exercise of the option is reasonably certain to occur, and any anticipated termination penalties. The variable lease payments that do not depend on an index or a rate are expensed in the period in which they are incurred.

**EAST CAMBS TRADING COMPANY LIMITED****NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)**  
**FOR THE YEAR ENDED 31 MARCH 2021**

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**1. Accounting policies (continued)**

Lease liabilities are measured at amortised cost using the effective interest method. The carrying amounts are remeasured if there is a change in the following: future lease payments arising from a change in an index or a rate used; residual guarantee; lease term; certainty of a purchase option and termination penalties. When a lease liability is remeasured, an adjustment is made to the corresponding right-of-use asset, or to profit or loss if the carrying amount of the right-of-use asset is fully written down.

**1.18 Financed costs**

Finance costs attributable to qualifying assets are capitalised as part of the asset. All other finance costs are expensed in the period in which they are incurred.

**1.19 New or amended Accounting Standards and Interpretations adopted**

The Company has adopted all of the new or amended Accounting Standards and Interpretations issued by the International Accounting Standards Board ('IASB') that are mandatory for the current reporting period.

The following new and revised Standards and Interpretations are relevant to the company but not yet effective for the year commencing 1 April 2020 and have not been applied in preparing these financial statements:

- IAS 1 Presentation of Financial Statements – classification of liabilities as current and non-current.
- IAS 1 Presentation of Financial Statements – disclosure of accounting policies
- IAS 8 Accounting Policies – definition of accounting estimates.

The Directors do not consider that the implementation of any of these new standards will have a material impact upon reported income or reported net assets.

**EAST CAMBS TRADING COMPANY LIMITED****NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)  
FOR THE YEAR ENDED 31 MARCH 2021****2. Operating profit**

Operating profit is stated after charging

	2021 £	2020 £
Depreciation of owned fixed assets	41,707	35,542
Depreciation of right to use assets	44,401	44,401
Auditors' remuneration	26,250	16,065
Government CJRS grants received	57,753	-
	<u>170,111</u>	<u>106,069</u>

**3. Employees and directors**

	2021 £	2020 £
Wages and Salaries	773,336	682,379
Social security	68,793	67,426
Other pension costs	58,774	57,734
	<u>900,903</u>	<u>807,539</u>

The average monthly number of employees during the year was as follows:

	2021	2020
Directors	3	4
Administration	20	17
	<u>23</u>	<u>21</u>

**4. Directors' remuneration**

	2021 £	2020 £
Directors' remuneration	12,000	12,000
Directors' pension contributions to a defined contribution pension scheme	1,320	1,240
	<u>13,320</u>	<u>13,240</u>

During the year 1 directors (2020 – 1) was accruing benefits under defined contribution pension schemes.

The above directors remuneration disclosure relates to the highest paid director also for both 2021 and 2020,

**EAST CAMBS TRADING COMPANY LIMITED****NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)  
FOR THE YEAR ENDED 31 MARCH 2021****5. Finance costs**

	<b>2021</b> £	<b>2020</b> £
Loan interest payable	154,208	68,734
Interest on leases	13,205	15,279
	<u>167,413</u>	<u>84,013</u>

Total loan interest payable in the year was £567,974 (2020: £672,807) of which £413,766 was charged to Work In Progress (2020: £588,794).

**6. Income tax****Analysis of tax expense**

No liability to UK corporation tax arose for the year ended 31 March 2021 nor the year ended 31 March 2020

**Factors affecting the tax expense**

The tax assessed for the year is higher than the standard rate of corporation tax in the UK. The difference is explained below:

	<b>2020</b> £	<b>2020</b> £
Profit (Loss) per accounts	<u>(515,252)</u>	<u>(513,160)</u>
Profit multiplied by the standard rate of corporation tax in the UK of 19% (2020 - 19%)	(97,898)	(97,500)
Effects of: Losses carried forward	<u>97,898</u>	<u>97,500</u>
Tax expense	<u>-</u>	<u>-</u>

The company has estimated tax losses of £685,000 (2020 £585,000) to carry forward against future profits.

**EAST CAMBS TRADING COMPANY LIMITED****NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)  
FOR THE YEAR ENDED 31 MARCH 2021****7. Property, plant and equipment**

	Plant & Machinery	Leasehold Improvement	Office & computer Equipment	Total
<b>Cost</b>				
As at April 1 2020	33,035	36,023	99,057	168,115
Additions	11,118	11,600	6,495	29,213
Disposals		-	(557)	(557)
As at 31 March 2021	<u>44,153</u>	<u>47,623</u>	<u>104,995</u>	<u>196,771</u>
<b>Depreciation</b>				
As at April 1 2020	4,465	7,419	35,333	47,217
Charge for the year	8,601	6,022	27,084	41,707
On disposals		-	(325)	(325)
As at March 31 2021	<u>13,066</u>	<u>13,441</u>	<u>62,092</u>	<u>88,599</u>
<b>Net Book Value</b>				
As at March 31 2021	<u>31,087</u>	<u>34,182</u>	<u>42,903</u>	<u>108,172</u>
As at March 31 2020	<u>28,570</u>	<u>28,604</u>	<u>63,724</u>	<u>120,898</u>
	Plant & Machinery	Leasehold Improvement	Office & computer Equipment	Total
<b>Cost</b>				
As at April 1 2019	19,071	35,526	91,667	146,264
Additions	28,499	497	7,890	36,886
Disposals	(14,535)	-	(500)	(15,035)
As at 31 March 2020	<u>33,035</u>	<u>36,023</u>	<u>99,057</u>	<u>168,115</u>
<b>Depreciation</b>				
As at April 1 2019	533	1,402	10,139	12,074
Charge for the year	4,235	6,017	25,290	35,542
On disposals	(303)	-	(96)	(399)
As at March 31 2020	<u>4,465</u>	<u>7,419</u>	<u>35,333</u>	<u>47,217</u>
<b>Net Book Value</b>				
As at March 31 2020	<u>28,570</u>	<u>28,604</u>	<u>63,724</u>	<u>120,898</u>
As at March 31 2019	<u>18,538</u>	<u>34,124</u>	<u>81,529</u>	<u>134,190</u>

**EAST CAMBS TRADING COMPANY LIMITED****NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)  
FOR THE YEAR ENDED 31 MARCH 2021****8. Right-of-use assets**

	Land and Buildings	Total
As at April 1 2020	263,063	263,063
Additions	-	-
Depreciation	44,401	
As at March 31 2021	<u>218,662</u>	<u>263,062</u>
As at April 1 2019	307,464	307,464
Additions	-	-
Depreciation	(44,401)	(44,401)
As at March 31 2020	<u>263,063</u>	<u>263,063</u>

The Company leases land and buildings for its offices and market square under agreements of between 6 to 10 years with, in some cases, options to extend. On renewal, the terms of the leases are renegotiated.

Details of leasing liabilities are included within note 14.

**9. Inventories**

	<b>2021</b> £	<b>2020</b> £
Work in progress	<u>32,942,744</u>	<u>30,341,716</u>

The total amount of Work in progress recognised as an expense during the year was £3,121,235 (2020: £2,104,826)

Please refer to note 13 to see details of the amounts included in Work in progress which are pledged as security for loans.

**10. Trade and other receivable**

	<b>2021</b> £	<b>2020</b> £
Trade receivables	63,052	89,892
Other taxation	63,328	60,200
Other receivables	145,001	52,278
Prepayments and accrued income	74,065	74,268
	<u>345,446</u>	<u>276,638</u>



**EAST CAMBS TRADING COMPANY LIMITED****NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)  
FOR THE YEAR ENDED 31 MARCH 2021****11. Cash and cash equivalents**

	<b>2021</b>	<b>2020</b>
	£	£
Cash at bank and in hand	207,736	88,740

**12. Trade and other payable**

	<b>2021</b>	<b>2020</b>
	£	£
<b>Current</b>		
Trade payables	1,179,959	556,556
Other taxation and social security	21,698	43,221
Other payables	141,268	105,695
Accruals and deferred income	89,285	36,188
	<u>1,432,210</u>	<u>741,660</u>

**13. Borrowings**

	<b>2021</b>	<b>2020</b>
	£	£
<b>Current:</b>		
Amounts owed to parent undertakings	-	4,220,000
Loans due within one year	9,968,589	3,613,842
	<u>9,968,589</u>	<u>7,833,842</u>
<b>Non-current</b>		
<b>Due 1 – 2 years:</b>		
Amounts owed to parent undertakings	4,900,000	
Loans due after one year	18,370,626	13,924,053
	<u>23,270,626</u>	<u>13,924,053</u>
<b>Due 2 – 5 years:</b>		
Amounts owed to parent undertakings	-	-
Loans due after one year	-	8,889,925
	<u>-</u>	<u>8,889,925</u>
	<u>33,239,215</u>	<u>30,647,820</u>

The Cambridge and Peterborough Combined Authority (CPCA) hold security on the company's land (included in Inventories- Note9) at Haddenham and the former RAF service accommodation at the Ely MOD site in relation to loans outstanding to them at the year end. At the year end the total value of the Haddenham site is valued at £5,480,509 and the former RAF service accommodation at the Ely MOD site is valued at £25,551,369.

**EAST CAMBS TRADING COMPANY LIMITED****NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)  
FOR THE YEAR ENDED 31 MARCH 2021****14. Lease Liabilities**

	<b>2021</b>	<b>2020</b>
	<b>£</b>	<b>£</b>
<b>Current:</b>		
Lease liability	43,220	41,050
<b>Non-current:</b>		
Lease liability	195,849	233,007
	<u>239,069</u>	<u>274,057</u>

Refer to note 15 for further information on financial instruments. Details of finance costs are included within note 5. Details of the right of use assets are included within note 8.

During the year Licence fees relating to a Licence to Occupy, which is not disclosed under IFRS 16, totalled £30,000 (2020: £30,000). Within non-current liabilities are lease liabilities falling due after more than 5 years totalling £30,810 (2020 - £58,542).

**15. Financial Instruments****Financial assets and liabilities**

The carrying value of the company's financial assets and liabilities as recognised at the year end of the years under review may also be categorised as follows:

	<b>Financial assets at amortised cost</b>	<b>Financial liabilities at amortised cost</b>	<b>Total carrying amount</b>
	<b>£</b>	<b>£</b>	<b>£</b>
<b>As 31 March 2021</b>			
Cash and cash equivalents	207,736	-	207,736
Trade receivables	63,052	-	63,052
Other receivables	145,001	-	145,001
Loans	-	(33,239,215)	(33,239,215)
Trade payables	-	(1,179,959)	(1,179,959)
Other payables - current	-	(141,268)	(141,268)
Total	<u>415,789</u>	<u>(34,560,442)</u>	<u>(34,144,653)</u>
	<b>Financial liabilities at amortised cost</b>	<b>Financial liabilities at amortised cost</b>	<b>Total carrying amount</b>
	<b>£</b>	<b>£</b>	<b>£</b>
<b>As 31 March 2020</b>			
Cash and cash equivalents	88,740	-	88,740
Trade receivables	89,892	-	89,892
Other receivables	126,546	-	126,546
Loans	-	(30,647,820)	(30,647,820)
Trade payables	-	(556,556)	(556,556)
Other payables - current	-	(141,881)	(141,881)
Total	<u>305,178</u>	<u>(31,346,257)</u>	<u>(31,041,079)</u>

## EAST CAMBS TRADING COMPANY LIMITED

### NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 MARCH 2021

#### 15. Financial Instruments (continued)

##### Credit risk

Credit risk is the risk of financial loss to the company if a customer or counterparty to a financial instrument fails to meet its contractual obligations, and arises principally from the company's receivables from customers and balances at financial institutions.

The company's exposure to credit risk in the property development division is limited as title to any property sold does not pass until funds are received.

For the grounds maintenance division, the major customer is a local authority and the sole shareholder of the company so the risk is perceived to be low. The remaining customers are predominantly also local authorities.

For the markets division, the customers are individual market stall vendors and each debt is relatively small. Most vendors have been trading with the company, and its local authority predecessor for a number of years.

The company held cash and cash equivalents of £207,736 at 31 March 2021 (£88,740 at 31 March 2020). The cash and cash equivalents are held at NatWest Bank which is rated A- to A at leading credit rating agencies and so the company considers these to have a low credit risk.

##### Liquidity risk

Liquidity risk is the risk that the company will not be able to meet its financial obligations as they fall due. The company's policy throughout the year has been to ensure that it has adequate liquidity to meet its liabilities when due by careful management of its working capital.

	Less than one year	More than one year	Total
	£	£	£
<b>2021</b>			
Trade and other payables	1,321,227	-	1,321,227
Borrowings	9,968,589	23,270,626	33,239,215
	<u>11,400,799</u>	<u>23,270,626</u>	<u>34,671,425</u>

	Less than one year	More than one year	Total
	£	£	£
<b>2020</b>			
Trade and other payables	741,660	-	741,660
Borrowings	7,833,842	22,813,978	30,647,820
	<u>8,575,502</u>	<u>22,813,978</u>	<u>31,389,480</u>

##### Fair values

The carrying amounts of all financial assets and liabilities of the company as disclosed in the notes to the financial information are approximately their fair values.

##### Capital management

The company's objectives when managing capital are to safeguard the company's ability to continue as a going concern in order to provide returns for shareholders, benefits for other stakeholders and to maintain an optimal capital structure to reduce the cost of capital with an appropriate level of leverage

## EAST CAMBS TRADING COMPANY LIMITED

### NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 MARCH 2021

#### 15. Financial Instruments (continued)

for the size of the business so as to maintain investor, creditor and market confidence and to sustain future development of the business. In order to maintain or adjust the capital structure, the company may return capital to shareholders, issue new shares or sell assets to reduce debt.

On initial application of IFRS 9, the company has not recognised any additional impairment allowance at the start or during the financial year due to the low level of credit risk it is exposed to.

#### 16. Share capital

	2021 £	2020 £
<b>Share classified as equity</b>		
<b>Allotted, called up and fully paid</b>		
1 Ordinary share of £1	1	1
	<u>1</u>	<u>1</u>

#### 17. Pension commitments

The company operates a defined contribution pension scheme. The assets of the scheme are held separately from those of the company in an independently administered fund. The pension cost charge represents contributions payable by the company to the fund and amounted to £58,774 (2020 - £49,601).

Contributions totalling £11,865 (2020 - £9,294) were payable to the fund at the year end and are included in creditors.

#### 18. Related Party Transactions

In line with paragraph 25 of IAS24, the company has taken advantage of the exemption from the requirement to disclose transactions with East Cambridgeshire District Council (ECDC) and connected companies due to the control exercised by ECDC by virtue of it being the only shareholder.

The company has loans of £4,990,000 (2020 £4,220,000) due to ECDC between March 31 2023 and July 31 2023 lent at an interest rate fixed at 3.5%.

#### 19. Details of Parent Undertaking

The ultimate parent undertaking is East Cambridgeshire District Council, registered address The Grange, Nutholt Lane, Ely, Cambridgeshire, CB7 4EE

**EAST CAMBS TRADING COMPANY LIMITED****NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)  
FOR THE YEAR ENDED 31 MARCH 2021****20. Note to the cash flow statement**

	<b>2021</b> £	<b>2020</b> £
Profit / (Loss) before tax	(515,252)	(513,160)
Depreciation	86,108	79,544
Interest received	(1,085)	-
Interest expense (including charge to inventories)	567,974	688,086
	<u>137,745</u>	<u>254,470</u>
Decrease/(Increase) in inventories	(2,601,028)	(27,220,033)
Decrease/(Increase) in trade and other receivables	(68,808)	(21,265)
(Decrease)/Increase in trade and other payables	690,550	390,940
<b>Net cash outflow from operating activities</b>	<u><u>(1,841,541)</u></u>	<u><u>(26,595,888)</u></u>

**21. Reserves**

The following is a description of each of the reserve accounts that comprise equity shareholders' funds:

Share capital                      The share capital comprises the issued ordinary shares of the company at par.

Retained earnings                Retained earnings comprise the Company's cumulative accounting profits and losses since inception.

**22. Events after the reporting period**

No matter or circumstance has arisen since 31 March 2021 that has significantly affected, or may significantly affect the Company's operations, the results of those operations, or the Company's state of affairs in future financial years

**EAST CAMBS TRADING COMPANY LIMITED****NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)**  
**FOR THE YEAR ENDED 31 MARCH 2021****23. Changes in liabilities arising from financing activities**

	<b>Lease liability £</b>	<b>Bank loans £</b>	<b>Total £</b>
Balance at 1 April 2019	319,097	4,620,000	4,939,097
Net cash used in financing activities	(45,040)	(1,700,000)	(1,745,040)
Acquisition of leases	-	-	-
Loan advance	-	27,727,820	27,727,820
	<hr/>	<hr/>	<hr/>
Balance at 1 April 2020	274,057	30,647,820	30,921,877
Net cash used in financing activities	(34,988)	(3,035,213)	(3,070,193)
Acquisition of leases	-	-	-
Loan advance	-	5,626,608	5,626,608
	<hr/>	<hr/>	<hr/>
Balance at 31 March 2021	<u>239,077</u>	<u>33,239,215</u>	<u>33,478,292</u>

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**TITLE: GENDER PAY REPORTING 2020/21**

Committee: Finance and Assets Committee

Date: 5<sup>th</sup> October 2021

Author: Nicole Pema, HR Manager

[W73]

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1.0 ISSUE

1.1 To provide the Committee with some measurable data on gender pay at the Council.

2.0 RECOMMENDATION(S)

2.1 It is recommended that the Committee notes the content of the information report.

3.0 BACKGROUND

3.1 The gender pay gap is the difference in the average hourly wage of all men and women across a workforce. If women do more of the less well paid jobs within an organisation than men, the gender pay gap is usually bigger.

3.2 Gender pay reporting legislation requires employers with 250 or more employees to publish statutory calculations every year showing how large the pay gap is between their male and female employees.

3.3 For the purposes of gender pay reporting, the definition of who counts as an employee is set out in the regulations and follows the definition in the Equality Act 2010. This is known as an extended definition which includes casual employees as well as some self-employed people.

3.4 There are six calculations to carry out, and the results must be published on the employer's website and a government website within 12 months.

3.5 As the Council has fewer than 250 employees, we are not required to comply with the regulations but Members have requested some measureable data to be provided on gender pay. For the purposes of this report, only three of the six figures have been calculated – (1) mean gender pay gap in hourly pay; (2) median gender pay gap in hourly pay; and (3) proportion of males and females in each pay quartile. Calculations are based only on employees on the Council's establishment.

4.0 FINDINGS

4.1 The gender pay gap shows the difference between the **average** (mean or median) earnings of men and women. Mean is the difference between the average of men's and women's pay. Median is the difference between the midpoints in the ranges of men's and women's pay.

- 4.2 As at 31 March 2021, the women’s mean hourly rate was £15.46 per hour, 8.9% lower than the male’s mean hourly rate of £16.98 per hour. In other words when comparing mean hourly rates, women earn £0.91 for every £1 that men earn.
- 4.3 As at 31 March 2021, the women’s median hourly rate was £13.47 per hour, 10.7% lower than the male’s median hourly rate of £15.08 per hour. In other words when comparing median hourly rates, women earn £0.89 for every £1 that men earn.
- 4.4 In order to calculate the proportion of males and females in each pay quartile, employees were ranked from highest to lowest paid and divided into 4 equal parts (quartiles) – Upper Quartile; Upper Middle Quartile; Lower Middle Quartile; and Lower Quartile. Table 1 sets out the percentage of men and women in each of the quartiles.

Table 1: % of Males and Females in each Quartile as at 31/03/2021

Quartile	Males (%)	Females (%)
Upper	22 (47%)	25 (53%)
Upper Middle	10 (21%)	37 (79%)
Lower Middle	16 (34%)	31 (66%)
Lower	12 (26%)	35 (74%)

- 4.5 As at 31 March 2021, there were 188 employees on the Council’s establishment, comprising of 128 females and 60 males.
- 4.6 In the last 3 years, the Council’s gender pay gap has changed as follows:

Year	Mean	Median
2018/19	6.1%	4.7%
2019/20	8.8%	13.4%
2020/21	8.9%	10.7%

- 4.7 Some conclusions that can be drawn from the evidence above are:
- The Council has effective recruitment practices in place as evidenced by the high proportion of female staff – 128 (68%) in the workforce.
  - The Council has effective promotion practices in place as evidenced by the high number of females in the Upper (53%) and Upper Middle (79%) Quartiles.
  - The Council has a very high number of female staff in the Lower Quartile – 35 (74%) compared to only 12 males (26%). This quartile includes Cleaners, Administrative Assistants and Reprographics staff which often attracts females with caring responsibilities.
  - The Council has a male Chief Executive.
- 4.8 Tables 2, 3 and 4 provide a comparison of the Council’s gender pay gap against other local authorities for the last 3 years.



Table 2: Gender Pay Gap Comparison data 2018/19

Employer	Employer Size	Difference in hourly rate		Proportion of women in each pay quartile			
		Mean	Median	Lower Quartile	Lower Middle Quartile	Upper Middle Quartile	Upper Quartile
East Cambridgeshire District Council	Less than 250	6.1%	4.7%	70.8%	66.7%	73%	57.4%
South Cambridgeshire District Council	500-999	-5.9%	-13.2%	23.1%	53.8%	62.3%	53.8%
St Edmundsbury Borough Council	250-499	-0.5%	0%	40%	53.2%	52.6%	51.2%
Cambridge City Council	500-999	3.2%	5.9%	59%	51%	47%	49%
Fenland District Council	500-999	10.9%	-9%	45%	67%	77%	49%
Huntingdonshire District Council	1000-4999	5.5%	0%	55%	51.8%	54.7%	48.6%
Cambridgeshire County Council	5000-19,999	13%	19%	85.5%	85.4%	77.3%	71.6%

Table 3: Gender Pay Gap Comparison data 2019/20

Employer	Employer Size	Difference in hourly rate		Proportion of women in each pay quartile			
		Mean	Median	Lower Quartile	Lower Middle Quartile	Upper Middle Quartile	Upper Quartile
East Cambridgeshire District Council	Less than 250	8.8%	13.4%	78%	65%	74%	57%
South Cambridgeshire District Council	500-999	-6.6%	-19.4%	25%	56.2%	61.3%	56.2%
St Edmundsbury Borough Council	250-499	-0.8%	-5.8%	37.6%	56.1%	54.8%	50.8%
Cambridge City Council	500-999	2.5	5.5	61.1	62.9	62	55.3
Fenland District Council	500-999	9.4	0	36	67	64	46
Huntingdonshire District Council	1000-4999	4.8	0	53.6	54.3	57.7	48.6
Cambridgeshire County Council	5000-19,999	8.3	8.9	82.8	81.4	77.2	72

Table 4: Gender Pay Gap Comparison data 2020/21

Employer	Employer Size	Difference in hourly rate		Proportion of women in each pay quartile			
		Mean	Median	Lower Quartile	Lower Middle Quartile	Upper Middle Quartile	Upper Quartile
East Cambridgeshire District Council	Less than 250	8.9%	10.7%	74%	66%	79%	53%
South Cambridgeshire District Council	500-999	NOT YET REPORTED					
St Edmundsbury Borough Council	250-499	NOT YET REPORTED					
Cambridge City Council	500-999	0.3%	4.8%	49%	52%	43%	47%
Fenland District Council	500-999	NOT YET REPORTED					
Huntingdonshire District Council	1000-4999	2.7%	0%	51.4%	54.3%	55.7%	52.7%
Cambridgeshire County Council	5000-19,999	7%	9%	83.3%	80.4%	78.5%	72.7%

## 5.0 FINANCIAL IMPLICATIONS/EQUALITY IMPACT ASSESSMENT

5.1 There are no costs associated with this report.

5.2 An Equality Impact Assessment (EIA) is not required.

## 6.0 APPENDICES

None

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### Background Documents

Gender Pay Gap Reporting: Make your calculations – GOV.UK

[www.acas.org.uk/genderpay](http://www.acas.org.uk/genderpay)

Salary data for the Council's workforce as at 31/03/2021

Gender Pay Gap: Employer Comparison – GOV.UK

### Location

Room 118, The Grange, Ely

### Contact Officer

Nicole Pema  
HR Manager  
(01353) 616325

E-mail:

[nicole.pema@eastcamb.gov.uk](mailto:nicole.pema@eastcamb.gov.uk)

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**TITLE: ASSETS UPDATE**

Committee: Finance & Assets Committee

Date: 5 October 2021

Author: Director Commercial and Open Spaces & Facilities Manager

[W74]

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1.0 ISSUE

1.1 To receive an update on Council owned assets.

2.0 RECOMMENDATION

2.1 Members are requested to:

- i) note the update on Council owned assets, and
- ii) note the expenditure tracking sheet at Appendix 1.

3.0 BACKGROUND/OPTIONS

3.1 On 26 September 2019 (Agenda Item 16) Finance & Assets Committee received a report detailing Council owned assets which provided a summary of each asset. This report provides an update to assets contained within that report.

3.2 The Asset Management budget for 2021/22 is £141,918. The expenditure tracking sheet at Appendix 1 identifies areas of planned spend and provides an update on actual spend to date. Members will continue to receive the expenditure tracking sheet as part of the Asset Update.

3.3 In March 2022 the Finance & Assets committee will be presented with the 2022/23 Asset Management plan for approval and will thereafter receive updates on progress and spend against the approved plan.

3.4 **Key Updates on Council owned assets**

3.4.1 Site known as Mepal Outdoor Centre

The planning application for the proposed crematorium has now been submitted. The planning application can be viewed via public access. The planning reference number is 21/01216/F3M.

The planning application for the demolition of buildings has now been submitted. The planning application can be viewed via public access. The planning reference number is 21/01054/DEM.

4.0 FINANCIAL IMPLICATIONS/EQUALITY IMPACT ASSESSMENT/CARBON IMPACT ASSESSMENT

4.1 There are no financial implication arising from this report.

4.2 An Equality Impact Assessment (EIA) is not required.

4.3 A Carbon Impact Assessment (CIA) is not required.

5.0 APPENDICES

5.1 Appendix 1- Asset Spend Tracker

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<u>Background Documents</u>	<u>Location</u>	<u>Contact Officer</u>
Finance & Assets Committee- 26 September 2019- Agenda Item 16	Room 106, The Grange, Ely	Spencer Clark Open Spaces & Facilities Manager (01353) 616960 E-mail: <a href="mailto:spencer.clark@eastcambs.gov.uk">spencer.clark@eastcambs.gov.uk</a>

Asset	Budgeted Expenditure	Nature of Work	Actual Expenditure	Notes
<b>Public Car Parks</b>				
	2,597.00	White Lining - Newnham Street/ Barton Road	2,597.00	
	13,500.00	Fishermans Car Park - Re surfacing		
		Replacement Drainage Gullies Barton Road		Awaiting Quote
		Replacement Drainage Gullies Newnham Street		Awaiting Quote
		Replacement Drainage Gullies Forehill		Awaiting Quote
	101.50	Remarking of Bays in Market Area - Barton Road	101.5	
	2,500.00	General Pot Hole Repairs		
	3,000.00	Streetlight maintenance		
<b>Total Public Car Parks</b>	<b>21,698.50</b>		<b>2,698.50</b>	
<b>Closed Churchyards</b>				
	6,000.00	Wall repairs and memorial stone removal and replacement - St Marys - Ely	7,177.96	
	536.96	Wilburton - Refurbish gate	536.96	
	5,000.00	St Mary's Burwell - Path repair	3,250.00	
	165.00	Littleport Ch - Wall repair Upton Place	165.00	
	780.00	Littleport Church Pier repair	780.00	
	8,100.00	Lt Thetford Church wall repair	8,100.00	
<b>Total Closed Churchyards</b>	<b>20,581.96</b>		<b>20,009.92</b>	
<b>Littleport Depot</b>				
	1,553.90	Repairs to roller shutter doors	1,553.90	
	490.95	Door replacement	490.95	
<b>Total Littleport Depot</b>	<b>2,044.85</b>		<b>2,044.85</b>	
<b>Play Areas</b>				
	583.00	Collier Close - replacement platform	583.00	
	3,657.30	Resurfacing- Jubilee Gardens	3,657.30	
<b>Total Play Areas</b>	<b>4,240.30</b>		<b>4,240.30</b>	
<b>Public Conveniences</b>				
	5,000.00	Annual Deep Cleaning of all Public Toilets		
	5,000.00	Refurbishment as identified		
<b>Total Public Conveniences</b>	<b>10,000.00</b>		<b>0.00</b>	

Asset	Budgeted Expenditure	Nature of Work	Actual Expenditure	Notes
<b>Public Footpaths/Open Spaces</b>				
	5,000.00	Footpath repairs (Various)		
	5,000.00	District Streetlights Maintenance		
<b>Total Public Footpaths/Open Space</b>	<b>10,000.00</b>		<b>0.00</b>	
<b>The Grange</b>				
	4,480.00	Repair to small flat roof	4,965.07	
	288.75	White line rear car park	288.75	
<b>Total The Grange</b>	<b>4,768.75</b>		<b>5,253.82</b>	
<b>Travellers Sites</b>				
<b>Total Wentworth Travellers Site</b>	<b>0.00</b>			
<b>Unit 6 St Thomas Place</b>				
<b>Total Unit 6 St Thomas Place</b>	<b>0.00</b>		<b>0.00</b>	
<b>Unit 8 St Thomas Place</b>				
<b>Total Unit 8 St Thomas Place</b>	<b>0.00</b>		<b>0.00</b>	
<b>70 Market Street, Ely</b>				
	300.00	Remedial works if required		
<b>Total 70 Market Street, Ely (CAB)</b>	<b>300.00</b>		<b>0.00</b>	
<b>72 Market Street, Ely</b>				
	300.00	Remedial works if required		
<b>Total 72 Market Street, Ely (Cambs Acre)</b>	<b>300.00</b>		<b>0.00</b>	
<b>74 Market Street, Ely</b>				
	300.00	Remedial works if required		
<b>Total 74 Market Street, Ely (Registry Office)</b>	<b>300.00</b>		<b>0.00</b>	
<b>Cemetery Lodge</b>				
	2,000.00	Fencing repairs		
	7,000.00	External decoration (+Scaffold Hire)		
<b>Total Cemetery Lodge</b>	<b>9,000.00</b>		<b>0.00</b>	

Asset	Budgeted Expenditure	Nature of Work	Actual Expenditure	Notes
<b>Ely Museum</b>				
Total Ely Museum	0.00		0.00	
<b>St Johns Road Garages</b>				
	10,000.00	Replacement garage door programme		
Total St Johns Road Garages	10,000.00		0.00	
<b>The Old Barn, Littleport</b>				
Total The Old Barn, Littleport	0.00		0.00	
<b>Mepal Outdoor Centre</b>				
	11,471.40	Site security cameras	11,471.40	
	48,000.00	Demolition of buildings	47,846.00	
Total Mepal Outdoor Centre	59,471.40		59,317.40	
<b>Other</b>				
Total Other	0.00			
<b>Periodic Inspections, Surveys, Valuations &amp; Misc. Projects</b>				
	10,000.00	Contingency		
Total Misc. Projects	10,000.00		0.00	
<b>Valuation of Assets (end of year financial accounts)</b>				
Total Valuation of Assets	0.00		0.00	

Total Budgeted Expenditure	162,705.76	Spend to Date	93,564.79
Asset Management Budget	141,918.00		
Section 106	25,337.00		
<b>Asset Budget Remaining</b>	<b>4,549.24</b>		





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**HEALTH AND SAFETY ANNUAL REPORT 2020/21**

Committee: Finance & Assets Committee

Date: 5 October 2021

Author: Open Spaces & Facilities Manager

[W75]

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1.0 ISSUE

1.1 To provide Members with the Health & Safety Annual Report for 2020/21.

2.0 RECOMMENDATION

2.1 Members are requested to note the Health and Safety Annual Report 2020/21 as set out in Appendix 1.

3.0 BACKGROUND

3.1 The Health and Safety Annual Report 2020/21 (Appendix 1) provides a summary of East Cambridgeshire District Council (Council), East Cambs Trading Company (ECTC) and East Cambs Street Scene (ECSS) health and safety performance to the end of the financial year 2020/21 and sets out the commitments relating to health and safety for the year 2021/22.

3.2 The annual report demonstrates that the Council, ECTC and ECSS show strong commitment to the health and safety for their workforce and others who may be affected by their activities.

3.3 The Council employs 188 employees (full, part-time and casual) which equates to 158 full time equivalent employees in varied roles and exposed to similarly varied risks. ECTC employs 23 full/part-time staff which equates to 19.95 full time equivalent employees. ECSS employs 66 full-time staff.

3.4 The annual report includes details on the following:

- Analysis of accidents statistics by:
  - Accident totals by kind
  - Accident totals Service/Public
  - Reportable Accidents
- Key activities undertaken
- Training courses delivered
- Health and safety emergency arrangements
- Progress against health and safety actions for 2020/21
- Summary of the health and safety actions for 2021/22

3.5 Please note that the Council does not take responsibility for Health & Safety matters relating to ECTC and ECSS. Each organisation is responsible for their own health and safety obligations.

4.0 FINANCIAL IMPLICATIONS/EQUALITY IMPACT ASSESSMENT/CARBON IMPACT ASSESSMENT

4.1 There are no financial implications arising from this report.

4.2 An Equality Impact Assessment is not required.

4.3 A Carbon Impact Assessment is not required.

5.0 APPENDICES

5.1 Appendix 1- Health and Safety Annual Report 2020/21.

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<u>Background Documents</u>	<u>Location</u>	<u>Contact Officer</u>
None	Room 106 The Grange, Ely	Spencer Clark Open Spaces & Facilities Manager (01353) 665555 E-mail: <a href="mailto:spencer.clark@eastcambs.gov.uk">spencer.clark@eastcambs.gov.uk</a>

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# Health and Safety Annual Report

**2020/2021**



EAST CAMBRIDGESHIRE  
DISTRICT COUNCIL



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# Corporate Health and Safety Annual Report

## 2020/2021

### 1. EXECUTIVE SUMMARY

This combined report is a statement of East Cambridgeshire District Council, East Cambs Trading Company Ltd (ECTC) and East Cambs Street Scene Ltd (ECSS) health and safety performance to the end of the financial year 2020/21 and of the intentions with regard to health and safety for the year 2021/22. It demonstrates the three organisations strong commitment to the health and safety of its workforce and to others who may be affected by their activities.

The Council (ECDC) employs 188 employees (full, part-time and casual) which equates to 158 full time equivalent employees in varied roles and exposed to similarly varied risks.

East Cambs Trading Company (ECTC) employs 23 full/part-time staff which equates to 19.95 full time equivalent employees.

East Cambs Street Scene (ECSS) employs 66 full-time staff.

Each organisation is responsible for their own Health and Safety obligations.

#### 1.1 Progress against the Health and Safety Action Plan 2020/21

The Coronavirus Pandemic has had a significant impact on the planned objectives for the year e.g. training of staff, conducting inspections etc. However, good progress has still been made over the last 12 months to deliver the objectives as set out in the health and safety action plan for 2020/21, see Action Plan (Appendix 1) for full details. Some of the actions are highlighted below:

- Corporate buildings were made 'COVID Secure' for staff and visitors.
- An analysis of all accidents and their consequent actions has been undertaken.
- The Accident Incident Rate (based on 100 per employees) was 4.5 compared to 5.46 for the previous year.
- Health and Safety training was delivered to a total of 53 staff.
- A summary of actions planned for 2021/22 is listed in Section 5 of this report.

### 2. KEY ACTIVITIES

#### 2.1 Coronavirus COVID-19 Pandemic

The Coronavirus Pandemic began its impact across the UK during March 2020 when the first national lockdown was implemented. East Cambridgeshire District Council has been fully committed and involved in responding to the Pandemic across the district of East Cambridgeshire, however, this report concentrates specifically on the response to corporate Council buildings and protecting staff safety.

The Government published guidance in May 2020 for various types of workplaces which employers were required to implement to ensure their workplaces and employees were safe. The guidance relating to Council buildings is: [Working Safely during Coronavirus - Offices and Contact Centres](#).

In summary this has involved the following measures:

- Conducting COVID-19 risk assessments for each of our occupied buildings to identify the various risks and required control measures for COVID-19. This included assessing the safe capacity for each building, office/room.
- Implementing social distancing requirements (2m or 1m with additional control measures). Removing from use workstations where this distance could not be achieved, restricting capacities to offices, meeting rooms and kitchens etc.
- Introducing enhanced cleaning regimes (employment of additional cleaners, providing anti-bacterial cleaning materials for staff to clean down their workstations etc).
- Ensuring adequate ventilation is provided within buildings to dissipate any COVID-19 virus circulating in the air, by keeping open windows, switching off air conditioning systems where fresh air is not introduced within the system.
- Putting in place Test and Trace requirements for recording who was in the buildings during the past 21 days for staff, contractors and visitors.
- Identifying 'vulnerable' staff and putting in place suitable controls to ensure their safety e.g. working from home.
- Considering the mental health and well-being of all staff and providing support mechanisms to assist anyone requiring support through the Pandemic.

## 2.2 Codes of Practice (COP) Review

A key part of the function of Corporate Health and Safety is the provision of policies, codes of practice and guidance to provide managers and employees with the necessary support to meet their health and safety obligations.

The Council has a programme of ongoing review and implementation to support effective health and safety management. The below COPs were revised/implemented during the year:

- Accident/Near Miss Reporting COP
- Asbestos Management COP
- Contractor Management COP
- Display Screen Equipment COP
- Control of Hand Arm and Vibration at Work COP
- Security Threats COP

## 2.3 Training

Health and safety training needs are identified in a number of ways including regular one to ones, team meetings and through the Council's Health and Safety Working Group. The Health and Safety / Emergency Planning Manager also ensures that training is compliant and consistent with our duties and legal responsibilities.

A rolling training programme is produced for the year, which takes into consideration training needs identified in 1:1's and provides refresher training on a regular basis and courses for new employees.

Due to the COVID-19 Pandemic, planned health and safety training was significantly impacted, however, as the national lockdown is eased further training will be arranged during 2021/22.

The following health and safety training courses were delivered during the year:

<b>Course Type</b>	<b>Numbers Trained</b>	<b>Comment</b>
Display Screen Equipment (DSE) Assessor	16	Knowledge and skills to undertake workstation assessments.
Health and Safety in Offices E-learning	29	All new staff who are office based are required to complete this course.
First Aid at Work (3 Days)	1	Qualification to become competent as a qualified First Aider.
Emergency First Aid at Work (1 Day)	7	Qualification to become competent in administering emergency first aid.
<b>Total:</b>	<b>53</b>	

Training is also supported by on the job training within all service areas, but in particular at the higher risk sites such as Portley Hill Depot (ECSS and ECTC). Training at the Depot is delivered in a number of ways including 'Tool Box Talks' which are brief practical sessions for employees on site.

Other types of training also include for example induction training specific to the job role, tasks and equipment used, driver Certificate of Professional Confidence (CPC) training. The ultimate aim of the training is to ensure that the job is carried out in the correct safe manner to reduce the accident rate.

## **2.4 Health and Safety Emergencies**

### **2.4.1 Fire Safety**

The Regulatory Reform (Fire Safety) Order 2005 requires employers to have a strategy to evacuate all occupants within a building. As part of the Council's fire safety arrangements nominated staff are trained as Fire Wardens. They perform essentially two roles, ongoing assessment of fire hazards and risks during their normal daily work tasks, and in the event of an evacuation conduct a sweep of their allocated fire zone to ensure all persons have safely evacuated.

With reduced staff working at the Grange during the COVID pandemic, the role of the Fire Warden has been revised so that all staff can potentially undertake this role and 'sweep' their work area to confirm cleared.

All Council occupied buildings undergo a six-monthly no-notice fire evacuation drill to test response and procedures.

### **2.4.2 First Aid**

The Health and Safety (First-Aid) Regulations 1981 require employers to provide adequate and appropriate equipment, facilities and personnel to ensure their employees receive immediate attention if they are injured or taken ill at work.

As part of this requirement, the Council provides two levels of first aid trained staff in its buildings. At the Grange, staff are fully trained First Aiders and are required to undergo three days initial training with re-qualification every three years.

At the Depot and Business Centres, staff are trained in Emergency First Aid at Work, which is a one-day training course with re-qualification every three years.

### Numbers of First Aid Trained Staff

Location	First Aider Qualified	Emergency First Aid at Work Qualified
Grange	4	1
Portley Hill Depot	-	3
E-Space North & South	1	-

### 2.4.3 Mental Health First Aiders

Eight staff from across the Council have been trained and accredited by Mental Health First Aid England to assist staff/people who are experiencing mental health issues.

Mental Health First Aiders are trained to be able to:

- Understand the important factors affecting mental health;
- Identify the signs and symptoms for a range of mental health conditions;
- Listen non-judgementally and hold supportive conversations using the Mental Health First Aid action plan;
- Signpost people to professional help.

### 2.5 Health and Safety Working Group

The Council has a Health and Safety Working Group to ensure that there is a corporate approach to relevant issues. The group meets on a quarterly basis with representation across the Council/ECSS/ECTC including a Corporate Director, Human Resources, Health and Safety and Trade Union representatives.

The Group reviews and comments on codes of practice, reports and supports the Corporate Health and Safety / Emergency Planning Manager in determining the Council's priorities in health and safety.

### 2.6 Occupational Health

The external Occupational Health provider has continued to meet the organisation's requirements for dealing with and promoting health at work issues. The core functions of Occupational Health are work-health assessment screening, sickness absence management and health promotion.

We work closely with the Occupational Health Advisor to provide a proactive health surveillance programme to required staff following the risk assessment process. This is based on a two-yearly programme of health surveillance checks, consisting of skin surveillance, hand-arm vibration, audiometry, vision screening and general life-style check.

The programme of health surveillance checks in 2020 was impacted by the COVID-19 Pandemic but will commence again once national lockdown measures are eased.



The services that are part of the health surveillance checks are as follows:

- ECDC Facilities/Maintenance
- East Cambs Street Scene (ECSS)
- East Cambs Trading Company (ECTC)

### 3. PERFORMANCE

#### 3.1 Accident Totals by Kind

The table below sets out the accident figures by kind.

Kind	Annual Total 2017/18	Annual Total 2018/19	Annual Total 2019/20	Annual Total 2020/21	Benchmark Fenland 2020/21	Benchmark Cambs City 2020/21
Contact with machinery	0	0	0	0	0	1
Struck by moving object	2	1	0	1	0	2
Struck by moving vehicle	0	0	0	1(1*)	0	1
Strike against Fixed object	3	0	5	0	4(2*)	0
Slip, trip, fall same level	3	2	4	0	9(3*)	9(2*)
Lifting & handling injuries	0	4	0	2	1(1*)	4
Injured by an animal	1	0	1	0	1	0
Fall from height	1	0	1(1*)	0	1	0
Physical Assault	0	0	0	0	0	0
Contact with electricity	0	0	0	0	0	0
Burns/scalds	0	0	1	0	0	0
Contact with hazardous substance	0	0	0	0	0	1
All other kinds & unspecified	6	6	4	7	5	1
<b>Total</b>	<b>16</b>	<b>13</b>	<b>16(1*)</b>	<b>11(1*)</b>	<b>21(6*)</b>	<b>19(2*)</b>
<b>Incident Rate per 100 FTE employees</b>	5.46	4.43	5.46	4.5	7.55	<i>Data not available for 2020/21</i>

\*RIDDORS (reportable injuries)

Key points to consider from the figures presented in the above table are:

- The total number of accidents has remained low over the past year with a total of 11 accidents recorded. The largest cause of accidents was “Other Kind/Unspecified” with 7 recorded, followed by “Lifting and Handling” injuries with 2 recorded.
- The Incident Rate gives a more accurate benchmark of accident statistics, and is calculated based on the accident rate per 100 employees (full time equivalent), and shows a slight decrease to 4.5 compared with 5.46 from the previous year.

### 3.2 Accident Totals by Organisation / Public

Corporately the number of accidents reported by employees, agency staff within each organisation/service and public is set out in the following table:

Organisation	Annual Total 2017/18	Annual Total 2018/19	Annual Total 2019/20	Annual Total 2020/21
ECDC	3	2	5	2
ECTC (Parks Team)	10	6	6	4
ECSS (Street Scene)	N/a	5	2	5
Public	3	0	3	0
<b>Total</b>	<b>16</b>	<b>13</b>	<b>16</b>	<b>11</b>

The largest number of accidents occurred within East Cambs Street Scene (ECSS) with five reported during the past year. The number of accidents with East Cambs Trading Company (ECTC) was slightly down compared to the three previous years.

Injuries involving members of the public have remained low over the past few years, with none recorded during 2020/21. Where these have occurred, they predominately involve slips/trips occurring on Council properties or sites. Action has been taken to address the causes of these accidents where reasonably practicable to reduce the risks of similar incidents from occurring in the future.

### 3.3 Reportable RIDDOR Injuries, Illnesses and Dangerous Occurrences Involving Council/ECSS/ECTC Employees

Type	Annual Total 2017/18	Annual Total 2018/19	Annual Total 2019/20	Annual Total 2020/21	Fenland DC 2020/21	Cambs City 2020/21
RIDDOR Accidents	0	0	1	1	6	2

These figures are for injuries, illnesses and dangerous occurrences that are reportable to the Health and Safety Executive (HSE). There was one accident (road traffic accident) involving an ECSS refuse vehicle that was reportable to the HSE (*off work for more seven days*).

Where RIDDOR accidents do occur, they are subject to an internal health and safety investigation which is undertaken to identify the causes and make recommendations for any required control measures where appropriate.

### 3.4 Number of Employee Lost Working Days

Type	Annual Total 2017/18	Annual Total 2018/19	Annual Total 2019/20	Annual Total 2020/21
Number of work - related days lost	0	1	0	60

There were a total of 60 days lost due to work-related accidents during 2020/21. This was for six employees and a breakdown of these lost working days are shown in the following table.

#### Details of Lost Working Days

Accident Kind	Organisation / Team	Incident Details	Number of Lost Working Days
Road Traffic Accident	East Cambs Street Scene	Refuse vehicle with crew of three collided head on with articulated vehicle travelling in opposite direction. Driver of other vehicle died from his injuries. ECSS crew suffered shock but no physical injuries.	32 (total for two staff)
Sharps Injury	East Cambs Street Scene	Collecting refuse sacks and received sharps injury to hand from cut plastic sheet. Cut required hospital treatment.	23
Manual Handling	East Cambs Street Scene	Lifting refuse sacks and pulled muscle in right shoulder.	03
Manual Handling	East Cambs Street Scene	Lifting refuse sacks into vehicle and suffered pain in lower back from muscle strain.	01
Other Kind	East Cambs Trading Company	Cut fingers while cutting hedge with saw. Attended A & E for treatment.	01

### 3.5 Work Related Ill-Health Days Lost

Lost working time statistics through ill-health are gathered and produced separately via the Human Resources team.

### 3.6 Conclusions from Accident Data

Accident statistics continue to remain low as shown in the tables for the past three years. 'Other Kind / Unspecified', and 'Manual Handling Injuries' are the biggest contributors to the accident statistics and the statistics also show the relative contribution of services to these figures.

Training and other interventions remain in place to address the areas of highest injury. We also continue to focus on areas which are generally not contributing to the accident data but which have great potential to cause serious injury and must therefore not be overlooked. Such areas include asbestos/legionella management, fire safety and contractor management.

#### **4. HEALTH AND SAFETY PERFORMANCE TO MARCH 2021**

An ongoing Action Plan to monitor the corporate health and safety goals is established. The goals established for 2020/21 and the extent to which they have been met is set out in Appendix 1.

Work continues to drive forward improvements in health and safety management where required.

#### **5. HEALTH AND SAFETY ACTIONS FOR 2021/22**




In 2021/22 the emphasis will be to support managers and staff to continue good standards of health and safety, whilst operating a shared service with Fenland District Council, (three days per week at Fenland and two days per week at East Cambridgeshire).

A summary of some of the work planned for 2021/22 is provided below:

- Revision of the Codes of Practice as required under the three yearly revision programme.
- Development of an Employee Health and Safety Handbook.
- Delivery of a corporate health and safety training programme.
- Co-ordinate meetings of the Council's Health and Safety Working Group
- Undertake inspections of individual services/teams/buildings as required.
- Update intranet-based health and safety information for staff use.

## Appendix 1 - Health and Safety Action Plan for 2020/21

### KEY - RAG indicator

	No action yet taken
	Action progressing towards completion
	Action completed

Progress Against Action Plan (to March 2021)			
Action	Progress	Status	Target Date
Conducting COVID-19 risk assessments for each of our occupied buildings to identify the various risks and required control measures for COVID-19 as required under Government issued guidance.	Risks assessments undertaken and continually updated in line with national issued guidance. Various control measures introduced to ensure safety of staff and other persons. Refer to Section 2.1 of report for more detailed information.	All corporate buildings are 'COVID Secure'.	Ongoing
Undertake a programme of health and safety audits/inspections of buildings and services.	Programme of building inspections (Grange, Portley Hill Depot, E-Space North/South) undertaken. External fire risk assessments also completed for these buildings as required under statutory requirements.	Completed.	March 2021
Delivery of a corporate health and safety training programme across the Council.	Training programme delivered during the past year; refer to Section 2 of this report for further details.	Completed	Completed
Co-ordinate the delivery of the Health Surveillance programme across the Council in conjunction with the Occupational Health Advisor.	Delivery of a face-to-face health surveillance programme by the Council's occupational health provider was suspended due to the COVID pandemic, but will re-commence as the national control measures are eased.	In progress	Ongoing
Review and update the Council's Accident / Near Miss Reporting code of practice.	Revised Accident / Near Miss code of practice guidance introduced to comply with legislation requirements.	Completed.	April 2020
Review and update the Council's code of practice on Asbestos Management.	Revised Asbestos Management code of practice guidance introduced to comply with legislation requirements.	Completed.	January 2021

<b>Progress Against Action Plan (to March 2021)</b>			
<b>Action</b>	<b>Progress</b>	<b>Status</b>	<b>Target Date</b>
Review and update the Council's Contractor Management code of practice and procedures.	Revised code of practice guidance introduced to comply with legislation requirements.	Completed.	April 2020
Review and update the Council's code of practice on Display Screen Equipment.	Revised code of practice guidance introduced to comply with legislation requirements.	Completed.	January 2021
Review and update the Council's code of practice on Control of Hand Arm and Vibration.	Revised code of practice guidance introduced to comply with legislation requirements for the control of hand arm vibration.	Completed.	January 2021
Review and update the Council's code of practice on Security Threats.	Revised code of practice guidance introduced to comply with legislation requirements.	Completed.	February 2021
Co-ordinate meetings of the Council's Health and Safety Working Group	Meetings held on a quarterly basis to set priorities and co-ordinate work programmes for the Council.	Ongoing	Ongoing
Update and improve intranet-based health and safety information for staff use.	Review of information held on intranet underway, future improvements will need to be completed in conjunction with the HR team.	Continue to review and update information held/displayed.	Ongoing

**TITLE: FINANCE REPORT**

Committee: Finance & Assets Committee

Date: 5<sup>th</sup> October 2021

Author: Finance Manager

[W76]

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1. ISSUE

1.1 This report provides Members with budget monitoring information for services under the Finance & Assets Committee and then, as part of its corporate remit, for the Council as a whole.

2. RECOMMENDATION (S)

2.1 Members are requested to approve the additions to the 2021/22 budget in relation to slippages from 2020/21 and the additional disabilities facilities grant as detailed in paragraphs 3.7 to 3.9 of the report and on the slippage and additions columns on Appendix 3.

2.2 Members are asked to note:

- this Committee has a projected yearend underspend of £23,100 when compared to its approved revenue budget of £5,276,679.
- that overall the Council has a projected yearend underspend of £73,100 when compared to its approved revenue budget of £14,313,335.
- that the overall position for the Council on Capital is a projected outturn of £4,760,444, which is in line with the revised budget (subject to approval of 2.2 above).

3. BACKGROUND / OPTIONS

3.1 Under Financial Regulations, each policy committee is required to consider projections of financial performance against both its revenue and capital budget on a quarterly basis, with this Committee further considering the overall Council position.

3.2 This is the first report for the 2021/22 financial year and details actual expenditure incurred and income received as at 30<sup>th</sup> June 2021 and projections as to the yearend position at this time.

3.3 Appendix 1 details the overall revenue position for both this Committee and the Council overall. In appendix 1 the budgets under the stewardship of this

Committee are shown in detail, with then the position for the Operational Services Committee and the funding lines shown in summary.

- 3.4 The detailed revenue position for the Operational Services Committee is shown in appendix 2. There are two forecast variations being reported at this time, but the net position is that the Committee will come in in-line with its net budget.
- 3.5 With regard to Finance & Assets Committee, the significant variances of actual spend compared to profiled budgeted spend at the end of June 2021, where no variance is forecast for yearend, are detailed below:

<b>Service</b>	<b>Variance £</b>	<b>Explanation</b>
Corporate Management Local Plans Financial Services	(149,163) (89,284) (30,466)	These budgets have accruals from 2020/21 that remain unpaid or have external income brought forward into 2021/22
Economic Development	(63,191)	The income received from Cambridgeshire County Council for Wi-Fi implementation has not all been spent, but costs will be incurred throughout the year. Furthermore, occupancy at the e-space centres increased in the first quarter of 20/21.
Parks & Gardens	113,994	Recharges to ECTC are actioned quarterly in arrears
Interest & Financial Transactions	18,794	Bank charges were higher and interest received lower in the first quarter than forecast
Member & Committee Support	(11,434)	Staff savings in the first quarter
Miscellaneous Finance	239,070	Insurance costs temporarily held on this code, but will be distributed to appropriate costs centre during the second quarter
Parking of Vehicles	(14,661)	The underspend relates to some business rate payments being outstanding, but income in the first quarter remained below budget as the impact of the pandemic continued, the Government compensation scheme remained in place for the first quarter of 2021/22 and the Council will be making a claim against this in due course
Payroll	11,941	Additional IT License costs in the first quarter



Housing Strategy Reprographics	(40,716) (11,373)	Staff Savings in the first quarter
Local Elections Registration of Electors	(25,320) (36,239)	Roll over of income from 2020/21 to fund future elections
Cost of Other Elections	254,250	This relates to payments in advance for Mayoral Elections which will be recovered
Sport & Recreation	(154,594)	We have received a National Leisure Recovery Fund payment, this is to support leisure services in the District and will be forwarded onward to the trusts and academies that run the facilities during this financial year
COVID-19	(212,765)	This relates to ringfenced Government grants that have been received and will be either forwarded on to businesses or spent in 2021/22

3.6 Explanations for the forecast yearend variances reported for this Committee are detailed in the table below:

<b>Service</b>	<b>Variance £</b>	<b>Explanation</b>
Land Charges Admin	(15,000)	Increased income over the first quarter, this forecast is based on income received so far
Public Conveniences	(16,800)	There is a saving expected on public conveniences business rates as such properties have been deemed by Government to be zero rated moving forward
Management Team	20,000	The secondments of senior staff to the Combined Authority ended earlier than budgeted, resulting in less income being received than had been forecast
Miscellaneous Finance	(11,300)	More leisure centre costs were met from CIL in 2020/21 than forecast, which has resulted in reduced debt costs in the current year
Other Government Grants	(50,000)	We have been given extra administration (new burden) funding this year to facilitate the government business grants scheme.

## **Capital**

- 3.7 The Council's capital programme for 2021/22 (appendix 3) has had £461,301 slippage from 2020/21 applied. Committee is asked to approve the carry forward of this slippage as it relates to underspends in 2020/21 caused by timing issues, as opposed to genuine underspends on schemes. This funding is therefore needed in 2021/22 in order to fund the expenditure that is still expected to be incurred.
- 3.8 The £461,301 of funding to be carried forward relates to a number of schemes; the main two being; disabled facilities grant (where there is a time delay between funding being allocated to schemes and the actual work being undertaken, this was particularly the case last year because of the pandemic, resulting in a large number of schemes needing to be completed this year) and the purchase of land off Lisle Lane, Ely from the Environment Agency which is now expected to take place later this year.
- 3.9 The Council has further been awarded £608,471 of disability facilities grant in 2021/22, this is £81,894 more than expected when the budget was set. This has been added to the budget as additional funding, and again requires Committee's approval before it can be spent.
- 3.10 The revised capital programme for the Council is therefore £4,760,444. There are no yearend variations forecast at this time.

## **4 ARGUMENTS / CONCLUSIONS**

- 4.1 The projected net revenue expenditure for the Council is forecast to be £14,290,235 in 2021/22. This would give an underspend of £73,100 compared to the Council's approved budget.
- 4.2 The projected Capital Outturn for the Council stands at £4,760,444. This is the same as the revised budget, as there are no yearend variances forecast at this point in the year.

## **5 FINANCIAL IMPLICATIONS / EQUALITY AND CARBON IMPACT ASSESSMENTS**

- 5.1 There is a revenue underspend of £73,100 compared to this Council's approved budget, all things being equal, this will be paid into the Surplus Savings Reserve at yearend and provide additional budget support in future years.
- 5.2 Equality Impact Assessment (INRA) not required.
- 5.3 Carbon Impact Assessment (CIA) not required.

## 6 APPENDICES

- 6.1 Appendix 1 – Summary Budget Monitoring – June 2021
- Appendix 2 – Operational Services Budget Monitoring – June 2021
- Appendix 3 – Capital Budget Monitoring – June 2021
- Appendix 4 – Reserve Balances – June 2021

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<u>Background Documents</u>	<u>Location</u>	<u>Contact Officer</u>
Council Budget as approved by Council on the 23 <sup>rd</sup> February 2021	Room 104 The Grange Ely	Ian Smith Finance Manager Tel: (01353) 616470 E-mail: <a href="mailto:ian.smith@eastcambs.gov.uk">ian.smith@eastcambs.gov.uk</a>

## FINANCE &amp; ASSETS COMMITTEE BUDGET MONITORING REPORT - 30th June 2020

	Total Budget 2021-22	Profiled Budget to 30 June 2021	Actual to 30 June 2021	Variance	Projected Outturn	Variance between Total Budget & Projected Outturn
Revenue	£		£	£	£	£
Asset Management	141,918	--	15	(15)	141,918	--
Award Ditches	9,006	2,252	--	(2,252)	9,006	--
Civic Relations	22,542	5,645	3,780	(1,865)	22,542	--
Closed Churchyards	29,668	7,417	1,244	(6,173)	29,668	--
Community Safety	--	--	--	--	--	--
Community Transport	15,000	--	--	--	15,000	--
Corporate Management	274,503	78,110	(71,053)	(149,163)	274,503	--
Cost of Other Elections	--	--	254,250	254,250	--	--
Council Tax Accounting	423,191	59,100	53,761	(5,339)	423,191	--
Crematorium	--	--	6,950	6,950	--	--
Data Management	100,992	25,255	20,501	(4,754)	100,992	--
Depot Services	(66,300)	(16,575)	(16,575)	--	(66,300)	--
Economic Development	31,649	29,301	(33,890)	(63,191)	31,649	--
Financial Services	347,842	84,269	53,803	(30,466)	347,842	--
General Gang	82,556	21,318	9,646	(11,672)	82,556	--
Health & Safety (Work)	22,566	2,000	--	(2,000)	22,566	--
Housing Benefits	336,367	84,091	122,359	38,268	336,367	--
Housing Strategic	229,737	89,934	49,218	(40,716)	229,737	--
Human Resources	209,337	51,879	52,126	247	209,337	--
Interest & Financial Transactions	(31,859)	9,279	28,073	18,794	(31,859)	--
Internal Audit	72,822	--	--	--	72,822	--
Land Charges Admin	(41,268)	(8,667)	(42,057)	(33,390)	(56,268)	(15,000)
Legal	240,531	58,332	65,661	7,329	240,531	--
Leisure Centre	(241,113)	6,250	--	(6,250)	(241,113)	--
Local Elections	22,500	--	(25,320)	(25,320)	22,500	--
Local Plans	95,000	23,750	(65,534)	(89,284)	95,000	--
Management Team	364,685	65,111	71,670	6,559	384,685	20,000
Member & Committee Support	531,290	132,455	121,021	(11,434)	531,290	--
Mepal Outdoor Centre	44,000	29,000	24,677	(4,323)	44,000	--
Miscellaneous Properties	(45,157)	(10,432)	(12,087)	(1,655)	(45,157)	--
Miscellaneous Finance	761,012	4,316	243,386	239,070	749,712	(11,300)
Museums - Old Gaol House	--	545	1,128	583	--	--
NNDR Collection Costs	45,170	36,552	34,433	(2,119)	45,170	--
Office Accommodation	354,203	157,091	159,366	2,275	354,203	--
Oliver Cromwell House	--	--	--	--	--	--
Out Of Hours call out Service	12,000	3,000	1,212	(1,788)	12,000	--
Parking Of Vehicles	64,131	124,133	109,472	(14,661)	64,131	--
Parks And Gardens Team	334,862	97,041	211,035	113,994	334,862	--
Payroll	70,665	17,626	29,567	11,941	70,665	--
Public Conveniences	154,013	51,204	22,095	(29,109)	137,213	(16,800)
Refuse Collection	--	--	11,193	11,193	--	--
Registration of Electors	53,371	8,554	(27,685)	(36,239)	53,371	--
Reprographics	116,170	28,358	16,985	(11,373)	116,170	--
Sport & Recreation	89,077	(14,443)	(169,037)	(154,594)	89,077	--
Covid 19	--	--	(212,765)	(212,765)	--	--
<b>Finance &amp; Assets Committee Total</b>	<b>5,276,679</b>	<b>1,343,051</b>	<b>1,102,624</b>	<b>(240,457)</b>	<b>5,253,579</b>	<b>(23,100)</b>
<b>Operational Services Committee</b>	<b>5,800,107</b>	<b>1,041,284</b>	<b>(638,430)</b>	<b>(1,685,693)</b>	<b>5,800,107</b>	<b>--</b>
<b>Other Spend</b>						
Parish Precepts	2,524,650	1,262,325	1,260,666	(1,659)	2,524,650	--
Internal Drainage Boards	512,018	256,009	253,361	(2,648)	512,018	--
Movement in Corporate Reserves	199,881	--	--	--	199,881	--
<b>Revenue Budget Total</b>	<b>14,313,335</b>	<b>3,902,669</b>	<b>1,978,221</b>	<b>(1,930,457)</b>	<b>14,290,235</b>	<b>(23,100)</b>
<b>Funding</b>						
Council Tax	(6,809,287)	--	--	--	(6,809,287)	--
Revenue Support Grant	(11,829)	--	--	--	(11,829)	--
Business Rates	(4,140,702)	--	--	--	(4,140,702)	--
Other Government Grants (NHB / RSG etc.)	(1,278,869)	(709,607)	(876,407)	(166,800)	(1,328,869)	(50,000)
Budgeted draw from Surplus Savings Reserve	(2,072,648)	--	--	--	(2,072,648)	--
	<b>(14,313,335)</b>	<b>(709,607)</b>	<b>(876,407)</b>	<b>(166,800)</b>	<b>(14,363,335)</b>	<b>(50,000)</b>
<b>Revenue Total</b>	<b>--</b>	<b>3,193,062</b>	<b>1,101,814</b>	<b>(2,097,257)</b>	<b>(73,100)</b>	<b>(73,100)</b>

## OPERATIONAL SERVICES COMMITTEE BUDGET MONITORING REPORT - JUNE 2021

Revenue	Total Budget 2021-22	Profiled Budget to 30 June 2021	Actual to 30 June 2021	Variance	Projected Outturn	Variance between Total Budget & Projected Outturn
	£	£	£	£	£	£
Building Regulations	17,696	3,711	(10,137)	(13,848)	17,696	
CIL	--	--	(1,241,950)	(1,241,950)	--	
Civic Amenities Act	11,671	2,293	2,279	(14)	11,671	
Climate Change	100,000		5,979		100,000	
Community Projects & Grants	179,585	36,949	84,897	47,948	179,585	
Community Safety	57,002	16,433	(56,248)	(72,681)	57,002	
Cons.Area & Listed Buildings	60,967	15,241	16,038	797	60,967	
Customer Services	460,037	118,005	110,606	(7,399)	460,037	
Dog Warden Scheme	34,443	8,798	7,559	(1,239)	34,443	
Ely Markets	--	--	--	--	--	
Emergency Planning	28,374	2,033	8,173	6,140	28,374	
Environmental Issues	91,486	20,773	20,627	(146)	91,486	
Health - Admin. & Misc.	410,201	99,405	104,245	4,840	410,201	
Homelessness	343,080	(439,978)	(734,390)	(294,412)	333,080	(10,000)
IT	801,664	334,491	324,561	(9,930)	801,664	
Licencing	2,499	357	(4,359)	(4,716)	2,499	
Marketing & Grants	70,094	48,438	40,136	(8,302)	70,094	
National Practitioner Support Programme	--	--	--	--	--	
Neighbourhood Panels	1,500	375	--	(375)	1,500	
Nuisance Investigation	75,315	18,829	20,247	1,418	75,315	
Performance Management	10,400	2,600	--	(2,600)	10,400	
Pest Control	9,341	2,335	2,256	(79)	9,341	
Planning	6,808	1,285	(105,647)	(106,932)	6,808	
Public Relations	75,917	18,979	3,308	(15,671)	75,917	
Refuge Recycling	1,006,700	251,675	270,468	18,793	1,006,700	
Refuse Collection	1,201,511	300,378	299,748	(630)	1,201,511	
Renovation Grants	--	--	--	--	--	
Street Cleansing	703,258	175,815	175,815	--	703,258	
Street Naming & Numbering	6,841	1,710	2,289	579	6,841	
Travellers Sites	(22,000)	(13,528)	8,810	22,338	(12,000)	10,000
Tree Preservation	55,717	13,882	6,260	(7,622)	55,717	
<b>Revenue Total</b>	<b>5,800,107</b>	<b>1,041,284</b>	<b>(638,430)</b>	<b>(1,685,693)</b>	<b>5,800,107</b>	<b>--</b>

## CAPITAL BUDGET MONITORING 2021/22

Capital	Published Budget 2021-22 £	Slippage from 2020-21 £	Approved Additions £	Revised Budget 2021-22 £	Actual at 30th June 2021 £	Forecast Outturn £	Variance between Revised Budget & Forecast Outturn £
<b>OPERATIONAL SERVICES</b>							
Conservation Area Schemes - 2nd round		27,506		27,506		27,506	0
Refuse & Cleansing Vehicles	2,000,000			2,000,000		2,000,000	0
Waste - Wheelied Bins	40,000			40,000	13,396	40,000	0
Depot	845,950			845,950		845,950	0
Mandatory Disabled Facilities Grants	697,299	370,595	81,894	1,149,788	(262,978)	1,149,788	0
Empty Properties, Discretionary DFGs, Minor Works, Home Repair Asst.	75,000			75,000	(31,179)	75,000	0
Vehicle Etc. Replacements	29,000			29,000	7,750	29,000	0
Leisure Centre				0	(188,038)	0	0
<b>Operational Services Total</b>	<b>3,687,249</b>	<b>398,101</b>	<b>81,894</b>	<b>4,167,244</b>	<b>(461,049)</b>	<b>4,167,244</b>	<b>0</b>
<b>FINANCE &amp; ASSETS</b>							
East Cambs Trading Company - New loan facility	100,000	(100,000)		0		0	0
A14 Contribution	40,000			40,000		40,000	0
Extension to Ely Country Park		163,200		163,200		163,200	0
Loan to EC CLT			390,000	390,000		390,000	0
<b>Finance &amp; Assets Total</b>	<b>140,000</b>	<b>63,200</b>	<b>390,000</b>	<b>593,200</b>	<b>0</b>	<b>593,200</b>	<b>0</b>
<b>Total</b>	<b>3,827,249</b>	<b>461,301</b>	<b>471,894</b>	<b>4,760,444</b>	<b>(461,049)</b>	<b>4,760,444</b>	<b>0</b>

SOURCES OF FINANCING	Published Budget 2021-22 £	Slippage from 2020-21 £	Approved Additions £	Revised Budget 2021-22 £	Variations £	Forecast Outturn £
<b>Operational Services</b>						
Grants / Contributions (DFG)	526,577		81,894	608,471	0	608,471
Capital Receipts	265,722	398,101		663,823	0	663,823
Borrowing	2,845,950	0		2,845,950	0	2,845,950
Section 106 / CIL	49,000			49,000	0	49,000
<b>Operational Services Total</b>	<b>3,687,249</b>	<b>398,101</b>	<b>81,894</b>	<b>4,167,244</b>	<b>0</b>	<b>4,167,244</b>
<b>Finance &amp; Assets</b>						
Capital Receipts		0		0	0	0
Section 106 / CIL	40,000	163,200		203,200	0	203,200
Borrowing	100,000	(100,000)	390,000	390,000	0	390,000
<b>Finance &amp; Assets Total</b>	<b>140,000</b>	<b>63,200</b>	<b>390,000</b>	<b>593,200</b>	<b>0</b>	<b>593,200</b>
<b>Capital Funding Total</b>	<b>3,827,249</b>	<b>461,301</b>	<b>471,894</b>	<b>4,760,444</b>	<b>0</b>	<b>4,760,444</b>

Capital Resources Forecast	Published Budget 2021-22 £	Slippage from 2020-21 £	Approved Additions £	Revised Budget 2021-22 £	Variations £	Outturn £
Balance Brought Forward	839,305	633,023		1,472,328		1,472,328
Add receipts from Sales of Assets	50,000			50,000	0	50,000
Less Capital Receipts Applied	(265,722)	(398,101)		(663,823)	0	(663,823)
<b>Capital Reserves Carried Forward</b>	<b>623,583</b>	<b>234,922</b>	<b>0</b>	<b>858,505</b>	<b>0</b>	<b>858,505</b>

Borrowing	Published Budget 2021-22 £	Slippage from 2020-21 £	Approved Additions £	Revised Budget 2021-22 £	Variations £	Outturn £
Balance Brought Forward	11,178,003	(126,774)		11,051,229		11,051,229
Less MRP Applied	(392,496)			(392,496)	11,352	(381,144)
Add additional Borrowing Applied	2,945,950	(100,000)	390,000	3,235,950	0	3,235,950
<b>Borrowing Carried Forward</b>	<b>13,731,457</b>	<b>(226,774)</b>	<b>390,000</b>	<b>13,894,683</b>	<b>11,352</b>	<b>13,906,035</b>

## Reserve Accounts

Description	2021/22			
	Opening Balance 1 April	Transfers to Reserve	Contributions from Reserve	Forecast Balance 31 March
	£	£	£	£
District Elections	22,500	22,500		45,000
Historic Buildings Grants	6,190			6,190
Housing Conditions Survey	45,000	5,000		50,000
Building Control	23,155			23,155
Change Management	249,223		(5,353)	243,870
Major Project Development	100,000			100,000
Asset Management	0			0
Surplus Savings Reserve	7,836,516	73,100	(2,072,648)	5,836,968
Vehicle Replacements	89,187			89,187
New Homes Bonus	0			0
Leisure Centre - sinking fund	87,722	78,127		165,850
Insurance	0			0
IT	80,000	10,000		90,000
CIL	5,223,174	1,200,000	(800,000)	5,623,174
CIL Admin	226,560		(50,000)	176,560
Care and Repair	45,000			45,000
Wheeled Bins Reserve	0			0
Community Fund Reserves	30,884		(16,000)	14,884
Housing	79,547			79,547
Affordable Housing	412,510	53,200		465,710
General Fund Balance	1,045,629	5,353		1,050,982
Commercial Invest to Save	20,000			20,000
CLT Grant Applications	20,000			20,000
Travellers' Sites	0	40,762		40,762
Enterprise Zone NNDR	389,617	146,681		536,298
Cambridgeshire Horizons	0	3,891,500		3,891,500
Climate Change	39,422		(39,422)	0
Other				
Section 106 Agreements	3,358,535		(500,000)	2,858,535
Internal Borrowing	(11,051,229)	(2,845,950)	392,496	(13,504,683)
<b>Total Reserves</b>	<b>8,379,141</b>	<b>2,680,273</b>	<b>(3,090,927)</b>	<b>7,968,488</b>

<b>Reserves for Statement of Accounts</b>	16,071,835	5,526,223	(2,983,423)	18,614,636
<b>General Fund</b>	1,045,629	5,353	0	1,050,982
<b>CIL</b>	5,223,174	1,200,000	(800,000)	5,623,174
<b>Earmarked Reserves</b>	9,803,032	4,320,870	(2,183,423)	11,940,480
<b>Increase / (decrease) in Earmarked Reserves</b>				2,137,448





**TITLE: Medium Term Financial Strategy Update**

Committee: Finance & Assets Committee

Date: 5<sup>th</sup> October 2021

Author: Finance Manager

[W77]

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1 ISSUE

- 1.1 To provide Committee with an update on the Medium Term Financial Strategy (MTFS) since the 2021/22 budget was approved in February 2021.

2 RECOMMENDATIONS

- 2.1 Members are requested to note the contents of this report.

3 BACKGROUND

- 3.1 The Council approved the budget for 2021/22 and with it the MTFS for 2022/23 to 2024/25 at its meeting on the 23<sup>rd</sup> February 2021. At that point, via the use of its Surplus Savings Reserve, the Council had a balanced budget for 2021/22 and 2022/23, but with then significant savings to be found in the following years.
- 3.2 While the Council did not put up Council Tax in 2021/22, the MTFS was built on the basis that the Council would put Council Tax up by the maximum of £5 per year from 2022/23 onwards. This assumption remains in the papers now presented.

4 CHANGES TO THE PLAN SINCE FEBRUARY 2021

- 4.1 The Council ended the 2020/21 financial year with an underspend of £2,165,572 this has been added to the Surplus Savings Reserve and is available to support the MTFS in future years.
- 4.2 The Council is also forecasting an underspend of £73,100 in 2021/22, it has been assumed that this will be able to be added to the Surplus savings Reserve at the end of this year, so again has been included in these MTFS papers.
- 4.3 On the 7<sup>th</sup> September 2021, the Chancellor published a letter stating that a three year Spending Review will take place to cover the years 2022/23 to 2024/25, to conclude on the 27<sup>th</sup> October 2021, alongside the Autumn Budget. The Spending review will determine the overall resources made available to each of the Departments of Government, including local government, for the above years.
- 4.4 At this point Government have not announced timescales for the Fair Funding Review for local government, this (in simple terms) is the process for dividing up the money made available to local government in the Spending Review, between the respective councils. Members will remember that this should have happened in April 2020, but was delayed initially by Brexit and more recently by Covid 19 and

should be taking place in April 2022. However, most commentators, now believe that timescales to hit this deadline are too tight and are expecting a further delay.

4.5 As a district council with high Business Rate growth in the past few years, we believe that a full base reset of Business Rates, expected to be part of the Fair Funding Review processes, is going to be bad news for us, so the potential delay could provide us with some up-side in 2022/23.

4.6 One further change, is the Government have announced that Business Rates will no longer be payable on public toilets. This will provide a cost saving for the Council.

## 5 ASSUMPTIONS MADE

### 5.1 Spending Review / Fair Funding Review

In 4.3 above, I have highlighted the Spending Review will take place in the Autumn. At this time, all the Government's spending departments will be bidding for resources and with the Government having incurred massive costs to get the Country through the pandemic, it is far from clear what will be available in total and for local government specifically.

As no decision has yet been announced regarding if the Fair Funding Review will take place this year, I have assumed in the figures in this report that it will still take place, as this remains the Government's official position. On that basis, the Government grants expected by the Council remain those detailed for 2022/23 in the budget approved in February. I will of course change these, if necessary, once, a formal announcement is made.

Clearly the situation will be monitored throughout the autumn period and the budget report to be presented to Finance and Assets Committee in January, will have full details of all Government Funding announced at that point.

### 5.2 Council Tax

The Council and all the other preceptors determine, as part of their budget preparations, how much they wish to collect in Council Tax and set their tax level in February, prior to the year of collection, at a value to ensure that the required amount is collected. In year, this Council (as the collection authority) will pay across to the other preceptors and indeed ourselves, the budgeted value from the Council Tax Collection Fund.

The amount of Council Tax collect is determined by two factors, the Council Tax value for a band D property as determined by the Council and the number of band D equivalent properties in the District.

At the time of calculating the number of band D equivalent properties for 2021/22, there was an expectation that unemployment would rise significantly in the Country as a consequence of the pandemic, especially at the point that the Government's job retention scheme, introduced to protect jobs, was wound down. With this in-turn increasing the number of residents claiming Local Council Tax Support, thus reducing the Council tax-base and the amount of Council Tax collected.

Twelve months on, and while the job retention scheme remains active, the amount of unemployment across the Country has not risen to the rates forecast and is not now expected to do so, even when the scheme is finally withdrawn in the next few months. In-turn the number of band D equivalent properties has not declined and Council Tax receipts for 2021/22 are coming in above forecast. More work will be done on this in the coming months, but it is now anticipated that Council Tax levels will be higher than forecast in the current year's budget.

It is assumed at this stage that the value of Council Tax in 2022/23 for a band D property will be £147.14, a £5 increase on the amount charged in 2021/22, as detailed in the budget approved by Council in February 2021. It should however be noted that the Government decide each year, the maximum amount any council can put up Council Tax without having a referendum, for district councils like ourselves, this has been £5 for a number of years, but there is no guarantee at this time, that this limit will continue.

### 5.3 Business Rates

The Business Rate reliefs provided by Government for businesses in the retail, leisure, hospitality and child nursery sectors initially in 2020/21, were extended into 2021/22 although not at the 100% offered in the initial year. The expectation at this point, is that they will need to start paying the full cost again in 2022/23. In 2021/22 the shortfall in the amount that the Council is collecting as a result of these reliefs, is being funded by Government by the use of Section 31 Grant.

Councils are required to prepare a report to Government (called the NNDR1) by the end of January each year, detailing the amount of Business Rates they anticipating collecting during the following financial year. The final budget presented to Council in February will reflect the figures detailed in this return, but for now, the figures in the attached match those detailed in the previously approved budget.

Again, if the Fair Funding review does go ahead, then the amount of Business Rates which the Council retains within its own accounts, will be greatly changed, but for now, until the situation is confirmed, no changes have been made to that previously approved.

### 5.4 Inflation

As with previous years, pay and major contract inflation will be assumed to be 2% for 2022/23, however, where specific knowledge is known about a specific contract and this varies from the norm, an appropriate amount of inflation will be built into the budget.

More general budgets, such as for materials and equipment, will have no inflation provision added to them, this will be consistent with previous years.

## 6 IMPACT ON THE MTFS

6.1 As detailed above, it is very difficult at this time to forecast the longer term implications on the Council's finances, with the major unknowns being around the

forthcoming Comprehensive Spending Review, the Fair Funding Review for local government and Council Tax and Business Rate receipts.

- 6.2 The figures detailed in appendix 1, therefore need to be treated with great caution, these will be updated further during the coming months as further information becomes available, with the Finance Manager updating Finance and Assets Committee when appropriate.
- 6.3 The figures presented however show that the 2022/23 financial year remains balanced via the use of the Surplus Savings Reserve, and there is very little chance of that situation changing. But that there is a saving requirement of £1.945 million in 2023/24.
- 6.4 While therefore the Council is not expecting any issues with being able to publish a legal budget for 2022/23, work must start now on plans to make savings or increasing income levels in 2022/23, to reduce the draw from the Surplus Savings Reserve in that year, so that further funds are available in the future.
- 6.5 To this end, options to resolve the budget shortfalls in future years come from:
- Efficiencies in the cost of service delivery
  - Reductions in service levels
  - Increased income from fees and charges
  - Increased commercialisation via its trading companies

## 7 APPENDIX

- 7.1 Appendix 1 – MTFs Model as at 1<sup>st</sup> September 2021

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<b><u>Background Documents</u></b>	<b><u>Location</u></b>	<b><u>Contact Officer</u></b>
2021/22 Budget as approved by Council on the 23 <sup>rd</sup> February 2021, Agenda item 10	Room 104 The Grange Ely	Ian Smith Finance Manager (01353) 616470 E-mail: <a href="mailto:ian.smith@eastcambs.gov.uk">ian.smith@eastcambs.gov.uk</a>

**DRAFT BUDGET 2022-23**

	Budget 2021-22 £	Estimate 2022-23 £	Estimate 2023-24 £	Estimate 2024-25 £	Estimate 2025-26 £
Committees:					
Operational Services	5,558,994	<b>6,119,564</b>	6,208,534	6,312,265	6,433,608
Finance & Assets	5,517,792	<b>5,514,217</b>	5,722,490	5,827,417	5,931,173
Net District Spending	11,076,786	<b>11,633,781</b>	11,931,024	12,139,682	12,364,781
New Homes Bonus Grant	-540,959	<b>-179,636</b>	0	0	0
Rural / Lower Tier Services Grant	-274,640	<b>0</b>	0	0	0
Covid-19 Grant	-463,270	<b>0</b>	0	0	0
Internal Drainage Board Levies	512,018	<b>520,034</b>	530,435	541,044	551,865
Contributions to / from Corporate Reserves	199,881	<b>171,601</b>	146,681	146,681	146,681
Net Operating Expenditure	10,509,816	<b>12,145,780</b>	12,608,140	12,827,407	13,063,327
Contribution from Surplus Savings Reserve	-2,072,648	<b>-3,663,246</b>	-2,173,722	0	0
Savings to be identified	0	<b>0</b>	-1,944,688	-3,892,431	-3,883,530
ECDC Budget Requirement	8,437,168	<b>8,482,534</b>	8,489,730	8,934,976	9,179,797
Parish Council Precepts	2,521,330	<b>2,584,363</b>	2,648,972	2,715,196	2,783,076
<b>DISTRICT BUDGET REQUIREMENT</b>	<b>10,958,498</b>	<b>11,066,897</b>	<b>11,138,702</b>	<b>11,650,172</b>	<b>11,962,873</b>
<u>Financed by:</u>					
Council's share of Collection Funds Surplus/De	191,008	<b>132,686</b>	201,376	0	0
Revenue Support Grant	-11,829	<b>0</b>	0	0	0
Locally retained Non-Domestic Rates	-3,687,369	<b>-3,389,158</b>	-3,233,142	-3,238,729	-3,238,729
Plus: NNDR from Renewable Energy	-674,728	<b>-674,728</b>	-674,728	-674,728	-674,728
<b>COUNCIL TAX REQUIREMENT</b>	<b>6,775,580</b>	<b>7,135,697</b>	<b>7,432,208</b>	<b>7,736,715</b>	<b>8,049,416</b>

	Estimate 2021-22 £	Estimate 2022-23 £	Estimate 2023-24 £	Estimate 2024-25 £	Estimate 2024-25 £
Unallocated Surplus Savings Reserve					
In hand at 1st April	7,836,516	<b>5,836,968</b>	2,173,722	0	0
Movement in year	-1,999,548	<b>-3,663,246</b>	-2,173,722	0	0
In hand at 31st March	5,836,968	<b>2,173,722</b>	0	0	0

<b>IMPLIED BAND 'D' COUNCIL TAX</b> (District only i.e. excluding parish levies)					
Demand on Collection Fund as above	6,775,580	<b>7,135,697</b>	7,432,208	7,736,715	8,049,416
Less Parish Precepts as above	2,521,330	<b>2,584,363</b>	2,648,972	2,715,196	2,783,076
	4,254,250	<b>4,551,334</b>	4,783,236	5,021,519	5,266,340
Council Tax Base	29,930.0	<b>30,932.0</b>	31,439.7	31,955.7	32,480.2
District Council Tax - Band D	142.14	<b>147.14</b>	152.14	157.14	162.14



**FINANCE & ASSETS COMMITTEE**  
**ANNUAL AGENDA PLAN**

**AGENDA ITEM NO 14**

**LEAD OFFICER: Emma Grima, Director Commercial**

**DEMOCRATIC SERVICES OFFICER: Caroline Evans**

<b>Meeting: Thursday 25 November 2021 (4:30pm)</b>		<b>Meeting: Monday 24 January 2022 (4:30pm)</b>		<b>Meeting: Thursday 24 March 2022 (4:30pm)</b>	
<b>Report deadline: 4pm Mon 15 Nov 2021</b>		<b>Report deadline: 4pm Wed 12 January 2022</b>		<b>Report deadline: 4pm Mon 14 March 2022</b>	
Agenda despatch: Wed 17 November 2021		Agenda despatch: Fri 14 January 2022		Agenda despatch: Wed 16 March 2022	
Chairman's Announcements	Chairman	Chairman's Announcements	Chairman	Chairman's Announcements	Chairman
<i>Actions taken by the Chief Executive on the grounds of urgency (if any)</i>	DSO	<i>Actions taken by the Chief Executive on the grounds of urgency (if any)</i>	DSO	<i>Actions taken by the Chief Executive on the grounds of urgency (if any)</i>	DSO
Forward Agenda Plan	DSO	Forward Agenda Plan	DSO	Forward Agenda Plan	DSO
<i>Write off of unrecoverable debt (if any)</i>	Finance Manager & S151 Officer	<i>Write off of unrecoverable debt (if any)</i>	Finance Manager & S151 Officer	<i>Write off of unrecoverable debt (if any)</i>	Finance Manager & S151 Officer
Assets Update	Open Spaces & Facilities Mgr	Assets Update	Open Spaces & Facilities Mgr	Assets Update	Open Spaces & Facilities Mgr
Treasury Management Update	Finance Manager & S151 Officer	<i>Bus, Cycle, Walk WP notes (if any)</i>	DSO	ECTC Annual Business Plan 2022/23	
<i>Bus, Cycle, Walk WP notes (if any)</i>	DSO	<i>Appointments, Transfers, Resignations [EXEMPT]</i>	HR Manager	2022/23 Asset Management Plan	Open Spaces & Facilities Mgr
Annual Infrastructure Funding Statement (prior to publication)	Dir. Commercial	2022/23 Annual Treasury Mgt Strategy MRP & AIS	Finance Mgr & S151 Officer	<i>ECTC Board Meeting Minutes (if any) [EXEMPT]</i>	DSO
<i>ECTC Half Yearly Report</i>		Finance Report	Finance Mgr & S151 Officer	<i>Bus, Cycle, Walk WP notes (if any)</i>	DSO
ECTC Management Accounts (July-Sept 2021) [EXEMPT]	ECTC Finance Manager	Revenue Budget 2022/23	Finance Mgr & S151 Officer		
<i>ECTC Board Meeting Minutes (if any) [EXEMPT]</i>	DSO	ECTC Management Accounts (Oct-Dec 2021) [EXEMPT]	ECTC Finance Manager		
CIL/S106 Income & Expenditure Update	Dir. Commercial	<i>ECTC Board Meeting Minutes (if any) [EXEMPT]</i>	DSO		
Finance Report	Finance Manager & S151 Officer				

Notes: 1. Agenda items which are likely to be "urgent" and therefore not subject to call-in are marked \*  
2. Agenda items in italics are provisional items / possible items for future meetings.

**FINANCE & ASSETS COMMITTEE**  
**ANNUAL AGENDA PLAN**

**AGENDA ITEM NO 14**

**LEAD OFFICER(S): Emma Grima, Director Commercial**

**DEMOCRATIC SERVICES OFFICER: Caroline Evans**

<b>Meeting: June 2022 (tbc)</b>		<b>Meeting: July 2022 (tbc)</b>		<b>Meeting: Oct 2022 (tbc)</b>	
<b>Report deadline: (tbc)</b>		<b>Report deadline: (tbc)</b>		<b>Report deadline: (tbc)</b>	
Agenda despatch: (tbc)		Agenda despatch: (tbc)		Agenda despatch: (tbc)	
Chairman's Announcements	Chairman	Chairman's Announcements	Chairman	Chairman's Announcements	Chairman
<i>Actions taken by the Chief Executive on the grounds of urgency (if any)</i>	DSO	<i>Actions taken by the Chief Executive on the grounds of urgency (if any)</i>	DSO	<i>Actions taken by the Chief Executive on the grounds of urgency (if any)</i>	DSO
Forward Agenda Plan	DSO	Forward Agenda Plan	DSO	Forward Agenda Plan	DSO
<i>Write off of unrecoverable debt (if any)</i>	Finance Manager & S151 Officer	<i>Write off of unrecoverable debt (if any)</i>	Finance Manager & S151 Officer	<i>Write off of unrecoverable debt (if any)</i>	Finance Manager & S151 Officer
Assets Update	Open Spaces & Facilities Mgr	Assets Update	Open Spaces & Facilities Mgr	Assets Update	Open Spaces & Facilities Mgr
<i>Appointments, Transfers, Resignations [EXEMPT]</i>	HR Manager	Financial Outturn Report 2021/22	Finance Manager & S151 Officer	<i>Bus, Cycle, Walk WP notes (if any)</i>	DSO
<i>ECTC Board Meeting Minutes (if any) [EXEMPT]</i>	DSO	Treasury Operations Annual Performance Review	Finance Manager & S151 Officer	<i>ECTC Board Meeting Minutes (if any) [EXEMPT]</i>	DSO
ECTC Management Accounts (Jan-March 2022) [EXEMPT]	ECTC Finance Manager	ECTC Management Accounts (April-June 2022) [EXEMPT]	ECTC Finance Manager	Health & Safety Annual Report	Dir Commercial
Annual Reports of Representatives on Outside Bodies	DSO	<i>ECTC Board Meeting Minutes (if any) [EXEMPT]</i>	DSO	Local Council Tax Reduction Scheme Policy Review	Finance Manager & S151 Officer
<i>Bus, Cycle, Walk WP notes (if any)</i>	DSO	<i>Bus, Cycle, Walk WP notes (if any)</i>	DSO	ECTC Accounts 2020/21	
				Medium-term financial strategy update	Finance Manager & S151 Officer

Notes: 1. Agenda items which are likely to be "urgent" and therefore not subject to call-in are marked \*  
2. Agenda items in italics are provisional items / possible items for future meetings.