



# East Cambridgeshire District Council

---

## Meeting: Finance & Assets Committee

Time: 4:30pm

Date: Thursday 29 January 2026

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

Enquiries regarding this agenda: Jane Webb – Democratic Services & Elections Manager

Telephone: (01353) 665555 Email: [Jane.webb@eastcambs.gov.uk](mailto:Jane.webb@eastcambs.gov.uk)

---

## Committee membership

**Quorum:** 5 members

### Conservative members

Cllr Anna Bailey  
Cllr Ian Bovingdon (Vice-Chair)  
Cllr Mark Goldsack  
Cllr Bill Hunt  
Cllr David Miller  
Cllr Alan Sharp (Chair)

### Conservative substitutes

Cllr Lavinia Edwards  
Cllr Martin Goodearl  
Cllr Julia Huffer

### Liberal Democrat & Independent members

Cllr Chika Akinwale  
Cllr Lee Denney  
Cllr John Trapp  
Cllr Mary Wade  
Cllr Alison Whelan (Lead Member)  
Cllr Christine Whelan

### Liberal Democrat & Independent substitutes

Cllr Charlotte Cane  
Cllr Christine Colbert  
Cllr Kathrin Holtzmann

**Lead Officer:** Sally Bonnett, Director Community

---

## Agenda

### 1. Public question time [oral]

The meeting will commence with up to 15 minutes of public question time.

### 2. Apologies and substitutions [oral]

### 3. Declarations of interests [oral]

To receive declarations of interests from Members for any items on the agenda in accordance with the Members Code of Conduct.

|  |  |                           |
|--|--|---------------------------|
| <b>4. Minutes</b>  | To confirm as a correct record, the minutes of the meeting of the Finance & Assets Committee held on 27 November 2025  | <b>Page 5</b>             |
| <b>5. Chair's Announcements</b>  |  | <b>[oral]</b>             |
| <b>6. East Cambridgeshire Biodiversity Report</b>                          |  | <b>Page 13</b>            |
| <b>7. Asset Update Report</b>  |  | <b>Page 39</b>            |
| <b>8. Bereavement Centre Update</b>  |  | <b>Page 43</b>            |
| <b>9. 2026/27 Annual Treasury Management Strategy</b>                      |  | <b>Page 47</b>            |
| <b>10. Revenue Budget 2026/27</b>  |  | <b>Page 87</b>            |
| <b>11. Q3 Finance Report</b>   |  | <b>Page 143</b>           |
| <b>12. Hive Contract Extension (EXEMPT APPENDICES)</b>                     |  | <b>Page 167 &amp; 177</b> |
| <b>13. Outside Bodies - Waterbeach IDB Report</b>                          |  | <b>Page 171</b>           |
| <b>14. Forward Agenda Plan</b>   |  | <b>Page 173</b>           |
| <b>15. Exclusion of the public, including representatives of the press</b> | 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 and 3 of Part I Schedule 12A to the Local Government Act 1972 (as amended). |                           |
| <b>16. EXEMPT – Appointments, Transfers and Resignations</b>               |  | <b>Page 179</b>           |
| <b>17. EXEMPT Minutes – 27 November 2025</b>                               |  | <b>Page 187</b>           |
| 17.  | To confirm as a correct record the Exempt Minutes of the meeting of the Finance & Assets Committee held on 27 November 2025  |                           |

## Notes

1. Members of the public are welcome to attend this meeting. If you are visiting The Grange during regular working hours, you should report to the main reception desk. If you attend an evening meeting, please enter through the glass atrium door at the back of the building.

Admittance is on a “first-come, first-served” basis, and public access will be from 30 minutes before the start time of the meeting. Due to room capacity restrictions, members of the public are asked, where possible, to notify Democratic Services ([democratic.services@eastcambs.gov.uk](mailto:democratic.services@eastcambs.gov.uk) or 01353 665555) of their intention to attend a meeting.

The livestream of this meeting will be available on [the committee meeting's webpage \(Finance and Assets Committee\)](#). Please be aware that all attendees, including those in the public gallery, will be visible on the livestream.

2. 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 (for example, 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](#) ([www.eastcambs.gov.uk/committees/public-question-time-scheme](http://www.eastcambs.gov.uk/committees/public-question-time-scheme)).

3. 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 ask members of the public to bring their own drinks if required.
4. Fire instructions for meetings:

- If the fire alarm sounds, please make your way out of the building by the nearest available exit, which is usually the back staircase or the fire escape in the Chamber and 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.

5. Reports are attached for each agenda item unless marked “oral”.
6. If required, all items on the agenda can be provided in different formats (such as large type, Braille or audio tape, or translated into other languages), on request, by calling the main reception on (01353) 665555 or e-mail: [translate@eastcambs.gov.uk](mailto:translate@eastcambs.gov.uk)
7. 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).”





# East Cambridgeshire District Council

## **Minutes of a Meeting of the Finance & Assets Committee** Held at The Grange, Nutholt Lane, Ely, CB7 4EE at 4:30pm on Thursday 27 November 2025

### **Present:**

Cllr Chika Akinwale  
Cllr Anna Bailey  
Cllr Ian Bovingdon (Vice-Chair)  
Cllr Christine Colbert  
Cllr Lee Denney  
Cllr Julia Huffer  
Cllr Bill Hunt  
Cllr David Miller  
Cllr Alan Sharp (Chair)  
Cllr John Trapp  
Cllr Christine Whelan

### **Officers:**

Sally Bonnett – Director Community  
Maggie Camp – Director Legal  
Jane Webb – Democratic Services and Elections Manager  
Spencer Clark – Open Spaces & Facilities Manager  
Richard Kay – Climate Change and Natural Environment Manager  
Lucy Flintham – Community Infrastructure Manager  
Rachel Hogger - Senior Strategic Planning Officer  
David Morren – Strategic Planning and Development Management Manager  
Jude Anthony – Director Finance and Section 151 Officer  
Nigel Ankers – ECTC Finance Manager  
Emma Grima – ECDC Director Commercial

## **22. Public Questions**

No Public Questions had been received.

## **23. Apologies and substitutions**

Apologies were received from Cllr Mark Goldsack, Mary Wade and Alison Whelan. Cllrs Julia Huffer attended as substitute for Councillor Mark Goldsack, and Christine Colbert attended as substitute for Councillor Alison Whelan.

## **24. Declarations of interest**

There were no declarations of interest.

**25. Minutes**

The Committee received the Minutes of the meeting held on 25 September 2025.

Members unanimously resolved:

That the Minutes of the Finance & Assets Committee meeting held on 26 June 2025 be confirmed as a correct record and be signed by the Chair.

**26. Chair's Announcements**

The Chair had no announcements.

**27. Pathway to Net Zero**

The Committee received a report (AA99, previously circulated) that provided Members with a clear pathway to reduce the Council's emissions to net zero and reported the latest 2024/25 emissions. Richard Kay, the Climate Change and Natural Environment Manager, presented the report.

The Climate Change and Natural Environment Manager confirmed that the external bodies involved were pension-related. Engagement took place with West Northants, the administrators of the pension fund, while the remaining information was sourced in-house.

The recommendations in the report were proposed by Cllr Bailey and seconded by Cllr Bovingdon; both Councillors thanked the officer for a very comprehensive report and congratulated them on hitting the 2028 target.

Members resolved to **APPROVE**:

1. The Pathway to Net Zero report in Appendix A to the report.
2. NOTE the latest emission monitoring report entitled Carbon Audit for 2024/25 in Appendix B to the report.

**28. Annual Infrastructure Funding Statement**

The Committee received a report (AA100, previously circulated) providing information on Community Infrastructure Levy and Section 106 income and expenditure. The Community Infrastructure Manager presented the report and noted that on page 60, "i)" should read 174, not 91.

Members resolved to **NOTE**:

1. The Annual Infrastructure Funding Statement 2024/25, as detailed in Appendix 1, which will be published in December 2025.

## **29. Assets Update**

The Committee considered a report (AA101, as previously circulated) to receive an update on Council-owned assets. The Open Spaces and Facilities Manager, presented the report and updated Members:

- Palace Green Toilets – Light refurbishment well underway and will be open on 12 December.
- Newnham Street (car park and road repairs) – Tenders close mid-December and have received a good response from contractors.
- Dock Car Park Ticket Machines – Now ordered and will take cash, credit, debit cards, and touch-phone payments. The Ringo App is operating well, and a phone line is available for payments. Once the machines are installed, a promotion will be launched on payment methods.

The Open Spaces and Facilities Manager reported that he had been unable to reach the officer responsible for the inclusive play audit; therefore, he would provide an update at the next meeting.

The Director Community, explained that the funding had accumulated in accordance with the CIL governance arrangements agreed by Full Council in February. Those who wish to apply should do so under the scheme set out on the Council's website.

The Director Commercial, clarified that the purpose of the play audit was to determine what facilities were currently provided in the district; no modelling had been conducted. The next stage of the audit would be to develop the Play Strategy. The potential funding from CIL was not intended to fully fund a project; it could be provided in part, as match funding. Additionally, the Strategy is expected to include a toolkit, guidebook, and resources for further assistance.

Members resolved to **NOTE**:

1. The update on Council-owned assets, and
2. The expenditure tracking sheet in Appendix 1

## **30. Littleport Assets**

The Committee considered a report (AA102, as previously circulated) requesting the transfer of assets to Littleport Town Council. The Director Commercial presented the report.

The Director Commercial addressed the following questions from Members:

- When asked who owned these assets before 1974, it was stated that a response would be circulated after the meeting, as the answer was not known at that time.
- While requests from Parish Councils to acquire assets were being answered, there was currently no active pursuit of the Parish Councils for asset acquisition.
- Regarding Witchford Parish Council, the Council had responded, but this process was not straightforward due to maintenance schedules and possible TUPE implications. It had been agreed that the Council would

review its open spaces over the upcoming financial year. Littleport was slightly different because it was a small area of land that was time-sensitive and driven by the potential expansion of a medical practice.

Cllr Miller proposed the recommendations in the report with an amendment at the third bullet point of Section 4.4 of the report, which read,

*“The freehold transfer of the car park, Main Street, Littleport, for the value of £1, with a restriction that LTC (Littleport Town Council) will not introduce car parking charges”,*

and proposed to insert the words *“the land may not be used for any other purpose.”*

With the full bullet point reading:

*“The freehold transfer of the car park, Main Street, Littleport, for the value of £1, with a restriction that the land may not be used for any other purpose and that LTC (Littleport Town Council) will not introduce car parking charges.”*

Councillor Miller emphasised that the insertion was introduced in the context of local government reorganisation. He expressed hope that other Members would support him in safeguarding the assets to ensure they were used for their intended purposes rather than disposed of in the future.

Councillor Hunt seconded the recommendations outlined in the report and expressed his agreement with Councillor Miller's concerns. He supported the addition of the revised wording in section 4.4 of the report. Additionally, he emphasised the value of visiting the site, noting that it offered a different perspective when viewed in person.

Members resolved to unanimously **APPROVE**:

1. The recommendations as set out in 4.4 of the report, but with the third bullet point to read, “The freehold transfer of the Car Park, Main Street, Littleport, for the value of £1, with a restriction that **the land may not be used for any other purpose** and that LTC will not introduce car parking charges.
2. Delegate authority to the Director Legal & Monitoring Officer to complete the relevant legal documentation to implement the above.

### **31. A new East Cambridgeshire District Council Fund to Support Emerging Neighbourhood Plans**

The Committee considered a report (AA103 as previously circulated) to consider the terms of a new match funding scheme to support parish councils with the development of neighbourhood plans. The Strategic Planning and Development Management Manager presented the report.

The recommendations in the report were proposed by Cllr Bovingdon and seconded by Cllr Bailey.

Members unanimously resolved to **APPROVE**:

- i. The proposed scheme, set out in Appendix 1 to the report, for implementing the new district-wide match fund to support emerging neighbourhood plans.
- ii. Delegate authority to the Director (Operations) to approve the grant allocation to parish councils, where they meet the terms of the scheme as set out in Appendix 1 of the report.

## **32. Service Delivery Plans 2025/26 – Six Month Performance Update**

The Committee considered a report (AA104 as previously circulated) to receive an update on the Service Delivery Plans for 2025/26.

Members were informed that.

- The completion of the Kennett £100k homes is expected by January.
- A report will be provided to Members detailing the number of parking appeals received.
- An update regarding street name and numbering performance will be circulated to Members.
- The use of AI is under consideration; however, a policy is currently being drafted. Once the policy is implemented, further investigation into AI use can proceed.

Members resolved to **NOTE** the update on the Service Delivery Plans for 2025/26.

## **33. Community Infrastructure Levy Funding Request**

The Committee considered a report (AA105, as previously circulated) to consider increasing the amount of CIL funding available to the Streatham and Wilburton Community Land Trust, The Link project. The Director Community presented the report.

During the discussion, Members asked questions regarding the funding. The Director Community clarified that:

- Only one-third of the funding would be provided, and any overspend would need to be covered by other sources.
- There would be no cost to taxpayers since the funds come from CIL monies.
- There had been a previous scheme submitted; this new one included meeting rooms but excluded a large hall.

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

Members resolved to **APPROVE** an increase of up to £190,000 to the amount of CIL funding available to the Streatham and Wilburton Community Land Trust, The Link project.

### **34. Finance Report**

The Committee received a report (AA106, as previously circulated) providing budget monitoring information for services under the Finance & Assets Committee and, as part of its corporate remit, for the Council as a whole. The Director Finance presented the report.

One Member asked why the actuals exceeded the forecasts for housing benefit and other figures. The Director Finance agreed to come back to Members with a response after the meeting.

Members resolved to **NOTE**:

1. This Committee has a projected year-end underspend of £322,000 when compared to its approved revenue budget of £7,969,054.
2. That overall, the Council has a projected year-end underspend of £877,000 when compared to its approved revenue budget of £19,249,383.
3. That the overall position for the Council on Capital is a projected outturn of £15,970,684, which is an overspend of £1,200,000 when compared to the revised budget.

### **35. Treasury Operations Mid-Year Review 2025/26**

The Committee received a report (AA107, as previously circulated) providing an update on the Council's 2025/26 Treasury Management Strategy. The Director Finance presented the report and highlighted an error on page 158, where the figure should read £0.9298million and not £9.298million.

The recommendations in the report were proposed by Cllr Sharp and seconded by Cllr Bovingdon.

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

1. That the mid-year review of the Council's Treasury Management Strategy for 2025/26, as set out in Appendix 1, be **NOTED**.

### **36. Forward Plan**

The Committee considered its Forward Plan.

It was unanimously resolved to **NOTE** the forward agenda plan and to add two reports:

- Outside Bodies – Waterbeach IDB Appointment Report, and
- Bereavement Centre Update Report.

### **37. Exclusion of Press and Public**

It was resolved unanimously:

That the press and public be excluded during the consideration of the following item because it was likely, in the 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 Category 3 of Part I Schedule 12A to the Local Government Act 1972 (as amended).

### **38. ECTC Management Accounts**

The ECTC Finance Manager presented the ECTC Management Accounts for the six months to 30 September 2025. The ECTC Finance Manager presented the report.

It was resolved to NOTE the management accounts covering the 3 months to 30 September 2025

### **39. Write-Off of Unrecoverable Debts**

The Committee received a report (AA108, as previously circulated) on the write-off of unrecoverable debts. The Director Finance presented the report.

It was unanimously resolved to **APPROVE** that:

- Two Business Rate debts, as detailed in the report, be written off, and
- the third Business Rate debt, be **DEFERRED**.

### **40. EXEMPT Minutes – 25 September 2025**

The Committee received the Exempt Minutes of the Finance & Assets Committee meeting held on 25 September 2025.

It was resolved unanimously:

That the Exempt Minutes of the meeting held on 25 September 2025 be confirmed as a correct record and signed by the Chair.

The meeting concluded at 6:50 pm

Chair.....

Date.....



**TITLE: East Cambridgeshire Biodiversity Report**

Committee: Finance and Assets

Date: 29 January 2025

Author: Climate Change and Natural Environment Manager

Report number: AA130

Contact officer: Richard Kay

Climate Change and Natural Environment Manager, Room 12, The Grange, Ely

## **1.0 Issue**

- 1.1. To approve the Council's Biodiversity Report, a report which is required to be prepared under s40A of the Natural Environment and Rural Communities Act 2006.

## **2.0 Recommendations**

- 2.1. Members are requested to approve the East Cambridgeshire Biodiversity Report as found at Appendix 1.

## **3.0 Background/Options**

- 3.1. All public authorities, including East Cambridgeshire District Council, must consider what they can do to conserve and enhance biodiversity in England. This is known as the '**biodiversity duty**' as set out in S40(A1) of the Natural Environment and Rural Communities Act 2006.

- 3.2. This duty was updated recently (1 January 2023), and now means that, by law, the council must:

- **Consider** what it can do to conserve and enhance biodiversity
- **Agree** policies and specific objectives based on its consideration
- **Act** to deliver those policies and achieve those objectives

- 3.3. To demonstrate compliance with the biodiversity duty, the council must publish a **biodiversity report** covering the period 1 January 2023 to 31 December 2025 and then repeat this process at least once every five years.

- 3.4. That **biodiversity report** must provide a summary of:

- the actions taken to comply with the biodiversity duty
- how the council plans to comply with the biodiversity duty in the next reporting period; and
- the actions carried out to meet biodiversity net gain (BNG) obligations, together with proposed actions to meet BNG obligations in the future.

- 3.5. Attached at Appendix 1 is a copy of a draft biodiversity report recommended for approval. There are no comprehensive national guidelines as to what the report should contain, or any particular template to follow, though some brief guidance is provided on the .gov website, and this has been complied with in preparing the report.

3.6. In simple terms, the report comprises three elements.

- First, a summary of the 'top 10' headline successes we have achieved during the reporting period to help nature thrive
- Second, some brief details on our progress with implementing Biodiversity Net Gain
- Third, a brief rundown of proposed 'top 10' actions for the coming five years

## 4.0 Arguments/Conclusions

4.1. The report is the council's first Biodiversity Report. Whilst the report could have been prepared more comprehensively (by providing more than ten 'achievements' or more 'future actions'), it is considered a pragmatic, informative, simple report, which meets the statutory requirements whilst hopefully digestible to a wider audience.

4.2. The future actions are largely ones already committed to via the Corporate Plan, annual Corporate Actions or the annual 'Top 20' environment actions. Consequently, they are considered achievable (and within existing budget expectations).

## 5.0 Additional Implications Assessment

5.1 In the table below, please put Yes or No in each box:

| Financial Implications<br>No              | Legal Implications<br>Yes               | Human Resources (HR)<br>Implications<br>No        |
|---|---|---|
| Equality Impact<br>Assessment (EIA)<br>No | Carbon Impact<br>Assessment (CIA)<br>No | Data Protection Impact<br>Assessment (DPIA)<br>No |

### (a) Legal implications

5.2. A biodiversity report must be published by 25 March 2026 (NERC Act s40A(5)). If the recommendation is approved today, then we will have successfully met our duty. In the future, we will need to report as to the successes or otherwise in achieving the proposed actions set out in the report.

Other than potential reputational harm, there are no other legal implications for not actually achieving the actions we set out to achieve.

## 6.0 Appendices

Appendix 1 – East Cambridgeshire Biodiversity Report.

## 7.0 Background documents

None



East Cambridgeshire  
District Council



# East Cambridgeshire Biodiversity Report 2023 to 2025

(as required by s40A of the NERC Act 2006).

---

**Written by Climate Change and Natural Environment Manager**

---

**Published in January 2026**

---

**Revision due in January 2031**



# Contents

1. An Introduction to biodiversity in East Cambridgeshire page 4
2. East Cambridgeshire District Council's declaration page 4
3. Our biodiversity report page 5
4. Our biodiversity policies, objectives and actions page 6
5. Supporting the preparation of other biodiversity action plans page 8
6. Our top achievements January 2023 to December 2025 page 9
7. How we've raised awareness and educated the community page 12
8. Biodiversity net gain information page 16
9. A summary of the action taken by the authority in carrying out its BNG functions page 17
10. Our future actions page 19

## 1. An Introduction to biodiversity in East Cambridgeshire

East Cambridgeshire was once one of the most biodiverse areas in the country, with extensive natural wet fenland areas together with ancient woodland, species rich grasslands on the higher grounds and rich heathlands near the Breckland's, together with abundant natural river systems. This has changed significantly, especially over the last 400 or so years.

The [Wildfowl and Wetlands Trust](http://www.wwt.org.uk/discover-wetlands/wetlands/fens) (WWT) ([www.wwt.org.uk/discover-wetlands/wetlands/fens](http://www.wwt.org.uk/discover-wetlands/wetlands/fens)) estimates that only 1% of fenland habitat remains in the UK. Not only has this had a dramatic harm to biodiversity in those areas, but as the fens peat dries, vast quantities of carbon dioxide are also released. The loss of fen peat also means land falls further, sometimes well below sea level, increasing our risk to serious flooding.

In East Cambridgeshire, the vast majority of our fen habitats and natural river systems have been lost to land drainage and intensive, albeit highly successfully, food growing agriculture.

We have an exceptionally low amount of tree cover, with the far south of the district being the only location for significant amounts of trees and woodlands.

Nevertheless, pockets of East Cambridgeshire are very nature rich or of very special habitat, so much so that several sites are designated as internationally important for wildlife, though they remain under threat from climate change and increased pressure as nature around them has been depleted over time.

For more details on those internationally important sites, plus national and locally important sites, please see our report entitled [Conservation and Enhancement of Biodiversity Report \(January 2024\)](http://eastcambs.gov.uk/climate-change-and-nature/bring-back-nature/reversing-decline-nature) ([eastcambs.gov.uk/climate-change-and-nature/bring-back-nature/reversing-decline-nature](http://eastcambs.gov.uk/climate-change-and-nature/bring-back-nature/reversing-decline-nature)).

Despite this rather negative overview we see many positives going forward, and there is genuine prospect of bringing back nature to East Cambridgeshire.

## 2. East Cambridgeshire District Council's declaration

The council has formally recognised the biodiversity crisis (and the interlinked climate crisis) and is making every effort to reverse the decline in biodiversity in the district and help **Bring Back Nature** to the district.

### 3. Our biodiversity report

All public authorities, such as East Cambridgeshire District Council ('the council'), must consider what they can do to conserve and enhance biodiversity in England. This is known as the 'biodiversity duty' as set out in S40(A1) of the [Natural Environment and Rural Communities Act 2006](http://www.legislation.gov.uk/ukpga/2006/16/section/40) ([www.legislation.gov.uk/ukpga/2006/16/section/40](http://www.legislation.gov.uk/ukpga/2006/16/section/40)).

This means that, by law, the council must:

- **consider** what it can do to conserve and enhance biodiversity
- **agree** policies and specific objectives based on its consideration
- **act** to deliver those policies and achieve those objectives

To demonstrate compliance with the biodiversity duty, the council must publish a biodiversity report covering the period 1 January 2023 to 31 December 2025, and then repeat this process at least once every five years.

That biodiversity report must provide a summary of:

- the actions taken to comply with the biodiversity duty
- how the council plans to comply with the biodiversity duty in the next reporting period
- the actions carried out to meet biodiversity net gain (BNG) obligations, together with proposed actions to meet BNG obligations in the future.

This document fulfils our requirement to publish such a biodiversity report.

#### 4. Our biodiversity policies, objectives and actions

East Cambridgeshire is a largely rural district covering an area of 65,000 hectares, with a population of approximately 85,000 and home to the riverside Cathedral City of Ely. Photo below shows Ely Cathedral as viewed from Ely Pitts and Meadows SSSI" (credit ECDC).



East Cambridgeshire District Council is a small, focused council, with the following corporate objectives:

- sound financial management
- cleaner, greener East Cambridgeshire
- sustainable communities

Our [corporate plan for 2023 to 2027](https://eastcambs.gov.uk/about-council/corporate-plan-and-objectives/corporate-plan) ([eastcambs.gov.uk/about-council/corporate-plan-and-objectives/corporate-plan](https://eastcambs.gov.uk/about-council/corporate-plan-and-objectives/corporate-plan)) includes a priority to "enhance the natural environment and build on our sustainability goals".

In our [Conservation and Enhancement of Biodiversity Report \(January 2024\)](https://eastcambs.gov.uk/climate-change-and-nature/bring-back-nature/reversing-decline-nature) ([eastcambs.gov.uk/climate-change-and-nature/bring-back-nature/reversing-decline-nature](https://eastcambs.gov.uk/climate-change-and-nature/bring-back-nature/reversing-decline-nature)), we explained in detail all of the options available to the council to take action to help support biodiversity. These options were grouped into three themes.

**Theme 1**, direct action, meaning undertaking activities ourselves, directly, to conserve and enhance biodiversity, for example on land we own.

**Theme 2**, our policies, which require other people to comply with them for the benefit of biodiversity. The most obvious example is the council's planning policy powers, whereby it can require or expect developers to do certain things to help biodiversity as part of a development proposal.

**Theme 3**, encourage and influence others to do certain things such as influencing the policies and activities of parish councils.

We've also established a [Climate and Nature Strategy 2024 to 2028](https://eastcambs.gov.uk/climate-change-and-nature/environment-policy-and-action-plan/our-environment-plans-and-actions) ([eastcambs.gov.uk/climate-change-and-nature/environment-policy-and-action-plan/our-environment-plans-and-actions](https://eastcambs.gov.uk/climate-change-and-nature/environment-policy-and-action-plan/our-environment-plans-and-actions)) which includes the following priorities and actions relevant to biodiversity.

| Priorities  | Goals by 2028   |
|---|---|
| To make our own land and buildings as nature friendly as possible, progressively enhancing the variety of plants and animal species.  | Put in place long term habitat management plans for all our significant public open spaces, and report progress towards delivering them.  |
| To help our communities, through guidance and financial assistance, to undertake nature friendly projects across East Cambridgeshire. | Provide financial or expert assistance to local communities, through grant schemes such as Pride of Place and free tree giveaways, with a target of helping deliver at least 100 nature related community projects across the district. |
| Utilise our expertise and legislative powers to maximise opportunities for nature recovery.   | Successfully deliver biodiversity net gain for all new developments by partnership working with developers and landowners.  |
| Put in place long term frameworks for nature recovery in East Cambridgeshire, including opportunities for nature-based investment.    | Be an active supporting authority for the Cambridgeshire Local Nature Recovery Strategy (LNRS) and establish East Cambridgeshire's locally determined contribution for nature recovery.   |

To make progress towards the above Priorities and Goals by 2028, we annually publish a set of Top 20 Environment Actions, many of which are biodiversity related (with others more focussed on climate mitigation and adaptation). Our latest Top 20 Actions (June 2025), together with how we performed on our [previous annual Top 20 Actions](#), are available on our website ([eastcambs.gov.uk/climate-change-and-nature/environment-policy-and-action-plan/our-environment-plans-and-actions](https://eastcambs.gov.uk/climate-change-and-nature/environment-policy-and-action-plan/our-environment-plans-and-actions)).

Specific to planning policy, our [Local Plan \(2014, as amended 2023\)](#) (<https://eastcambs.gov.uk/planning-and-building-control/planning-policy-and-guidance/adopted-local-plan/local-plan>) contains several policies helping to ensure new development supports biodiversity, headlined by Policy ENV7: Biodiversity and Geology.

The Local Plan is supported by two biodiversity related [Supplementary Planning Documents](#) (SPD) (<https://eastcambs.gov.uk/planning-and-building-control/planning-policy-and-guidance/supplementary-planning-documents>), namely:

- Natural Environment SPD (2020)
- Hedgehog Recovery SPD (2024)

When taken as a whole, it is clear that the council has a strong commitment to setting policies and actions to help conserve and enhance biodiversity, as is required by the biodiversity duty, and overall we are committed to help **Bring Back Nature** to East Cambridgeshire.



## 5. Supporting the preparation of other biodiversity action plans

As well as our policies, the council has worked hard to help other organisations further their own policies for biodiversity enhancement.

At the sub-regional level, the council has been an active member of the Cambridgeshire Peterborough Local Nature Recovery Strategy (LNRS) Steering Group, providing extensive advice and assistance to its preparation.

The final LNRS, which is the responsibility of the Cambridgeshire Peterborough Combined Authority (CPCA) to prepare, was published in December 2025.

At a much more local level, we support parish councils in our area to prepare their own community based nature recovery plans. Such support includes preparation of a [template local nature recovery action plan](http://eastcambs.gov.uk/climate-change-and-nature/bring-back-nature/community-based-nature-recovery-plans) (eastcambs.gov.uk/climate-change-and-nature/bring-back-nature/community-based-nature-recovery-plans) for such parishes or other community bodies to use.



## 6. Our top achievements January 2023 to December 2025

During the reporting period, we are delighted to confirm positive progress we have made in conserving and enhancing biodiversity.

By way of Top 10 Headlines, we have the following.

### **Professional support**

As of January 2023, we had no professional ecologist support in the council, instead relying on limited help from the local Wildlife Trust. However, we now have 2FTE permanent professional ecologist working in the council, including a senior ecologist (from October 2023) and a more junior ecologist (from May 2025). Having in-house ecologists has dramatically improved the ability of the council to scrutinise planning applications and influence planning decisions, for the benefit of biodiversity, as well as being able to work with landowners and communities on their own plans for nature recovery.

Having in-house ecologists has also meant that we can now represent the district at the Great Crested Newt District Level Licensing committees with Natural England, Local Designated Sites Panel committees with the Wildlife Trust and CPREC, and be an active participant in LNRs discussions.

This additional ecologist support now complements the existing resource in place, comprising two full time tree officers, a climate change officer and a newly created and a Climate Change and Natural Environment Manger.

### **Community grants**

Our Pride of Place Grant scheme (launched June 2023, project spend by March 2025) has been hugely successful, with 31 community groups benefitting from 100% grant funds to help transform a local area for the benefit of both nature and people. The scheme has resulted in animal boxes, tree planting, green space creation, flower planting and pond restoration projects spread right across the district. [Further details](#) can be found on our website ([eastcambs.gov.uk/climate-change-and-nature/environment-grants-and-initiatives/pride-place-grants](http://eastcambs.gov.uk/climate-change-and-nature/environment-grants-and-initiatives/pride-place-grants)).

### **Free orchard and oak trees**

During 2023, we committed to giving away 75 English oak trees to communities, parish councils and schools in celebration of the coronation of King Charles III and his 75th birthday in November 2023. Twenty different locations across the district planted one or more of our free oak trees, with [further details](#) on our website ([eastcambs.gov.uk/climate-change-and-nature/bring-back-nature/coronation-oaks-communities](http://eastcambs.gov.uk/climate-change-and-nature/bring-back-nature/coronation-oaks-communities)).

The coronation oak tree project followed an equally successful free orchard tree initiative which ran in 2021 and 2022, creating 27 new orchards across the district, comprising 300 orchard trees. For winter 2025 to 2026, we have launched a third wave of free orchard tree giveaways, with trees to be provided in January 2026.

More [details on our 'create an orchard' project](#) are on our website ([eastcambs.gov.uk/climate-change-and-nature/bring-back-nature/community-orchards-district](http://eastcambs.gov.uk/climate-change-and-nature/bring-back-nature/community-orchards-district)).

### Biodiversity Net Gain (BNG)

The council welcomed the introduction of BNG and worked hard to establish procedures to successfully implement the new legislation. We also held workshops with developers, local councillors, planning agents and our internal planning staff (including validation teams), and published several webpages of advice. We are very pleased with the successful implementation of BNG to date (further details on BNG implementation in the next section of this report).

### Prepare habitat management plans

With funding assistance from the Cambridgeshire and Peterborough Combined Authority, in 2025 we commissioned the local Wildlife Trust to help the council prepare 20 habitat management plans for public open spaces across the district, the vast majority of which are open spaces the council manages and are committed to implementing the measures contained within them. We selected a mix of sites, including some already important for wildlife and other sites have low current biodiversity and require improvement. The initial baseline survey evaluated each of the sites current condition and use. Preparation of the plans explored opportunities for biodiversity enhancements and ways to engage local communities. The new management plans will be published in early 2026 and implementation commences thereafter. We look forward to reporting on what we have achieved at the next monitoring period.

Whilst preparing the plans over 2025, we found that some of our sites are ecologically more important than we were initially aware, with two sites having potential to achieve County Wildlife Status, one for the importance for hibernating bats and the second due to being floristically diverse following a recent careful management and reseeding initiative from a nearby Site of Special Scientific Interest (SSSI).

We are also exploring ways to help inform the public about their local habitats and how they can get involved.

### Enhanced grass cutting

We continue to strive to improve the way we manage our parks and open spaces for the benefit of wildlife, especially the way we cut our grass. A report published in 2022 (before the reporting period for this document) explained how we had recently changed management practices for the benefit of wildlife, and we have continued to implement and enhance such measures since. [Report available on our website](http://eastcambs.gov.uk/parking-open-spaces-and-toilets/parks-and-open-spaces/grass-cutting) (eastcambs.gov.uk/parking-open-spaces-and-toilets/parks-and-open-spaces/grass-cutting).

### Habitat Bank creation

We have already supported local landowners to set up two habitat banks in 2024 and 2025, both of which are actively selling units. The banks should deliver a minimum of 254 units to serve the district and three National Characteristic Areas. The banks offer a range of habitats to aid nature recovery, including creation of ponds, species diverse grasslands, native hedgerows, tree planting, traditional orchards and enhancements to existing habitats to better conditions for wildlife. In addition to the two live sites, we are

currently supporting additional sites to become BNG providers in 2026 or beyond. In all cases, the council signs a s106 legal agreement to ensure the banks deliver what they say they will and we will do regular checks (and enforcement if necessary) for at least the next 30 years. It is worth noting that many local authority areas do not have any habitat banks in their area, so to have two already, and potentially more to come, puts East Cambridgeshire as a leading area nationally for habitat bank creation, which is not only great for nature but is providing a valuable business and farming diversification opportunity. [Further details](https://eastcambs.gov.uk/planning-and-building-control/planning-xx/biodiversity-advice-developers/habitat-banks) are on our website ([eastcambs.gov.uk/planning-and-building-control/planning-xx/biodiversity-advice-developers/habitat-banks](https://eastcambs.gov.uk/planning-and-building-control/planning-xx/biodiversity-advice-developers/habitat-banks)).

### **Hedgehog Recovery**

We held a series of public votes in July and August 2023, in Bottisham, Littleport, Soham and Ely, and the public decided that it was hedgehogs above all other animals they thought were most in need of support. The vote kick started a council commitment to help the recovery of hedgehog numbers in the district. As well as general advice to the public, specific measures include a national first hedgehog recovery Supplementary Planning Document and a special afternoon training event for the entire parks and open spaces team of the council, together with some local landscaping contractors, run by Hedgehog Street and delivered by the renowned hedgehog author Hugh Warwick. We have also

taken particular attention to make grass cutting regimes more hedgehog friendly and form part of our habitat management plans. [Further details](https://eastcambs.gov.uk/climate-change-and-nature/bring-back-nature/hedgehog-recovery) available on our website ([eastcambs.gov.uk/climate-change-and-nature/bring-back-nature/hedgehog-recovery](https://eastcambs.gov.uk/climate-change-and-nature/bring-back-nature/hedgehog-recovery)).

### **Volunteer days**

In 2025, the Council introduced a new staff volunteering day, including a focus on volunteering activities to help the local natural environment (though other volunteering opportunities are also permitted). Bulb planting and litter picking have been two activities organised to date, with more to come in 2026.

The council's voluntary staff 'green team' has also actively helped achieve biodiversity gains at the council's headquarter building, including installing swift boxes and creating a more wildlife friendly courtyard garden with a new small pond, compost area and nature friendly planting.

### **Lake View Bereavement Centre**

Over the past few years, the Council has been developing plans to convert the redundant Mepal Outdoor Centre into a new Bereavement Centre. The site is a County Wildlife Site (CWS), so the Council has worked with the Wildlife Trust to ensure plans for the site have nature conservation in mind. Construction began in 2025, with opening due in 2026. Once opened, the council is committed to maintaining the site to a high ecological standard and offering the opportunity for people to enjoy the CWS aspect of the site in a nature friendly way.

### 7. How we've raised awareness and educated the community

As a small council, our resources need to be directed as efficiently and effectively as possible to make the greatest impact.

We've therefore focussed efforts on providing grants to community groups (Pride of Place and free tree giveaways), as well as providing templates to make it as easy as possible for local communities to prepare their own nature recovery plans.

The council's communications team has taken opportunities where it can to promote biodiversity awareness, especially using the hedgehog as way to engage and catch people's attention, through our social media streams (below is an example of a press release by the communications team).



### Remember hedgehogs this autumn

As the clocks change and the colder nights draw in residents are being asked to remember hedgehogs this autumn. Numbers of hedgehogs in rural areas have declined between 30 and 75 per cent since 2000. To help halt this decline we're asking residents to do what they can to help our prickly friends.

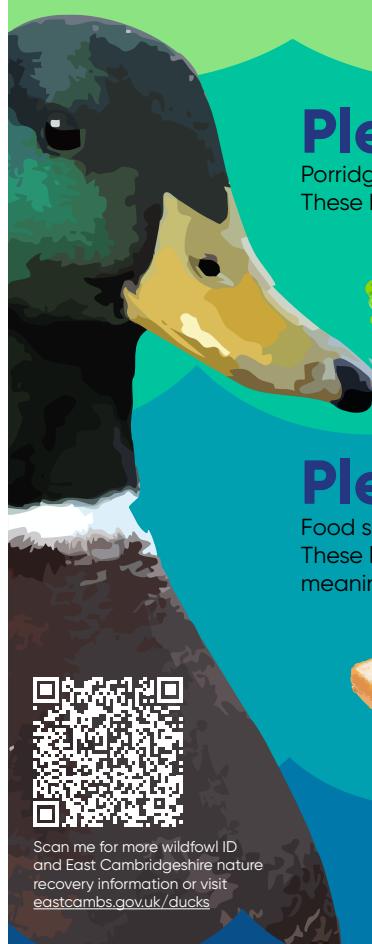
Date 30 October 2025

We also produced a Hedgehog highway template, to help people create the correct size highways for hedgehogs.



The district is famous for its wetland birds, and the council seeks opportunities to raise awareness with the public on important wildfowl issues, with the following two posters/leaflets being published.

# Let's Quack Down on unhealthy feeding



## Please do feed me:

Porridge oats, peas, sweetcorn, and seeds.  
These have lots of nutritional value for us!



## Please don't feed me:

Food such as bread, crisps, and crackers.  
These lack nutritional value for us! They fill our tummies meaning we won't forage for healthy foods.



Scan me for more wildfowl ID and East Cambridgeshire nature recovery information or visit [eastcambs.gov.uk/ducks](http://eastcambs.gov.uk/ducks)



! Please don't throw food in the water, as this can cause water pollution



Mallard      Coot      Mute swan      Greylag      Heron



Can you spot them all?



East Cambridgeshire District Council

# Bird Flu be aware



**The main cause of bird flu is contact with faeces from infected birds.**



## **Signs of Bird flu:**

- swollen head
- closed and runny eyes
- breathing difficulties
- unresponsiveness
- lack of coordination
- dropping of wings, dragging of legs



## **Protect yourself:**

- do not touch or pick up the bird- report it immediately
- wear a mask and gloves
- don't touch surfaces with wild bird feathers or bird droppings
- wash hands thoroughly



## **Prevent the spread:**

- clean and disinfect equipment regularly
- clean and disinfect vehicles
- clean and disinfect footwear regularly

(Do not apply disinfectants close to drinking water supplies such as reservoirs, or surface water such as streams, rivers, lakes and wetlands.)

## **Where to report suspected cases**

If you suspect bird flu in any wild bird, you must report it immediately by scanning the QR code or:

- calling: 03000 200 301
- online: [www.gov.uk/guidance/report-dead-wild-birds](http://www.gov.uk/guidance/report-dead-wild-birds)
- call the Defra helpline on 03459 33 55 77



East Cambridgeshire  
District Council

# Bring back butterflies!



This area is being renovated to create a climate resilient habitat for butterflies, following reports that numbers of most UK species have declined by up to 50% since 1976!

Works to create nectar rich flowering slopes and bare ground will help butterflies and other invertebrates survive the challenging changing climate giving cool and warm areas to feed and rest.

We hope that when works are complete, you will be able to not only enjoy watching butterflies but be able to walk amongst them again.



## 8. Biodiversity net gain information

Biodiversity Net Gain (BNG) is an approach to development that aims to leave the natural environment in a measurably better state than it was beforehand. It is a national initiative established by the Environment Act 2021 and we are fully committed to supporting its successful implementation.

Put very simply, from 12 February 2024 (for Major developments) and from 2 April 2024 (for Minor developments), new development must achieve a minimum of a 10% BNG. This means a development will result in more or better-quality natural habitat than there was before development.

East Cambridgeshire District Council reconfirmed in November 2022 its acknowledgement of the global biodiversity emergency we face. BNG is one way to help nature recover and will complement other policies we have in place in East Cambridgeshire, including our Natural Environment Supplementary Planning Document which establishes wider policies developers must follow to help support nature in our district.

We recognise that implementing BNG successfully will require considerable new ways of working both by developers seeking planning permission and by the council making decisions on those planning applications and making sure the minimum 10% BNG is achieved.

We want to make the process as smooth as possible for all parties and are committed to helping all developers through the process. The minimum 10% BNG must not only be achieved but must also be maintained for a minimum 30 years thereafter. The council has put in place internal monitoring arrangements to make sure all BNG achieved via new development is monitored for the full 30 years. Where it is not being achieved or maintained properly, we will endeavour to work with landowners to help identify what needs to be done to meet their obligations. However, ultimately, we will use our enforcement powers where it is clear a landowner is failing to meet their BNG commitments.

## 9. A summary of the action taken by the authority in carrying out its BNG functions

**Pre-mandatory BNG action.** The council worked hard pre-mandatory BNG to get the council in the best possible position to implement what is a complex new statutory requirement. This included recruiting an ecologist, advice internal staff (especially the planning department) and advising local agents and developers (through the Agents Forum network).

**Mandatory go live date.** As the two mandatory dates approached, we published a series of guidance notes for developers and consultees, to help everyone navigate through the procedures and explain what to expect from the council. At the same time, further training of staff took place, with a special focus on the validation team that receive planning applications. The validation team are the first contact between applicants and the council, checking that a planning application (including BNG requirements) have been submitted correctly. The [full suite of webpages](#) can be found on our website ([eastcambs.gov.uk/planning-and-building-control/planning-xx/biodiversity-advice-developers](http://eastcambs.gov.uk/planning-and-building-control/planning-xx/biodiversity-advice-developers)).

**Post Mandatory go-live date.** The council has a robust procedure in place to ensure all relevant applications submit the correct BNG related information (including checking whether any exempt applications are indeed correctly identified by the applicant as being exempt).

Once validated, the team of two full time ecologists fulfil the necessary statutory duties, such as checking and agreeing that the baseline habitats are correctly recorded in the metric (and seeking corrections where they are not agreed).

All relevant planning applications have had the appropriate standard biodiversity gain condition applied, and we are starting to reach the phase whereby such conditions are starting to be discharged by applicants. For a small number of applications, a s106 is being secured to ensure a greater degree of control over implementation of significant gains (and subsequent monitoring of such gains).

### **Information about any biodiversity gains resulting or expected to result from biodiversity gain plans approved by the council**

Of the very few biodiversity gain plans approved to date, the focus of them are predominantly for area units, together with some hedgerow units and fewer still watercourse units.

At the time of writing, we are not aware of any units being bought outside of the local area and no statutory credits have been purchased. No irreplaceable habitats have been impacted from applications with mandatory BNG requirements.

As mentioned in the 'highlights chapter', we have undertaken extensive work to assist the establishment of a local BNG market, with agreement on two habitat banks and working towards agreement on more. This is in line with best practice and gives the greatest opportunity to ensure all BNG gains, whether on-site or off-site, take place within the district.

The council has decided not to charge habitat bank set up fees to encourage private landowners to set up habitat banks in our area to boost nature recovery. Instead, we have opted to only minimal legal and habitat monitoring fees.

We have also successfully secured significant onsite gains for some developments prior to the BNG plans being submitted.

The council is a small landowner itself but no site on our own land has been identified to deliver viable BNG units at this stage.

## 10. Our future actions

This section focuses on what priority actions we intend to take over the coming 5 year period (1 January 2026 to 31 December 2030).

However, there is a significant risk of an early review and update of these proposed actions well before the expiry of the five-year period as a consequence of Local Government Reorganisation. That reorganisation is presently forecast to see East Cambridgeshire merge with one or more other district councils into a large unitary council, with a 'go-live' date of April 2028 (with a transitional 'shadow' unitary council in place from May 2027).

Nevertheless, the following establishes our intended set of Top 10 Actions for the coming five-year period.

### **Biodiversity Action 1, implement habitat management plans for our own estate**

As reported earlier, at the time of writing we are close to publish a set of 18 to 20 'habitat management and monitoring plans' for our main open spaces that the council owns or long-term manages.

Over the coming 5 year period, the task is now to implement them. Each Plan has its own set of individual actions and programmes, reflecting the uniqueness of each site, and include improved grass cutting, new planting and other wildlife friendly improvements, whilst at the same time making sure such sites are people-friendly to continue to enjoy.

Implementing each plan will not be an over-night task. Some elements can be delivered quickly, whilst others may take many years, perhaps decades, to fully achieve. We will regularly report progress and keep our communities informed of what we are doing and why.

### **Biodiversity Action 2, supporting communities with grants and expertise**

We have committed to continue to provide financial or expert assistance to local communities, through grant schemes such as Pride of Place and free tree giveaways, with a target of helping deliver at least 100 nature related community projects across the district between 2024 to 2028.

The precise programmes will evolve each year, but for 2026 the first such programme is the giving away of up to 100 orchard trees (plus stakes) to community groups in January 2026.

### **Biodiversity Action 3, successfully implement BNG**

BNG is a golden opportunity for a district council like ours to make sure new development delivers meaningful opportunities for nature to recover, rather than the pre-BNG era where biodiversity was often very low down the agenda of negotiating planning applications.

But the onus is now on councils like ours to grasp that opportunity and make sure all the requirements of BNG are successfully sought and, where necessary, enforced. We are committed to doing this, including making sure we have the right amount of resources to do it successfully (including ecologists, trained planners, legal support and enforcement capabilities).

## **Biodiversity Action 4, support the successful implementation of the LNRS**

The Cambridgeshire-Peterborough Local Nature Recovery Strategy (LNRS) was brought into force on 24 December 2025 by the combined authority for the area. Our council was a ‘supporting authority’ during its preparation.

Over the next 5 years, it’s unlikely a revised LNRS will be put in place, so the task now for our council is to support its implementation.

We will do this primarily via our role as local planning authority, having full regard to the LNRS when making planning decisions (both planning applications and formulating planning policy). But we will also have regard to the LNRS whilst undertaking our wider biodiversity duties.

## **Biodiversity Action 5: Prepare updated policies to help Bring Back Nature**

During the coming five years, we will take opportunities to update our policies for the benefit of nature recovery. The precise programme of policy updates will evolve over time but could include:

- updated Local Plan, reinforcing our commitment to biodiversity and potentially seeking 20% BNG policy requirement (rather than the national mandatory minimum 10%)
- updated Supplementary Planning Documents, building on our existing Natural Environment SPD and Hedgehog Recovery SPD
- updated Trees and Woodlands policy, so all parties are clear on what we are seeking from applicants wanting to manage trees on their own land
- updated procurement policies, making sure the natural environment is taken into account, where relevant, when we purchase goods and services

## **Biodiversity Action 6, supporting the creation of ‘habitat banks’**

We are very fortunate to already have two strategically significant ‘habitat banks’ in the district (most districts have none). Each one has a long term (at least 30 years) programme of delivering significant new habitat gains, with ‘habitat units’ created then being offered for sale to developers, thereby meeting the dual aim of supporting growth and delivering gains for nature in our district.

We are working hard to establish more habitat banks in the district. We will do so by supporting landowners interested in setting up such a bank and helping establish with them the legal agreements necessary for such banks to trade.

Our aim is to have at least four operational Banks in place by the end of the five year period.

### **Biodiversity Action 7, engage with communities**

To Bring Back Nature to East Cambridgeshire requires efforts from everyone, no matter their land ownership, wealth or expertise. From landscape scale nature recovery to window box habitat creation, everything counts.

Over the coming five-year period we will continue to work with our residents and community groups with advice on what they can do to help nature recover, with a particular focus on people's back gardens (an extremely valuable resource within an otherwise almost entirely intensively farmed landscape).

### **Biodiversity Action 8, invasive species awareness raising**

A key threat in our fight to Bring Back Nature is the destructive power of invasive species, both invasive plants and invasive animals. Numerous non-native species cause considerable damage in our district, with the potential for further increasing severe damage if not managed well.

We will establish a programme of education, helping homeowners and developers to identify invasive species and help prevent their spread. We will also train our parks and open spaces team to be more aware of species to look out for and what to do when they are found.

### **Biodiversity Action 9, water conservation and flood prevention**

Water is a crucial ingredient for a thriving natural environment, especially so in a fen landscape such as ours. Sadly, the vast majority of our wetlands have been lost, but there is considerable potential to recreate some (whilst respecting the fact that fenland is a critical source of food production for the country). Water, of course, is also critical to human life and wellbeing, and economic growth of the area will not happen without significant water infrastructure upgrades.

Overall, this council fully support the need for a wide range of water related actions to take place, including water efficiency, water storage and flood prevention. When undertake activities around these themes, we will ensure that gains for nature also take place (for example, a new reservoir can provide a vital new home for wetland birds and aquatic life).

### **Biodiversity Action 10, training our own staff and volunteering opportunities**

In order to successful implement all of these actions, as well as ensure we comply with the law, we will undertake as wider training as necessary of our own staff (and councillors). Such training will cover the legal minimum requirements through to best practice.

As part of this training, we will provide 'volunteer day' opportunities for all staff (started late 2025), whereby all staff can take 1 day a year to undertake voluntary service provided it has a community benefit in doing so. We will establish a series of nature related opportunities for staff to volunteer to, such as bulb planting, tree planting, litter picks and general habitat maintenance. We will aim to extend this voluntary programme to wider community volunteers as well.

Photo below shows staff members on volunteering day, planting bulbs and installing bird boxes, Newnham Street, Ely, November 2025.



### Biodiversity challenges

Achieving our aspirations to Bring Back Nature to East Cambridgeshire has a number of uncertainties and challenges. These include:

- uncertainty around Local Government Reorganisation and the priorities of the newly formed Unitary Council for our area (from April 2028)
- climate change, and the severe challenge that we face as a consequence on the land we manage (hotter, drier summers and milder, wetter winters)
- development pressures on land, and pressures on developers to deliver viable growth
- apathy from (or lack of viable opportunity for) communities to engage in nature recovery
- resource pressures, limiting the ability for the council to fund grant schemes or other non-statutory support services
- recruitment challenges, especially experienced ecologists and planners, both of whom are vital to the successful implementation of biodiversity gains in the built environment
- changing political priorities, both national and local, which may affect the ability to achieve what we set out in this report

End of document.



**Title: Assets Update**

Committee: Finance & Assets

Date: 29 January 2026

Author: Open Spaces & Facilities Manager

Report number: AA131

Contact officer: Spencer Clark, Open Spaces & Facilities Manager

[Spencer.clark@eastcambs.gov.uk](mailto:Spencer.clark@eastcambs.gov.uk), 01354 665555, The Grange, Nutholt Lane, Ely.

**1.0 Issue**

1.1. To receive an update on Council-owned assets.

**2.0 Recommendations**

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 27 March 2025 (Agenda Item 8), the Finance & Assets Committee received a report detailing Council-owned assets, which provided a summary of each asset. This report provides an update on assets contained within that report.
- 3.2. The Asset Management budget expenditure sheet at Appendix 1 identifies areas of planned expenditure and provides an update on actual spend to date. Members will continue to receive the expenditure tracking sheet as part of the Asset Update.

**4.0 Council Assets Update**

4.1. **Inclusive Play Audit**- The audit continues, and there is nothing significant to report since the last update.

4.1.1 Members will be aware that funds are being set aside from the Community Infrastructure Levy towards Inclusive Play and Open Spaces. This fund currently stands at £211,443.67 (6 January 2026). Parish Councils can apply to the Council for match funding to assist with the delivery of inclusive play and open spaces.

**4.2. Portley Hill Depot, Littleport**

4.2.1. In September 2025, Members approved expenditure of £215,000 for the extension of the car park and internal refurbishment work.

- Work is due to commence on 12 January 2026. The internal layout of the Grounds Maintenance office accommodation will be completed by the end of January 2026. It is anticipated that the car park extension work will commence during February 2026.

- Palace Green Public Conveniences - The light refurbishment works have now completed. The allocated budget was £10,000. The actual spend was £23,261. The overspend relates to various structural issues discovered during the refurbishment. It was more cost effective to complete the work at the same time.

## 5.0 Additional Implications Assessment

| Financial Implications<br>No              | Legal Implications<br>No                | Human Resources (HR)<br>Implications<br>No        |
|---|---|---|
| Equality Impact<br>Assessment (EIA)<br>No | Carbon Impact<br>Assessment (CIA)<br>No | Data Protection Impact<br>Assessment (DPIA)<br>No |

## 6.0 Appendices

Appendix 1- Asset Spend Tracker

## 7.0 Background documents

Finance & Assets Committee- 27 March 2025- Agenda Item 8- Assets Update and Asset Management Plan

| Asset                                    | Budgeted Expenditure | Nature of Work                              | Actual Expenditure | Notes   |
|--|----------------------|---|--------------------|---|
| <b>Public Car Parks</b>                  |                      |   |                    |   |
|  | 50,000.00            | Replacement Drainage Gullies Newnham Street |                    | Tender process due to complete                                |
|  | 12,000.00            | The Dock, ticket machine replacement        |                    | Not Started- Waiting for installation date                    |
|  | 25,000.00            | Resurfacing of Roadway at Newnham Street    |                    | Tender process due to complete                                |
|  |                      | Repairs to boundary wall Barton Road        | 3,270.00           | Complete  |
| <b>Total Public Car Parks</b>            | <b>87,000.00</b>     |   | <b>3,270.00</b>    |   |
| <b>Closed Churchyards</b>                |                      |   |                    |   |
|  | £4,000.00            | Burwell Church Lower section Limewash       | 2,300.00           | Completed   |
|  | 20,000.00            | St Marys Church- Gully/brickwork            | 3,850.00           | Part complete- £3,850 spent to date on wall repair            |
|  | 3,900.00             | Littleport Church- Wall                     | 1,560.00           | Complete  |
|  | 1,500.00             | Cheveley Church- Wall                       | 7,750.00           | Complete  |
|  | 2,500.00             | Isleham Church- Gate                        |                    | Not Started   |
| <b>Total Closed Churchyards</b>          | <b>31,900.00</b>     |   | <b>15,460.00</b>   |   |
| <b>Littleport Depot</b>                  |                      |   |                    |   |
|  | 215,000.00           | Phase 2 Depot Improvement Plan              |                    | Commence 12 January 2026                                      |
|  | 543,500.00           | Depot Improvement Plan                      | 536,463.77         | Complete  |
| <b>Total Littleport Depot</b>            | <b>758,500.00</b>    |   | <b>536,463.77</b>  |   |
| <b>Play Areas/Open Space</b>             |                      |   |                    |   |
|  |                      |   |                    |   |
|  |                      |   |                    |   |
| <b>Total Play Areas</b>                  | <b>0.00</b>          |   | <b>0.00</b>        |   |
| <b>Public Conveniences</b>               |                      |   |                    |   |
|  | 5,000.00             | Annual Deep Cleaning of all Public Toilets  | 1,780.00           | Complete  |
|  |                      | Additional Deep Clean Ship Lane & Cloisters | 495.00             | Complete  |
|  | 15,000.00            | Refurbishment of Cloisters                  |                    | Compiling quotes  |
|  | 10,000.00            | Light refurbishment of Palace Green         | 23,261.00          | Complete  |
| <b>Total Public Conveniences</b>         | <b>30,000.00</b>     |   | <b>25,536.00</b>   |   |
| <b>Public Footpaths/Open Spaces</b>      |                      |   |                    |   |
|  | 10,000.00            | Williams Close Street Lighting              |                    | Awaiting confirmation of dates from contractor- still chasing |
| <b>Total Public Footpaths/Open Space</b> | <b>10,000.00</b>     |   | <b>0.00</b>        |   |
| <b>The Grange</b>                        |                      |   |                    |   |
|  | 30,000.00            | The annexe lift                             | 33,289.73          | Complete  |
| <b>Total The Grange</b>                  | <b>30,000.00</b>     |   | <b>33,289.73</b>   |   |
| <b>70 Market Street, Ely</b>             |                      |   |                    |   |

|                                       |                  |   |                 |   |
|---------------------------------------|------------------|---|-----------------|---|
|                                       | 3,600.00         | Installtion of secondary double glazing                     | 3,607.58        | Complete                                    |
| <b>Total 70 Market Street, Ely</b>    | <b>3,600.00</b>  |   | <b>3,607.58</b> |   |
| <b>72 and 74 Market Street, Ely</b>   |                  |   |                 |   |
|                                       | 20,000.00        | Installation of secondary double glazing/window replacement |                 | Ongoing                                     |
| <b>Total 72 Market Street, Ely</b>    | <b>20,000.00</b> |   | <b>0.00</b>     |   |
| <b>Cemetery Lodge</b>                 |                  |   |                 |   |
|                                       |                  |   |                 |   |
|                                       |                  |   |                 |   |
| <b>Total Cemetery Lodge</b>           | <b>0.00</b>      |   | <b>0.00</b>     |   |
| <b>Ely Museum</b>                     |                  |   |                 | .   |
|                                       | 1,000            | Annual Gutter Cleaning                                      | 1,685.00        | Complete- Overspend relates to repair works |
| <b>Total Ely Museum</b>               | <b>1,000.00</b>  |   | <b>1,685.00</b> |   |
| <b>St Johns Road Garages</b>          |                  |   |                 |   |
|                                       |                  |   |                 |   |
|                                       |                  |   |                 |   |
| <b>Total St Johns Road Garages</b>    | <b>0.00</b>      |   | <b>0.00</b>     |   |
| <b>The Old Barn, Littleport</b>       |                  |   |                 |   |
|                                       |                  |   |                 |   |
|                                       |                  |   |                 |   |
| <b>Total The Old Barn, Littleport</b> | <b>0.00</b>      |   | <b>0.00</b>     |   |
| <b>Mepal Outdoor Centre</b>           |                  |   |                 |   |
|                                       |                  |   |                 |   |
|                                       |                  |   |                 |   |
|                                       | 11,471.40        | Site security cameras                                       |                 |   |
|                                       |                  |   |                 |   |
|                                       |                  |   |                 |   |
| <b>Total Mepal Outdoor Centre</b>     | <b>11,471.40</b> |   | <b>0.00</b>     |   |
| <b>Other</b>                          |                  |   |                 |   |
|                                       |                  |   |                 |   |
|                                       |                  |   |                 |   |
|                                       |                  | Repairs to quayside river infrastructure, Ely               | 4,742.00        | Complete                                    |
|                                       |                  |   |                 |   |
|                                       |                  |   |                 |   |
| <b>Total Other</b>                    | <b>0.00</b>      |   | <b>4,742.00</b> |   |

|                              |            |               |            |
|------------------------------|------------|---------------|------------|
| Total Budgeted Expenditure   | 983,471.40 | Spend to Date | 624,054.08 |
| Asset Management Budget      | 170,194.00 |               |            |
| Depot Reserve                | 758,500.00 |               |            |
| Contribution from S106/Other | 55,000.00  |               |            |

**TITLE:** **Bereavement Centre Project 6 Monthly Progress Update**

Committee: Finance & Assets Committee

Date: 29 January 2026

Author: Director Operations / Bereavement Centre Project Officer

Report number: AA132

Contact officer: Isabel Edgar, Director Operations  
Isabel.edgar@eastcambs.gov.uk, The Grange, Ely

## **1. Issue**

- 1.1. To update on the Bereavement Centre Project progress.

## **2. Recommendations**

- 2.1 Members are requested to note the progress towards completion of the Bereavement Centre.
- 2.2 Committee is asked to recommend to Full Council the approval of up to £300,000 of CIL funding towards the project, for risk contingency.

## **3. Background**

- 3.1. On 22 May 2025, the Council approved a Community Infrastructure Levy (CIL) allocation of £12,960,617 for the construction of the Bereavement Centre. Full details are available [here](#). Following a competitive tendering process, Kier Construction was appointed for the design and build, with site works commencing on 4 August 2025.
- 3.2. This report details activity from August to December 2025, following regular updates provided to the Finance and Assets Committee. While the overall programme remains on track, with several workstreams currently ahead of schedule, the forecasted risk contingency budget has now been fully allocated. Consequently, any further emerging risks will result in a project overspend. Details of the financial risk position is provided in section 4.2

## **4. Arguments/Conclusions**

### **Project Progress**

- 4.1 The following milestones have been achieved during this period:

- a) Main Structure: The main chapel, offices and crematory structures are in place, and the concrete floor slab has been poured. The building is expected to be weatherproof by 24 March 2026 and watertight by end of 9<sup>th</sup> April 2026.
- b) Landscaping and Habitats: Significant progress has been made in re-establishing natural habitats. This includes the creation of new sand dunes and deadwood planting to the south of the site. Roadways and pathways have been formed, with hard and soft landscaping areas clearly demarcated.

- c) **Groundworks:** Substantial additional groundworks were required due to unforeseen obstructions, despite prior geotechnical surveys and borehole testing. This involved the removal and disposal of large foundation structures in the natural burial area and redundant piling structures beneath the main chapel. Ground quality improvements have also been carried out in specific areas.
- d) **Utilities:** Drainage and utility connections are nearing completion, with site electrification scheduled for April 2026.
- e) **Modular Function Room:** The design for the modular function room has been finalised and the unit ordered, with delivery expected on site in late February/early March.
- f) **Procurement:** The cremator and ancillary equipment have been ordered. Procurement for client-side items, including audio-visual systems, furniture, and refrigeration, is underway and on schedule.
- g) **Highways:** Section 278 works are currently in the design development phase, with detailed design of the main entrance underway presently. Physical works will begin following Highway approval. To the north of the site, an area has been designated for a small car park for the potential use of a fishing club. While the highways access for this area is currently under design, no budget has been allocated for the construction of the highways works or the car park itself. These elements were excluded from the original scope of the main design and build contract.
- h) **Topsoil Management:** Topsoil sourced from the Littleport depot and a further donor site has undergone extensive testing. While this testing delayed the removal of soil from the depot, transfers to the site are now scheduled for January 2026.

### **Risk Management**

- 4.2 The design and build contract with Kier included several provisional sums to address uncertainties regarding final site requirements, which remained subject to further testing and surveys. Additionally, a client-side risk contingency of £419,000 was maintained to offset potential increases in professional fees, equipment costs, or unforeseen works.
- 4.3 While the Council and Kier have successfully mitigated or negotiated many site risks to limit their financial impact, the final forecast cost is currently projected at £12,934,757. When compared against the agreed project budget of £12,890,618, this indicates a potential overspend of £44,139. Should all identified risks materialise, this shortfall is currently unfunded.
- 4.4 The full projected use of the risk allowance is generally attributed to three factors:
  - **Groundworks:** Additional unavoidable works required on site.
  - **Surveys:** Requirement for further unforeseen surveys, mainly ecology and surveys associated with groundwork/soil.
  - **Cost Increases:** A general inflationary rise in professional fees and the cost of equipment.

## 5. Implications and Impacts

| Financial Implications                        | Legal Implications                          | Human Resources (HR) Implications                     |
|---|---|---|
| YES   | NO  | NO  |
| <b>Equality Impact Assessment (EIA)</b><br>NO | <b>Carbon Impact Assessment (CIA)</b><br>NO | <b>Data Protection Impact Assessment (DPIA)</b><br>NO |

### Financial impacts

- 5.1 The risk contingency budget has now been fully allocated. Should all currently identified risks materialise, the project faces an expected overspend of £44,139. Furthermore, if current risk mitigation strategies prove unsuccessful, this overspend is likely to increase to approximately £129,000.
- 5.2 To have exhausted the risk contingency at this stage of a 12-month build programme is a significant concern, as any newly emerging risks will be entirely unfunded. Although the primary risks largely associated with groundworks and site improvements are nearing completion, it is not advisable to proceed toward the Summer 2026 completion date without a remaining contingency buffer.
- 5.3 To ensure the project remains on programme, avoids costs associated with client-side delays, and maintains a stable cash flow, the Council's appointed cost consultants and project management team recommend that a further £300,000 be made available to cover known and potential un-forecasted costs.
- 5.4 It is recommended that the Council allocate an additional £300,000 from the Community Infrastructure Levy (CIL) to the project. These funds would only be drawn down in the event that unavoidable new risks emerge beyond those already identified. This contingency is strictly for risk mitigation and will not be available for client-led design changes; any such requests must be managed within the existing main build budget.
- 5.5 On 22 May 2025 (agenda Item 18), Members resolved to fund up to £12,960,617 for the Bereavement Centre. A firm allocation of £8,203,530.78 was made from held balances with the remainder coming from future CIL receipts into the 'other' pot.
- 5.6 At the time of Full Council, it was reported that there may be a shortfall of £737,000 which could be covered by internal borrowing. The reason for this was due to the projected timing of CIL income.
- 5.7 As of 6 January 2026, the projections show that there is no longer a shortfall, as the total of CIL receipts will be sufficient to meet the approved allocation. Furthermore, based on the current projections and funding profile there will be sufficient funds in the 'other' pot to meet the additional £300,000 requirement.

## **6      Background documents**

Finance and Assets Committee - Asset update reports 25 September 2025 and 7 November 2025

**TITLE: 2026/27 Annual Treasury Management Strategy, Minimum Revenue Provision Policy Statement and Annual Investment Strategy**

Committee: Finance and Assets Committee

Date: 29 January 2026

Author: Director, Finance

Report No: AA133

Contact Officer: Jude Antony, Director Finance

[Jude.Antony@eastcambs.gov.uk](mailto:Jude.Antony@eastcambs.gov.uk) 01353 616470 Room 104, The Grange, Ely

## **1.0 Issue**

1.1 To consider the 2026/27 Treasury Management Strategy, the Annual Investment Strategy and the Minimum Revenue Provision Policy Statement.

## **2.0 Recommendation**

2.1 That the Finance and Assets Committee recommends to Full Council to approve:

- The 2026/27 Treasury Management Strategy
- The Annual Investment Strategy
- The Minimum Revenue Provision Policy Statement
- The Prudential and Treasury Indicators.

## **3.0 Background / Options**

3.1 CIPFA Requirements

The Council has adopted the CIPFA (*Chartered Institute of Public Finance and Accountancy*) Code of Practice on Treasury Management and any subsequent revisions.

3.2 The Treasury Management Policy Statement

As per CIPFA's definition, the Council defines its treasury management activities as:

- The management of the Council's investments and cash flows, its banking, money market and capital market transactions; the effective control of the risks associated with those activities; and the pursuit of optimum performance consistent with those risks.
- The Council regards the successful identification, monitoring and control of risk to be the prime criteria by which the effectiveness of its treasury management activities will be measured. Accordingly, the analysis and reporting of treasury management activities will focus on their risk implications for the Council, and any financial instruments entered into to manage these risks.

- The Council acknowledges that effective treasury management will provide support towards the achievement of its business and service objectives. It is therefore committed to the principles of achieving value for money in treasury management, and to employing suitable comprehensive performance measurement techniques, within the context of effective risk management.

The Council will create and maintain, as the cornerstones for effective treasury management:

- a treasury management policy statement, stating the policies, objectives and approach to risk management of its treasury management activities;
- suitable treasury management practices (TMPs), setting out the manner in which the Council will seek to achieve those policies and objectives, and prescribing how it will manage and control those activities.

The content of the policy statement and TMPs will follow the recommendations contained in Sections 6 and 7 of the CIPFA Code, subject only to amendment where necessary to reflect the particular circumstances of this Council. Such amendments will not result in the Council materially deviating from the Code's key principles.

- Full Council will receive reports on its treasury management policies, practices and activities, including, as a minimum, an annual strategy and plan in advance of the financial year (this report), a mid-year review and an annual report after financial close, in the form prescribed in its TMPs.
- The Council delegates responsibility for the implementation and regular monitoring of its treasury management policies and practices to the Finance and Assets Committee, and for the execution and administration of treasury management decisions to the Director, Finance, who will act in accordance with the Council's policy statement and TMPs and as a CIPFA member, CIPFA's Standard of Professional Practice on Treasury Management.
- The Council nominates Finance and Assets Committee to be responsible for ensuring effective scrutiny of the treasury management strategy and policies. To this end, and in line with the CIPFA Code, Finance and Assets Committee also receive quarterly updates at the end of quarters one and three. These are not forwarded onto Full Council for approval.

### 3.3 Investment Strategy

The Council continues to hold significant reserves (January 2026) and has been able, up until now, to meet the costs of the loans to East Cambs Trading Company (ECTC) and East Cambs CLT, the construction of the Bereavement Centre and the Leisure Centre, the purchase of Waste fleet and the major works at the depot from internal borrowing against these reserves; therefore, without the need for any external borrowing. This situation is forecast to continue in 2026/27.

The Council continues to hold cash balances in advance of those needed to cover internal borrowing and these are being / will be invested in line with the criteria detailed in the Treasury Management Strategy (appendix 1 to this report).

The Council has currently loaned East Cambs Trading Company £6.375 million, in relation to the loan agreement approved by Council in April 2022 and extended in February 2024, the total value of this loan facility is £7.5 million.

### 3.4 Borrowing Strategy

The Council continues to hold significant reserves so internal cash balances are being used to fund capital commitments. This situation is expected to continue and while cash balances are expected to reduce in the remainder of this financial year and in future years, it is now forecast that no external borrowing will be required during 2026/27. This situation will be continually monitored as we go into the new financial year.

### 3.5 Counterparty Limits

The Counterparty limits in the Treasury Management Strategy remain unchanged from that approved in 2025/26.

## 4.0 Additional Implications Assessment

### 4.1 In the table below, please put Yes or No in each box:

| Financial Implications<br>Yes             | Legal Implications<br>No                | Human Resources (HR)<br>Implications<br>No        |
|---|---|---|
| Equality Impact<br>Assessment (EIA)<br>No | Carbon Impact<br>Assessment (CIA)<br>No | Data Protection Impact<br>Assessment (DPIA)<br>No |

## 5.0 Appendices

Appendix 1 - Treasury Management Strategy Statement, Minimum Revenue Provision Policy Statement and Annual Investment Strategy

## 6.0 Background Documents:

The Prudential Code published by CIPFA

Treasury Management Practice Schedules

Revenue Budget, Capital Programme and Council Tax 2026/27 Report (also on today's agenda)



# **Treasury Management Strategy Statement**

Minimum Revenue Provision Policy Statement and Annual Investment Strategy

**2026/27**

## INDEX

|     |   |                              |
|-----|---|------------------------------|
| 1.1 | Background .....  | 5                            |
| 1.2 | Reporting Requirements .....  | 5                            |
| 1.3 | Treasury Management Strategy for 2026/27 .....  | 6                            |
| 1.4 | Training.....   | 7                            |
| 1.5 | Treasury Management Consultants .....   | 7                            |
| 2.  | <b>THE CAPITAL PRUDENTIAL INDICATORS 2026/27 – 2028/29 .....</b>  | <b>9</b>                     |
| 2.1 | Capital Expenditure and Financing .....   | 9                            |
| 2.2 | The Council's Borrowing Need (the Capital Financing Requirement).....   | 9                            |
| 2.3 | Liability Benchmark.....  | 10                           |
| 2.4 | Core Funds and Expected Investment Balances .....   | 11                           |
| 2.5 | Minimum Revenue Provision (MRP) Policy Statement .....  | 12                           |
| 3.  | <b>BORROWING .....</b>  | <b>14</b>                    |
| 3.1 | Current Portfolio Position .....  | 14                           |
| 3.2 | Treasury Indicators: Limits to Borrowing Activity .....   | 15                           |
| 3.3 | Prospects for Interest Rates .....  | 16                           |
| 3.4 | Borrowing Strategy .....  | 18                           |
| 3.5 | Policy on Borrowing in Advance of Need.....   | 18                           |
| 3.6 | Rescheduling.....   | Error! Bookmark not defined. |
| 3.7 | New Financial Institutions as a Source of Borrowing and / or Types of Borrowing ( <i>if applicable</i> )..... | 18                           |
| 3.8 | Approved Sources of Long and Short-term Borrowing.....  | 19                           |
| 4   | <b>ANNUAL INVESTMENT STRATEGY.....</b>  | <b>20</b>                    |
| 4.1 | Investment Policy – Management of Risk .....  | 20                           |
| 4.2 | Creditworthiness Policy .....   | 21                           |
| 4.3 | Limits .....  | Error! Bookmark not defined. |
| 4.4 | Investment Strategy .....   | 23                           |
| 4.5 | Investment Performance / Risk Benchmarking.....   | 24                           |
| 4.6 | End of Year Investment Report .....   | 25                           |
| 4.7 | External Fund Managers .....  | Error! Bookmark not defined. |
| 5   | <b>APPENDICES .....</b>   | <b>26</b>                    |
| 5.1 | THE CAPITAL PRUDENTIAL AND TREASURY INDICATORS 2026/27 – 2028/29 ...  | 27                           |
| 5.2 | INTEREST RATE FORECASTS 2025-2028 .....   | Error! Bookmark not defined. |
| 5.3 | ECONOMIC BACKGROUND (to 13 November 2025) .....   | 28                           |
| 5.4 | TREASURY MANAGEMENT PRACTICE (TMP1) – CREDIT AND COUNTERPARTY RISK MANAGEMENT OPTION 1 .....                  | 33                           |
| 5.5 | TREASURY MANAGEMENT PRACTICE (TMP1) – CREDIT AND COUNTERPARTY RISK MANAGEMENT OPTION 2 .....                  | Error! Bookmark not defined. |
| 5.6 | APPROVED COUNTRIES FOR INVESTMENTS .....  | 34                           |
| 5.7 | TREASURY MANAGEMENT SCHEME OF DELEGATION.....   | 35                           |
| 5.8 | THE TREASURY MANAGEMENT ROLE OF THE SECTION 151 OFFICER .....   | 36                           |

## Key Considerations

**2021 revised CIPFA Treasury Management Code and Prudential Code – changes which will impact on future TMSS/AIS reports and the risk management framework.**

CIPFA published the revised Codes on 20th December 2021 and stated that revisions need to be included in the reporting framework from the 2023/24 financial year. This Council, therefore, has to have regard to these Codes of Practice when it prepares the Treasury Management Strategy Statement and Annual Investment Strategy, and also related reports during the financial year, which are taken to Full Council for approval.

**The revised Treasury Management Code required all investments and investment income to be attributed to one of the following three purposes: -**

### **Treasury management**

Arising from the organisation's cash flows or treasury risk management activity, this type of investment represents balances which are only held until the cash is required for use. Treasury investments may also arise from other treasury risk management activity which seeks to prudently manage the risks, costs or income relating to existing or forecast debt or treasury investments.

### **Service delivery**

Investments held primarily and directly for the delivery of public services including housing, regeneration and local infrastructure. Returns on this category of investment which are funded by borrowing are permitted only in cases where the income is "either related to the financial viability of the project in question or otherwise incidental to the primary purpose".

### **Commercial return**

Investments held primarily for financial return with no treasury management or direct service provision purpose. Risks on such investments should be proportionate to a Council's financial capacity – i.e., that 'plausible losses' could be absorbed in budgets or reserves without unmanageable detriment to local services. A Council must not borrow to invest primarily for financial return.

**The revised Treasury Management Code requires a Council to implement the following: -**

1. **Adopt a liability benchmark treasury indicator** to support the financing risk management of the capital financing requirement; this is to be shown in chart form for a minimum of 10 years, with material differences between the liability benchmark and actual loans to be explained.
2. **Long-term treasury investments**, (including pooled funds), are to be classed as commercial investments unless justified by a cash flow business case.
3. **Pooled funds** are to be included in the indicator for principal sums maturing in years beyond the initial budget year.
4. Amendment to the **knowledge and skills register** for officers and members involved in the treasury management function - to be proportionate to the size and complexity of the treasury management conducted by each Council.
5. **Reporting to members is to be done quarterly.** Specifically, the Chief Finance Officer (CFO) is required to establish procedures to monitor and report performance against all forward-looking prudential indicators at least quarterly. The CFO is expected to establish a measurement and reporting process that highlights significant actual or forecast deviations from the approved indicators. However, monitoring of prudential indicators, including forecast debt and investments, is not required to be taken to Full Council and should be reported as part of the Council's integrated revenue, capital and balance sheet monitoring.

6. **Environmental, social and governance (ESG) issues to be addressed within a Council's treasury management policies and practices (TMP1).**

**The main requirements of the Prudential Code relating to service and commercial investments are: -**

1. The risks associated with service and commercial investments should be proportionate to their financial capacity – i.e. that plausible losses could be absorbed in budgets or reserves without unmanageable detriment to local services.
2. A Council must not borrow to invest for the primary purpose of commercial return.
3. It is not prudent for local authorities to make any investment or spending decision that will increase the CFR, and so may lead to new borrowing, unless directly and primarily related to the functions of the Council, and where any commercial returns are either related to the financial viability of the project in question or otherwise incidental to the primary purpose.
4. An annual review should be conducted to evaluate whether commercial investments should be sold to release funds to finance new capital expenditure or refinance maturing debt.
5. A prudential indicator is required for the net income from commercial and service investments as a proportion of the net revenue stream.
6. Create new Investment Management Practices to manage risks associated with non-treasury investments, (similar to the current Treasury Management Practices).

**A Council's Capital Strategy or Annual Investment Strategy should include: -**

1. The Council's approach to investments for service or commercial purposes (together referred to as non-treasury investments), including defining the Council's objectives, risk appetite and risk management in respect of these investments, and processes ensuring effective due diligence.
2. An assessment of affordability, prudence and proportionality in respect of the Council's overall financial capacity (i.e., whether plausible losses could be absorbed in budgets or reserves without unmanageable detriment to local services).
3. Details of financial and other risks of undertaking investments for service or commercial purposes and how these are managed.
4. Limits on total investments for service purposes and for commercial purposes respectively (consistent with any limits required by other statutory guidance on investments).
5. Requirements for independent and expert advice and scrutiny arrangements (while business cases may provide some of this material, the information contained in them will need to be periodically re-evaluated to inform the Council's overall strategy).
6. State compliance with paragraph 51 of the Prudential Code in relation to investments for commercial purposes, in particular the requirement that a Council must not borrow to invest primarily for financial return.

As this TMSS and AIS deals solely with treasury management investments, the categories of service delivery and commercial investments should be addressed as part of the Capital Strategy section of the Budget Report.

## 1.1 Background

The Council is required to operate a balanced revenue budget, which broadly means that cash raised during the year will meet cash expenditure. Part of the treasury management operation is to ensure that this cash flow is adequately planned, with cash being available when it is needed. Surplus monies are invested in low-risk counterparties or instruments commensurate with the Council's low risk appetite, providing adequate liquidity initially before considering investment return.

The second main function of the treasury management service is the funding of the Council's capital plans. These capital plans provide a guide to the borrowing need of the Council, essentially the longer-term cash flow planning, to ensure that it can meet its capital spending obligations. This management of longer-term cash may involve arranging long or short-term loans or using longer-term cash flow surpluses. On occasion, when it is prudent and economic, any debt previously drawn may be restructured to meet risk or cost objectives.

The contribution the treasury management function makes to the Council is critical, as the balance of debt and investment operations ensure liquidity or the ability to meet spending commitments as they fall due, either on day-to-day revenue or for larger capital projects. The treasury operations will see a balance of the interest costs of debt and the investment income arising from cash deposits affecting the available budget. Since cash balances generally result from reserves and balances, it is paramount to ensure adequate security of the sums invested, as a loss of principal will in effect result in a loss to the General Fund Balance.

CIPFA defines treasury management as:

*"The management of the local Council's borrowing, investments and cash flows, including its banking, money market and capital market transactions; the effective control of the risks associated with those activities; and the pursuit of optimum performance consistent with those risks."*

Whilst any commercial initiatives or loans to third parties will impact on the treasury function, these activities are generally classed as non-treasury activities, (arising usually from capital expenditure), and are separate from the day-to-day treasury management activities.

## 1.2 Reporting Requirements

### 1.2.1 Capital Strategy

The CIPFA 2021 Prudential and Treasury Management Codes require all local authorities to prepare a Capital Strategy report which will provide the following: -

- a high-level long-term overview of how capital expenditure, capital financing and treasury management activity contribute to the provision of services
- an overview of how the associated risk is managed
- the implications for future financial sustainability

The aim of the strategy is to ensure that all the Council's elected members fully understand the overall long-term policy objectives and resulting Capital Strategy requirements, governance procedures and risk appetite.

### 1.2.2 Treasury Management Reporting

The Council is currently required to receive and approve, as a minimum, three main treasury reports each year, which incorporate a variety of policies, estimates and actuals.

- a. **Prudential and treasury indicators and treasury strategy** (this report) - The first, and most important report is forward looking and covers: -
  - the capital plans, (including prudential indicators)
  - a minimum revenue provision (MRP) policy, (how residual capital expenditure is charged to revenue over time)
  - the Treasury Management Strategy, (how the investments and borrowings are to be organised), including treasury indicators; and
  - an Annual Investment Strategy, (the parameters on how investments are to be managed)
- b. **A mid-year treasury management report** – This is primarily a progress report and will update members on the capital position, amending prudential indicators as necessary, and whether any policies require revision. In addition, this Council will receive quarterly update reports.
- c. **An annual treasury report** – This is a backward-looking review document and provides details of a selection of actual prudential and treasury indicators and actual treasury operations compared to the estimates within the strategy.

#### Scrutiny

The above reports are required to be adequately scrutinised before being recommended to the Full Council. This role is undertaken by the Finance and Assets Committee.

**Quarterly reports** – In addition to the three major reports detailed above, from 2023/24 quarterly reporting (end of June/end of December) has also been required. However, these additional reports do not have to be reported to Full Council/Board but do require to be adequately scrutinised. This role is undertaken by the Finance and Assets Committee. (The reports, specifically, should comprise updated Treasury/Prudential Indicators.)

### 1.3 Treasury Management Strategy for 2026/27

The strategy for 2026/27 covers two main areas:

#### Capital issues

- the capital expenditure plans and the associated prudential indicators
- the minimum revenue provision (MRP) policy

#### Treasury management issues

- the current treasury position
- treasury indicators which limit the treasury risk and activities of the Council
- prospects for interest rates
- the borrowing strategy
- policy on borrowing in advance of need
- the investment strategy
- creditworthiness policy; and
- the policy on use of external service providers

These elements cover the requirements of the Local Government Act 2003, MHCLG Investment Guidance, MHCLG MRP Guidance, the CIPFA Prudential Code and the CIPFA Treasury Management Code.

## 1.4 Training

The CIPFA Treasury Management Code requires the responsible officer to ensure that members with responsibility for treasury management receive adequate training in treasury management. This especially applies to members responsible for scrutiny.

Furthermore, pages 47 and 48 of the Code state that they expect “all organisations to have a formal and comprehensive knowledge and skills or training policy for the effective acquisition and retention of treasury management knowledge and skills for those responsible for management, delivery, governance and decision making.

The scale and nature of this will depend on the size and complexity of the organisation’s treasury management needs. Organisations should consider how to assess whether treasury management staff and board/ council members have the required knowledge and skills to undertake their roles and whether they have been able to maintain those skills and keep them up to date.

As a minimum, authorities should carry out the following to monitor and review knowledge and skills:

- Record attendance at training and ensure action is taken where poor attendance is identified.
- Prepare tailored learning plans for treasury management officers and board/council members.
- Require treasury management officers and board/council members to undertake self-assessment against the required competencies (as set out in the schedule that may be adopted by the organisation).
- Have regular communication with officers and board/council members, encouraging them to highlight training needs on an ongoing basis.”

In further support of the revised training requirements, CIPFA’s Better Governance Forum and Treasury Management Network have produced a ‘self-assessment by members responsible for the scrutiny of treasury management’, which is available from the CIPFA website to download.

Following the elections in May 2023, a Treasury Management training session was offered to all Members as part of the induction. This took place on the 5<sup>th</sup> October 2023 and was hosted by Fifield Training Limited.

The training needs of treasury management officers are periodically reviewed. Two members of the team, including the Director Finance, attended a training session on the 19<sup>th</sup> November 2025.

A formal record of the training received by officers central to the Treasury function will be maintained by the Director, Finance. Similarly, a formal record of the treasury management/capital finance training received by members will also be maintained by Director, Finance.

## 1.5 Treasury Management Consultants

The Council uses MUFG Corporate Markets as its external treasury management advisors.

The Council recognises that responsibility for treasury management decisions remains with the organisation at all times and will ensure that undue reliance is not placed upon the services of our external service providers. All decisions will be undertaken with regards to all available information, including, but not solely, our treasury advisers.

It also recognises that there is value in employing external providers of treasury management services to acquire access to specialist skills and resources. The Council will ensure that the terms

of their appointment and the methods by which their value will be assessed are properly agreed and documented and subjected to regular review.

## 2. THE CAPITAL PRUDENTIAL INDICATORS 2026/27 – 2028/29

The Council's capital expenditure plans are the key driver of treasury management activity. The output of the capital expenditure plans is reflected in the prudential indicators, which are designed to assist members' overview and confirm capital expenditure plans are prudent, affordable and sustainable.

### 2.1 Capital Expenditure and Financing

This prudential indicator is a summary of the Council's capital expenditure plans, both those agreed previously, and those forming part of this budget cycle. Members are asked to approve the capital expenditure forecasts: -

| Capital expenditure<br>£000 | 2024/25<br>Actual | 2025/26<br>Estimate | 2026/27<br>Estimate | 2027/28<br>Estimate | 2028/29<br>Estimate |
|-----------------------------|-------------------|---------------------|---------------------|---------------------|---------------------|
| Operational Services        | 1,869             | 15,087              | 3,475               | 1,423               | 912                 |
| Finance & Assets            | 110               | 381                 | 0                   | 0                   | 0                   |
| F&A – Loan to ECTC          | 1,675             | 2,700               | 4,000               | 0                   | 0                   |
| <b>Total</b>                | <b>3,654</b>      | <b>18,168</b>       | <b>7,475</b>        | <b>1,423</b>        | <b>912</b>          |

The table below summarises the above capital expenditure plans and how these plans are being financed by capital or revenue resources. Any shortfall of resources results in a funding borrowing need.

| Financing of capital<br>expenditure £000   | 2024/25<br>Actual | 2025/26<br>Estimate | 2026/27<br>Estimate | 2027/28<br>Estimate | 2028/29<br>Estimate |
|--|-------------------|---------------------|---------------------|---------------------|---------------------|
| Capital Grant                              | 637               | 2,017               | 603                 | 603                 | 603                 |
| Section 106 / CIL                          | 1,954             | 10,359              | 3,083               | 750                 | 600                 |
| Capital Reserves                           | 74                | 337                 | 210                 | 210                 | 210                 |
| Revenue                                    | 0                 | 0                   | 0                   | 0                   | 0                   |
| <b>Net financing need for<br/>the year</b> | <b>988</b>        | <b>5,455</b>        | <b>3,579</b>        | <b>(140)</b>        | <b>(501)</b>        |

### 2.2 The Council's Borrowing Need (the Capital Financing Requirement)

The second prudential indicator is the Council's Capital Financing Requirement (CFR). The CFR is simply the total historic outstanding capital expenditure which has not yet been paid for from either revenue or capital resources. It is essentially a measure of the Council's indebtedness and so its underlying borrowing need. Any capital expenditure above, which has not immediately been paid for through a revenue or capital resource, will increase the CFR.

The CFR does not increase indefinitely, as the minimum revenue provision (MRP) is a statutory annual revenue charge which broadly reduces the indebtedness in line with each asset's life and so charges the economic consumption of capital assets as they are used.

The CFR includes any other long-term liabilities (e.g., PFI schemes, leases). Whilst these increase the CFR, and therefore the Council's borrowing requirement, these types of schemes include a borrowing facility by the PFI, PPP lease provider and so the Council is not required to separately borrow for these schemes. The Council currently has £XXm of such schemes within the CFR.

The Council is asked to approve the CFR projections below:

| £000                                 | 2024/25<br>Actual | 2025/26<br>Estimate | 2026/27<br>Estimate | 2027/28<br>Estimate | 2028/29<br>Estimate |
|--------------------------------------|-------------------|---------------------|---------------------|---------------------|---------------------|
| <b>Capital Financing Requirement</b> |                   |                     |                     |                     |                     |
| CFR Brought forward                  | 10,652            | 10,197              | 12,461              | 13,225              | 6,206               |
| Movement in CFR in year              | (455)             | 2,264               | 764                 | (7,019)             | (768)               |
| <b>Total CFR at yearend</b>          | <b>10,197</b>     | <b>12,461</b>       | <b>13,225</b>       | <b>6,206</b>        | <b>5,438</b>        |

| <b>Movement in CFR represented by</b>   |              |              |            |                |              |
|---|--------------|--------------|------------|----------------|--------------|
| Net financing need for the year (above) | 988          | 5,455        | 3,580      | (140)          | (500)        |
| Less MRP                                | (593)        | (585)        | (941)      | (411)          | (268)        |
| Less Repayment of previous loan to ECTC | (850)        | (2,605)      | (1,876)    | (6,468)        | 0            |
| <b>Movement in CFR</b>                  | <b>(455)</b> | <b>2,265</b> | <b>763</b> | <b>(7,019)</b> | <b>(768)</b> |

| Borrowing £000 | 2024/25<br>Actual | 2025/26<br>Estimate | 2026/27<br>Estimate | 2027/28<br>Estimate | 2028/29<br>Estimate |
|----------------|-------------------|---------------------|---------------------|---------------------|---------------------|
| Service spend  | (796)             | 2,474               | (420)               | (140)               | (500)               |
| Housing        | 1,785             | 2,981               | 4,000               | 0                   | 0                   |
| <b>TOTAL</b>   | <b>989</b>        | <b>5,455</b>        | <b>3,580</b>        | <b>(140)</b>        | <b>(500)</b>        |

### 2.3 Liability Benchmark

The Council is required to estimate and measure the Liability Benchmark (LB) for the forthcoming financial year and the following two financial years, as a minimum.

There are four components to the LB: -

1. **Existing loan debt outstanding:** the Council's existing loans that are still outstanding in future years.
2. **Loans CFR:** this is calculated in accordance with the loans CFR definition in the Prudential Code and projected into the future based on approved prudential borrowing and planned MRP.
3. **Net loans requirement:** this will show the Council's gross loan debt less treasury management investments at the last financial year-end, projected into the future and based on its approved prudential borrowing, planned MRP and any other major cash flows forecast.
4. **Liability benchmark** (or gross loans requirement): this equals net loans requirement plus short-term liquidity allowance.

| <b>Liability Benchmark<br/>£000</b>                     | <b>2024/25<br/>Actual</b> | <b>2025/26<br/>Estimate</b> | <b>2026/27<br/>Estimate</b> | <b>2027/28<br/>Estimate</b> | <b>2028/29<br/>Estimate</b> |
|---|---------------------------|-----------------------------|-----------------------------|-----------------------------|-----------------------------|
| External Debt   | 0                         | 0                           | 0                           | 0                           | 0                           |
| Treasury Investments                                    | (32,288)                  | (27,253)                    | (21,762)                    | (22,633)                    | (13,594)                    |
| Internal Borrowing                                      | (10,197)                  | (12,462)                    | (13,225)                    | (6,206)                     | (5,438)                     |
| <b>Net Loan Requirement</b>                             | <b>(42,485)</b>           | <b>(39,715)</b>             | <b>(34,987)</b>             | <b>(28,839)</b>             | <b>(19,032)</b>             |
| Capital Financing Requirement                           | 10,197                    | 12,462                      | 13,225                      | 6,206                       | 5,438                       |
| Liquidity Allowance / Buffer                            | 3,000                     | 3,000                       | 3,000                       | 3,000                       | 3,000                       |
| <b>Liability Benchmark / Gross<br/>Loan Requirement</b> | <b>(29,288)</b>           | <b>(24,253)</b>             | <b>(18,762)</b>             | <b>(19,633)</b>             | <b>(10,594)</b>             |

#### 2.4 Core Funds and Expected Investment Balances

The application of resources (capital receipts, reserves etc.) to either finance capital expenditure or other budget decisions to support the revenue budget will have an ongoing impact on investments unless resources are supplemented each year from new sources (asset sales etc.). Detailed below are estimates of the year-end balances for each resource and anticipated day-to-day cash flow balances.

| <b>Year End Resources<br/>£000</b> | <b>2024/25<br/>Actual</b> | <b>2025/26<br/>Estimate</b> | <b>2026/27<br/>Estimate</b> | <b>2027/28<br/>Estimate</b> | <b>2028/29<br/>Estimate</b> |
|------------------------------------|---------------------------|-----------------------------|-----------------------------|-----------------------------|-----------------------------|
| Revenue Reserves                   | 17,632                    | 16,941                      | 13,431                      | 9,810                       | 7,289                       |
| S106 / CIL                         | 17,669                    | 7,810                       | 5,228                       | 5,128                       | 5,028                       |
| Capital receipts                   | 1,759                     | 1,275                       | 1,876                       | 6,468                       | 50                          |
| Provisions                         | 1,227                     | 1,066                       | 1,066                       | 1,066                       | 1,066                       |
| Council Tax / NNDR Surplus         | 1,425                     |                             |                             |                             |                             |
| <b>Total core funds</b>            | <b>39,712</b>             | <b>27,092</b>               | <b>21,601</b>               | <b>22,472</b>               | <b>13,433</b>               |
| Working capital                    | 2,773                     | 2,773                       | 2,773                       | 2,773                       | 2,773                       |
| Internal Borrowing                 | (10,197)                  | (12,462)                    | (13,225)                    | (6,206)                     | (5,438)                     |
| <b>Expected investments</b>        | <b>32,288</b>             | <b>17,403</b>               | <b>11,149</b>               | <b>19,039</b>               | <b>10,769</b>               |

Working capital balances shown are estimated year-end; these may be higher mid-year

## 2.5 Minimum Revenue Provision (MRP) Policy Statement

Under Regulation 27 of the Local Authorities (Capital Finance and Accounting) (England) Regulations 2003, where the Council has financed capital expenditure by borrowing it is required to make a provision each year through a revenue charge (MRP). The 2003 Regulations have been further amended with full effect from April 2025 to expressly provide that in determining a prudent provision local authorities cannot exclude any amount of CFR from its calculation, unless by an exception set out in statute.

The Council is required to calculate a prudent provision of MRP which ensures that the outstanding debt liability is repaid over a period that is reasonably commensurate with that over which the capital expenditure provides benefits. The MRP Guidance (2024) provides four ready-made options for calculating MRP. A Council can use a mix of these options if it considers it appropriate to do so.

The Government considers that the methods of making prudent provision include the options set out in the statutory guidance. However, this does not rule out or otherwise preclude a Council from using an alternative method should it decide that is more appropriate. Any method used is subject to the conditions in paragraphs 61 to 65 of the guidance as far as these are relevant.

To ensure transparency and accountability, as a minimum, the MRP Policy Statement should set out the policy for the following:

- The Council's policy to provide MRP, the major assumptions applied, and the methodologies used.
- Any changes to the policy or methodologies from the prior year with an explanation of the rationale and financial impact.
- How the Council has considered the requirements set out in statute and the guidance to ensure it is meeting its duty to make prudent provision.
- A description of any departures from the guidance and an explanation of why the approach adopted results in a more prudent charge.
- Details as to how capital receipts will be used to reduce indebtedness and the impact on the MRP charge.
- An explanation of where MRP is not being made with respect to any amount of CFR and the statutory basis for this; and
- The detail of any planned voluntary overpayment of MRP.

The MRP policy statement requires full council approval (or closest equivalent level) in advance of each financial year.

The Council is recommended to approve the following MRP Statement.

For all unsupported borrowing the Council's MRP policy will be **Asset life method (straight line):**

|   |          |
|---|----------|
| • Waste Fleet purchased prior to 2023/24            | 9 years  |
| • Waste Fleet purchased in 2023/24 and future years | 7 years  |
| • Other Fleet                                       | 9 years  |
| • Leisure Centre                                    | 25 years |
| • Depot   | 25 years |
| • Waste Bins  | 25 years |

Regulation 27(3) allows a local Council to charge MRP in the financial year following the one in which capital expenditure finance by debt was incurred.

Capital expenditure financed by borrowing in 2025/26 will not be subject to an MRP charge until 2026/27, or in the financial year following the one which the asset first becomes available for use.

### **Capital loans**

Regulation 27(4) allows a local Council to exclude capital loans that are financed by debt from the requirement to make MRP, provided the loan is not a commercial loan. A commercial loan is defined in regulation 27(5) as a loan from the Council to another entity for a purpose which, if the Council were to undertake itself, would be primarily for financial return; or, where the loan is itself, capital expenditure undertaken primarily for financial return. Local authorities must make MRP with respect to any debt used to finance a commercial capital loan.

A local Council may choose not to charge MRP in respect of the financing by debt of a loan issued by a Council to any person or body, where —

- (a) the loan is treated as capital expenditure in accordance with regulation 25(1)(b),
- (b) the loan is not a commercial loan, and
- (c) the local Council has not recognised, in accordance with proper practices(c), any expected or actual credit loss in respect of that loan.

- Loans to ECTC and ECCLT - For capital expenditure on loans to third parties where the principal will be repaid at the end of the loan period, this loan repayment will be used to reduce the CFR at the point of repayment and no MRP will be paid against the capital expenditure in the intervening period. This is consistent with the table in 2.2 above.

### **MRP Overpayments**

Under the MRP guidance, charges made in excess of the statutory MRP can be made and are known as voluntary revenue provision (VRP).

VRP can be reclaimed in later years if deemed necessary or prudent. In order for these amounts to be reclaimed for use in the budget, this policy must disclose the cumulative overpayment made each year.

Cumulative VRP overpayments made to 31.03.25 are £0.810m.

### 3. BORROWING

The capital expenditure plans set out in Section 2 provide details of the service activity of the Council. The treasury management function ensures that the Council's cash is organised in accordance with the relevant professional codes, so that sufficient cash is available to meet this service activity and the Council's Capital Strategy. This will involve both the organisation of the cash flow and, where capital plans require, the organisation of appropriate borrowing facilities. The strategy covers the relevant treasury / prudential indicators, the current and projected debt positions, and the Annual Investment Strategy.

#### 3.1 Current Portfolio Position

The overall treasury management portfolio as at 31.3.2025 and for the position as at 31.12.2025 is shown below for both borrowing and investments.

|   |  | TREASURY<br>PORTFOLIO |                   |                     |                     |
|---|--|-----------------------|-------------------|---------------------|---------------------|
|   |  | actual<br>31.3.25     | actual<br>31.3.25 | current<br>31.12.25 | current<br>31.12.25 |
| <b>Treasury Investments</b>                       |  | £0                    | %                 | £0                  | %                   |
| Banks – main bank account                         |  | 187                   | 0.6               | 145                 | 0.4                 |
| Bank – call accounts                              |  | 22,101                | 68.4              | 23,000              | 61.2                |
| Money Market Funds                                |  | 10,000                | 31.0              | 14,450              | 38.4                |
| <b>Total Treasury Investments</b>                 |  | <b>32,288</b>         | <b>100</b>        | <b>37,595</b>       | <b>100</b>          |
| <b>Total External Borrowing</b>                   |  | <b>0</b>              | <b>0</b>          | <b>0</b>            | <b>0</b>            |
| <b>Net Treasury Investments /<br/>(Borrowing)</b> |  | <b>32,288</b>         | <b>100</b>        | <b>37,595</b>       | <b>100</b>          |

The Council's forward projections for borrowing are summarised below. The table shows the actual external debt, against the underlying capital borrowing need, (the Capital Financing Requirement - CFR), highlighting any over or under borrowing.

| £000                                   | 2024/25<br>Actual | 2025/26<br>Estimate | 2026/27<br>Estimate | 2027/28<br>Estimate | 2028/29<br>Estimate |
|--|-------------------|---------------------|---------------------|---------------------|---------------------|
| <b>External Debt</b>                   |                   |                     |                     |                     |                     |
| Debt at 1 April                        | 0                 | 0                   | 0                   | 0                   | 0                   |
| Expected change in Debt                | 0                 | 0                   | 0                   | 0                   | 0                   |
| Actual gross external debt at 31 March | <b>0</b>          | <b>0</b>            | <b>0</b>            | <b>0</b>            | <b>0</b>            |
| The Capital Financing Requirement      | <b>10,197</b>     | <b>12,462</b>       | <b>13,225</b>       | <b>6,206</b>        | <b>5,438</b>        |
| Under / (over) borrowing               | <b>10,197</b>     | <b>12,462</b>       | <b>13,225</b>       | <b>6,206</b>        | <b>5,438</b>        |

Within the range of prudential indicators there are several key indicators to ensure that the Council operates its activities within well-defined limits. One of these is that the Council needs to ensure that its gross debt does not, except in the short-term, exceed the total of the CFR in the preceding year plus the estimates of any additional CFR for 2026/27 and the following two financial years. This allows some flexibility for limited early borrowing for future years but ensures that borrowing is not undertaken for revenue or speculative purposes.

The Director of Finance reports that the Council complied with this prudential indicator in the current year and does not envisage difficulties for the future. This view takes account of current commitments, existing plans and the proposals in this budget report.

### 3.2 Treasury Indicators: Limits to Borrowing Activity

**The Operational Boundary.** This is the limit beyond which external debt is not normally expected to exceed. In most cases, this would be a similar figure to the CFR but may be lower or higher depending on the levels of actual debt and the ability to fund under-borrowing by other cash resources.

| Operational Boundary<br>£000 | 2024/25<br>Estimate | 2025/26<br>Estimate | 2026/27<br>Estimate | 2027/28<br>Estimate | 2028/29<br>Estimate |
|------------------------------|---------------------|---------------------|---------------------|---------------------|---------------------|
| External Debt                | 0                   | 0                   | 0                   | 0                   | 0                   |

**The Authorised Limit for external debt.** This is a key prudential indicator and represents a control on the maximum level of borrowing. This represents a legal limit beyond which external debt is prohibited, and this limit needs to be set or revised by the Full Council. It reflects the level of external debt which, while not desired, could be afforded in the short-term, but is not sustainable in the longer-term.

- This is the statutory limit determined under section 3 (1) of the Local Government Act 2003. The Government retains an option to control either the total of all local Council plans, or those of a specific Council, although this power has not yet been exercised.
- The Council is asked to approve the following Authorised Limit:

| Authorised Limit £000 | 2024/25<br>Estimate | 2025/26<br>Estimate | 2026/27<br>Estimate | 2027/28<br>Estimate | 2028/29<br>Estimate |
|-----------------------|---------------------|---------------------|---------------------|---------------------|---------------------|
| Debt                  | 10,000              | 8,000               | 8,000               | 8,000               | 8,000               |

To note: In normal circumstances a Council's Authorised Limit for external debt is higher than its Capital Financing Requirement, however in our case, I have put this as a lower value on the basis that Borrowing will be from internal sources in the first instance, therefore reducing significantly the need to borrow from external sources.

### 3.3 Prospects for Interest Rates

The Council has appointed MUFG Corporate Markets as its treasury advisor and part of their service is to assist the Council to formulate a view on interest rates. MUFG Corporate Markets provided the following forecasts on 22 December 2025. These are forecasts for Bank Rate, average earnings and PWLB certainty rates, gilt yields plus 80 bps.

| MUFG Corporate Markets Interest Rate View 22.12.25 |             |             |             |             |             |             |             |             |             |             |             |             |             |
|--|-------------|-------------|-------------|-------------|-------------|-------------|-------------|-------------|-------------|-------------|-------------|-------------|-------------|
|  | Mar-26      | Jun-26      | Sep-26      | Dec-26      | Mar-27      | Jun-27      | Sep-27      | Dec-27      | Mar-28      | Jun-28      | Sep-28      | Dec-28      | Mar-29      |
| <b>BANK RATE</b>                                   | 3.75        | 3.50        | 3.50        | 3.25        | 3.25        | 3.25        | 3.25        | 3.25        | 3.25        | 3.25        | 3.25        | 3.25        | 3.25        |
| <b>3 month ave earnings</b>                        | <b>3.80</b> | <b>3.50</b> | <b>3.50</b> | <b>3.30</b> |
| <b>6 month ave earnings</b>                        | <b>3.80</b> | <b>3.50</b> | <b>3.50</b> | <b>3.40</b> | <b>3.30</b> | <b>3.30</b> | <b>3.30</b> | <b>3.40</b> | <b>3.40</b> | <b>3.40</b> | <b>3.40</b> | <b>3.40</b> | <b>3.40</b> |
| <b>12 month ave earnings</b>                       | <b>3.90</b> | <b>3.60</b> | <b>3.60</b> | <b>3.50</b> | <b>3.40</b> | <b>3.50</b> | <b>3.50</b> | <b>3.50</b> | <b>3.50</b> | <b>3.60</b> | <b>3.60</b> | <b>3.60</b> | <b>3.60</b> |
| <b>5 yr PWLB</b>                                   | <b>4.60</b> | <b>4.50</b> | <b>4.30</b> | <b>4.20</b> | <b>4.10</b> |
| <b>10 yr PWLB</b>                                  | <b>5.20</b> | <b>5.00</b> | <b>4.90</b> | <b>4.80</b> | <b>4.80</b> | <b>4.70</b> | <b>4.70</b> | <b>4.70</b> | <b>4.70</b> | <b>4.60</b> | <b>4.60</b> | <b>4.60</b> | <b>4.70</b> |
| <b>25 yr PWLB</b>                                  |             | <b>5.80</b> | <b>5.70</b> | <b>5.60</b> | <b>5.50</b> | <b>5.40</b> | <b>5.30</b> | <b>5.30</b> | <b>5.30</b> | <b>5.20</b> | <b>5.20</b> | <b>5.20</b> | <b>5.20</b> |
| <b>50 yr PWLB</b>                                  |             |             | <b>5.60</b> | <b>5.50</b> | <b>5.40</b> | <b>5.30</b> | <b>5.20</b> | <b>5.10</b> | <b>5.10</b> | <b>5.10</b> | <b>5.00</b> | <b>5.00</b> | <b>5.00</b> |

Additional notes by MUFG Corporate Markets on this forecast table: -

- Our last interest rate forecast update was undertaken on 11 August. Since then, a combination of tepid growth (0.2% q/q GDP for Q2 and 0.1% q/q GDP for Q3), falling inflation (currently CPI is 3.2%), and a November Budget that will place more pressure on the majority of households' income, has provided an opportunity for the Bank of England's Monetary Policy Committee to further reduce Bank Rate from 4% to 3.75% on 18 December.
- Surprisingly, to most market commentators, the recent steep fall in CPI inflation in one month from 3.6% to 3.2% did not persuade most "dissenters" from the November vote (Lombardelli, Greene, Mann and Pill) to switch to the rate-cutting side of the Committee. Instead, it was left to Bank Governor, Andrew Bailey, to use his deciding vote to force a rate cut through by the slimmest of margins, 5-4.
- Given the wafer-thin majority for a rate cut it was not unexpected to hear that although rates would continue on a "gradual downward path", suggesting a further rate cut or cuts in the offing, MPC members want to assess incoming evidence on labour market activity and wage growth. Indeed, with annual wage growth still over 4.5%, the MPC reiterated that the case for further rate cuts would be "a closer call", and Governor Bailey observed there is "limited space as Bank Rate approaches a neutral level".
- Accordingly, the MUFG Corporate Markets forecast has been revised to price in a rate cut in Q2 2026 to 3.5%, likely to take place in the wake of a significant fall in the CPI inflation reading from 3% in March to 2% in April (as forecast by Capital Economics), followed by a short lull through the summer whilst more data is garnered, and then a further rate cut to 3.25% in Q4.
- As in August, nonetheless, threats to that central scenario abound. What if wage increases remain stubbornly high? There are, after all, several sectors of the domestic economy, including social care provision and the building/construction industries, where staff shortages remain severe. Moreover, by May 2026, following the local elections, we will have a better handle on whether or not the Starmer/Reeves team is going to see out the current Parliament or whether they face a Leadership challenge from within their own party. If so, how will gilt markets react to these variables...and will there be additional geo-political factors to also bake in, particularly the Fed's monetary policy decisions in 2026 and the ongoing battle to lower rates whilst inflation remains close to 3%.
- Accordingly, our updated central forecast is made with several hefty caveats. We are confident, as we have been for some time, that our forecast for Bank Rate and the 5-year PWLB Certainty Rate is robust, and we have marginally brought forward the timing of the next rate cut(s). But for the 10-, 25- and 50-years part of the curve, the level of gilt issuance, and the timing of its placement, will be integral to achieving a benign trading environment. That is not a "given", and additionally, the inflation outlook and political factors domestically and, crucially, in the US,

are also likely to hold sway. Matters should be clearer by June in the UK, but the US mid-term elections are scheduled for November.

- Our revised PWLB rate forecasts are based on the Certainty Rate (the standard rate minus 20 bps) which has been accessible to most authorities since 1 November 2012. Please note, the lower Housing Revenue Account (HRA) PWLB rate started on 15 June 2023 for those authorities with an HRA (standard rate minus 60 bps) and is set to prevail until at least the end of March 2026. Hopefully, there will be a further extension to this discounted rate announced in January.
- Money market yield forecasts are based on expected average earnings by local authorities for 3 to 12 months.

### Gilt yields and PWLB rates

The overall longer-run trend is for gilt yields and PWLB rates to fall back over the timeline of our forecasts, but the risks to our forecasts are generally to the upsides. Our target borrowing rates are set **two years forward** (as we expect rates to fall back) and the current PWLB (certainty) borrowing rates are set out below: -

| PWLB borrowing  | Current borrowing rates as at 22.12.25 p.m. | Target borrowing rate now (end of Q4 2027) | Target borrowing rate previous (end of Q4 2027) |
|-----------------|---|--|---|
|                 | %   | %  | %   |
| <b>5 years</b>  | 4.81  | 4.10                                       | 4.20  |
| <b>10 years</b> | 5.39  | 4.70                                       | 4.70  |
| <b>25 years</b> | 6.01  | 5.30                                       | 5.30  |
| <b>50 years</b> | 5.78  | 5.10                                       | 5.10  |

**Borrowing advice:** Our long-term (beyond 10 years) forecast for the neutral level of Bank Rate remains at 3.5%. As all PWLB certainty rates are still above this level, borrowing strategies will need to be reviewed in that context. Overall, better value can be obtained at the shorter end of the curve (<5 years PWLB maturity/<10 years PWLB EIP) and short-dated fixed LA to LA monies should also be considered. Temporary borrowing rates will, generally, fall in line with Bank Rate cuts.

Our suggested **budgeted earnings rates for investments** up to about three months' duration in each financial year are set out below.

| Average earnings in each year | Now % | Previously % |
|-------------------------------|-------|--------------|
| <b>2025/26 (residual)</b>     | 3.80  | 3.90         |
| <b>2026/27</b>                | 3.40  | 3.60         |
| <b>2027/28</b>                | 3.30  | 3.30         |
| <b>2028/29</b>                | 3.30  | 3.50         |
| <b>2029/30</b>                | 3.50  | 3.50         |
| <b>Years 6-10</b>             | 3.50  | 3.50         |
| <b>Years 10+</b>              | 3.50  | 3.50         |

We will continue to monitor economic and market developments as they unfold. Typically, we formally review our forecasts following the quarterly release of the Bank of England's Monetary Policy Report but will consider our position on an ad-hoc basis as required.

Our interest rate forecast for Bank Rate is in steps of 25 bps, whereas PWLB forecasts have been rounded to the nearest 10 bps and are central forecasts within bands of + / - 25 bps. Naturally, we continue to monitor events and will update our forecasts as and when appropriate.

### 3.4 Borrowing Strategy

The Council is currently maintaining an under-borrowed position. This means that the capital borrowing need, (the Capital Financing Requirement), has not been fully funded with loan debt as cash supporting the Council's reserves, balances and cash flow has been used as a temporary measure. This strategy is prudent as medium and longer dated borrowing rates are expected to fall from their current levels, albeit only once prevailing inflation concerns are addressed by restrictive near-term monetary policy. That is, Bank Rate remains relatively elevated in 2026 even if further rate cuts arise.

Against this background and the risks within the economic forecast, caution will be adopted with the 2026/27 treasury operations. The Director of Finance will monitor interest rates in financial markets and adopt a pragmatic approach to changing circumstances:

- *if it was felt that there was a significant risk of a sharp FALL in borrowing rates, then borrowing will be postponed.*
- *if it was felt that there was a significant risk of a much sharper RISE in borrowing rates than that currently forecast, fixed rate funding will be drawn whilst interest rates are lower than they are projected to be in the next few years.*

Any decisions will be reported to the appropriate decision-making body at the next available opportunity.

### 3.5 Policy on Borrowing in Advance of Need

The Council will not borrow more than or in advance of its needs purely in order to profit from the investment of the extra sums borrowed. Any decision to borrow in advance will be within forward approved Capital Financing Requirement estimates and will be considered carefully to ensure that value for money can be demonstrated, and that the Council can ensure the security of such funds.

### 3.6 New Financial Institutions as a Source of Borrowing and / or Types of Borrowing

Currently the PWLB Certainty Rate is set at gilts + 80 basis points. However, consideration may still need to be given to sourcing funding from the following sources for the following reasons:

- Local authorities (primarily shorter dated maturities out to 3 years or so – generally still cheaper than the Certainty Rate).
- Financial institutions (primarily insurance companies and pension funds but also some banks, and sometimes out of forward dates where the objective is to avoid a "cost of carry" or to achieve refinancing certainty over the next few years).
- UK National Wealth Fund

Our advisors will keep us informed as to the relative merits of each of these alternative funding sources.

### 3.7 Approved Sources of Long and Short-term Borrowing

| On Balance Sheet                               | Fixed | Variable |
|--|-------|----------|
| PWLB   | ●     | ●        |
| Local Authorities                              | ●     | ●        |
| Banks  | ●     | ●        |
| Pension Funds                                  | ●     | ●        |
| Insurance Companies                            | ●     | ●        |
| UK National Wealth Fund                        | ●     | ●        |
| Internal (capital receipts & revenue balances) | ●     | ●        |

## 4 ANNUAL INVESTMENT STRATEGY

### 4.1 Investment Policy – Management of Risk

The Ministry of Housing, Communities and Local Government (MHCLG) and CIPFA have extended the meaning of 'investments' to include both financial and non-financial investments. This report deals solely with treasury (financial) investments, (as managed by the treasury management team). Non-financial investments, essentially the purchase of income yielding assets and service investments, are covered in the Capital Strategy, (a separate report).

The Council's investment policy has regard to the following: -

- MHCLG's Guidance on Local Government Investments ("the Guidance")
- CIPFA Treasury Management in Public Services Code of Practice and Cross Sectoral Guidance Notes 2021 ("the Code")
- CIPFA Treasury Management Guidance Notes 2021

The Council's investment priorities will be security first, portfolio liquidity second and then yield (return). The Council will aim to achieve the optimum return (yield) on its investments commensurate with proper levels of security and liquidity and with regard to the Council's risk appetite.

In the current economic climate, it is considered appropriate to maintain a degree of liquidity to cover cash flow needs but to also consider "laddering" investments for periods up to 12 months with high credit rated financial institutions, whilst investment rates remain elevated, as well as wider range fund options.

The above guidance from MHCLG and CIPFA places a high priority on the management of risk. This Council has adopted a prudent approach to managing risk and defines its risk appetite by the following means: -

1. Minimum acceptable **credit criteria** are applied in order to generate a list of highly creditworthy counterparties. This also enables diversification and thus avoidance of concentration risk. The key ratings used to monitor counterparties are the short-term and long-term ratings.
2. **Other information:** ratings will not be the sole determinant of the quality of an institution; it is important to continually assess and monitor the financial sector on both a micro and macro basis and in relation to the economic and political environments in which institutions operate. The assessment will also take account of information that reflects the opinion of the markets. To achieve this consideration the Council will engage with its advisors to maintain a monitor on market pricing such as "**credit default swaps**" and overlay that information on top of the credit ratings.
3. **Other information sources** used will include the financial press, share price and other such information pertaining to the financial sector in order to establish the most robust scrutiny process on the suitability of potential investment counterparties.
4. This Council has defined the list of **types of investment instruments** that the treasury management team are authorised to use. There are two lists in Appendix 5.4 under the categories of 'specified' and 'non-specified' investments.

**Specified investments** are those with a high level of credit quality and subject to a maturity limit of one year or have less than a year left to run to maturity, if originally they were classified as being non-specified investments solely due to the maturity period exceeding one year.

**Non-specified investments** are those with less high credit quality, may be for periods in excess of one year, and/or are more complex instruments which require greater consideration by members and officers before being authorised for use.

5. **Lending limits**, (amounts and maturity), for each counterparty will be set through applying the matrix table in paragraph 4.2.
6. **Transaction limits** are set for each type of investment in 4.2.
7. This Council will set a limit for its investments which are invested for **longer than 365 days**, (see paragraph 4.4).
8. Investments will only be placed with counterparties from countries with a specified minimum **sovereign rating**, (see paragraph 4.3).
9. This Council has engaged **external consultants**, (see paragraph 1.5), to provide expert advice on how to optimise an appropriate balance of security, liquidity and yield, given the risk appetite of this Council in the context of the expected level of cash balances and need for liquidity throughout the year.
10. All investments will be denominated in **sterling**.
11. As a result of the change in accounting standards under IFRS 9, this Council will consider the implications of investment instruments which could result in an adverse movement in the value of the amount invested and resultant charges at the end of the year to the General Fund. (In November 2018, the MHCLG, concluded a consultation for a temporary override to allow English local authorities time to adjust their portfolio of pooled investments by announcing a statutory override to delay implementation of IFRS 9 for five years ending 31.3.23. Subsequently, a further extension to the override to **31.3.29** was agreed by Government but only for those pooled investments made before 1<sup>st</sup> April 2024.

However, this Council will also pursue **value for money** in treasury management and will monitor the yield from investment income against appropriate benchmarks for investment performance, (see paragraph 4.5). Regular monitoring of investment performance will be carried out during the year.

#### **Changes in risk management policy from last year.**

The above criteria are unchanged from last year.

#### **4.2 Creditworthiness Policy**

This Council applies the creditworthiness service provided by the MUFG Corporate Markets. This service employs a sophisticated modelling approach utilising credit ratings from the three main credit rating agencies - Fitch, Moody's and Standard & Poor's. The credit ratings of counterparties are supplemented with the following overlays: -

1. "watches" and "outlooks" from credit rating agencies;
2. CDS spreads that may give early warning of changes in credit ratings;
3. sovereign ratings to select counterparties from only the most creditworthy countries.

This modelling approach combines credit ratings, and any assigned Watches and Outlooks, in a weighted scoring system which is then combined with an overlay of CDS spreads. The end-product of this is a series of colour coded bands which indicate the relative creditworthiness of counterparties. These colour codes are used by the Council to determine the suggested duration for investments. The Council will, therefore, use counterparties within the following durational bands:

- Yellow 5 years \*
- Dark pink 5 years for Ultra-Short Dated Bond Funds with a credit score of 1.25
- Light pink 5 years for Ultra-Short Dated Bond Funds with a credit score of 1.5

- Purple 2 years
- Blue 1 year (only applies to nationalised or semi nationalised UK Banks)
- Orange 1 year
- Red 6 months
- Green 100 days
- No colour not to be used

The MUFG Corporate Markets creditworthiness service uses a wider array of information other than just primary ratings. Furthermore, by using a risk weighted scoring system, it does not give undue preponderance to just one agency's ratings.

Typically, the minimum credit ratings criteria the Council uses will be a short-term rating (Fitch or equivalents) of F1 and a long-term rating of A-. There may be occasions when the counterparty ratings from one rating agency are marginally lower than these ratings but may still be used. In these instances, consideration will be given to the whole range of ratings available, or other topical market information, to support their use.

All credit ratings will be monitored weekly. The Council is alerted to changes to ratings of all three agencies through its use of the MUFG Corporate Markets creditworthiness service.

- if a downgrade results in the counterparty / investment scheme no longer meeting the Council's minimum criteria, its further use as a new investment will be withdrawn immediately.
- in addition to the use of credit ratings the Council will be advised of information in movements in Credit Default Swap spreads against the iTraxx European Senior Financials benchmark and other market data on a daily basis via its Passport website, provided exclusively to it by MUFG Corporate Markets. Extreme market movements may result in the downgrade of an institution or removal from the Council's lending list.

Sole reliance will not be placed on the use of this external service. In addition, this Council will also use market data and market information, as well as information on any external support for banks to help its decision-making process.

| Y          | Pi1        | Pi2        | P          | B         | 0         | R           | G             | N/C       |
|------------|------------|------------|------------|-----------|-----------|-------------|---------------|-----------|
| 1          | 1.25       | 1.5        | 2          | 3         | 4         | 5           | 6             | 7         |
| Up to 5yrs | Up to 5yrs | Up to 5yrs | Up to 2yrs | Up to 1yr | Up to 1yr | Up to 6mths | Up to 100days | No Colour |

The following counterparty limits were agreed in the 2021/22 Treasury Management Strategy and will remain in place during 2026/27.

- £6 million with counterparties rated up to six months (red or above on the scale) and above time duration limit on the approved weekly list.
- £5 million with Money Market Funds

#### **Creditworthiness.**

Significant levels of downgrades to Short and Long-Term credit ratings have not materialised since the crisis in March 2020. In the main, where they did change, any alterations were limited to Outlooks. Nonetheless, when setting minimum sovereign debt ratings, this Council will not set a minimum rating for the UK.

#### **CDS prices**

Although bank CDS prices, (these are market indicators of credit risk), spiked upwards during the days of the Truss/Kwarteng government in the autumn of 2022, they have returned to more average levels since then. However, sentiment can easily shift, so it will remain important to undertake continual monitoring of all aspects of risk and return in the current circumstances. MUFG Corporate Markets monitor CDS prices as part of their creditworthiness service to local authorities and the Council has access to this information via its MUFG Corporate Markets-provided Passport portal.

## Limits

Due care will be taken to consider the exposure of the Council's total investment portfolio to non-specified investments, countries, groups and sectors.

- a. **Non-specified treasury management investment limit.** The Council has determined that it will not engage in non-specified treasury management investments.
- b. **Country limit.** The Council has determined that it will only use approved counterparties from the UK and from countries with a **minimum sovereign credit rating of AA-** from Fitch (or equivalent). The list of countries that qualify using this credit criteria as at the date of this report are shown in Appendix 5.6. This list will be added to, or deducted from, by officers should ratings change in accordance with this policy.

**Other limits.** In addition: -

- no more than 5% will be placed with any non-UK country at any time;
- limits in place above will apply to a group of companies/institutions;
- sector limits will be monitored regularly for appropriateness.

## 4.3 Investment Strategy

**In-house funds.** Investments will be made with reference to the core balance and cashflow requirements and the outlook for short-term interest rates (i.e., rates for investments up to 12 months). Greater returns are usually obtainable by investing for longer periods. The current shape of the yield curve suggests that rates can be expected to fall throughout 2026, but only if the CPI measure of inflation maintains a downwards trend towards the Bank of England's 2% target. Rates may be cut quicker than expected if the economy stagnates.

Accordingly, while most cash balances are required in order to manage the ups and downs of cashflow, where cash sums can be identified that could be invested for longer periods, the value to be obtained from longer-term investments will be carefully assessed.

### Investment returns expectations.

The current forecast shown in paragraph 3.3, includes a forecast for Bank Rate to fall to a low of 3.25% in 2026.

The suggested budgeted investment earnings rates for returns on investments placed for periods up to about three months during each financial year were updated on 22 December 2025 and are as follows: -

| <i>Average earnings in each year</i> | <i>Now</i> | <i>Previously</i> |
|--------------------------------------|------------|-------------------|
|                                      | %          | %                 |
| <b>2025/26 (residual)</b>            | 3.80       | 3.90              |
| <b>2026/27</b>                       | 3.40       | 3.60              |
| <b>2027/28</b>                       | 3.30       | 3.30              |
| <b>2028/29</b>                       | 3.30       | 3.50              |
| <b>2029/30</b>                       | 3.50       | 3.50              |
| <b>Years 6-10</b>                    | 3.50       | 3.50              |
| <b>Years 10+</b>                     | 3.50       | 3.50              |

Caution must be exercised in respect of all interest rate forecasts.

For its cashflow generated balances, the Council will seek to utilise its business reserve instant access and notice accounts, Money Market Funds, Ultra-Short Dated Bond Funds and short-dated deposits, (overnight to six months), in order to benefit from the compounding of interest.

### **Changes of investment strategy**

There are no fundamental changes to the Investment Strategy when compared to the Strategy in place during 2025/26.

**Investment treasury indicator and limit** - total principal funds invested for greater than 365 days. These limits are set with regard to the Council's liquidity requirements and to reduce the need for early sale of an investment and are based on the availability of funds after each year-end.

The Council is asked to approve the following treasury indicator and limit: -

| <b>Upper limit for principal sums invested for longer than 365 days</b>                            |                |                |                |                |
|--|----------------|----------------|----------------|----------------|
| <b>£000</b>  | <b>2025/26</b> | <b>2026/27</b> | <b>2027/28</b> | <b>2028/29</b> |
| Principal sums invested for longer than 365 days   | £2,000         | £2,000         | £2,000         | £2,000         |
| Current investments as at 31 <sup>st</sup> December 2025 in excess of 1 year maturing in each year | 0              | 0              | 0              | 0              |

### **4.4 Investment Performance / Risk Benchmarking**

These benchmarks are simple guides to maximum risk, so they may be breached from time to time, depending on movements in interest rates and counterparty criteria. The purpose of the benchmark is that officers will monitor the current and trend position and amend the operational strategy to manage risk as conditions change. Any breach of the benchmarks will be reported, with supporting reasons in the mid-year or Annual Report.

Security - The Council's main priority is the security of its capital, and therefore security risk continues to be its main focus, with the process for securing this detailed in Section 4.1 of this report.

This is measured / benchmarked by the use of a Historic Risk of Default calculation provided to us by Link Asset Services. The calculation is a proxy for the average percentage risk for each investment based on over 30 years of data provided by Fitch, Moody's and S&P. It simply provides a calculation of the possibility of average default against the historical default rates, adjusted for the time period within each year according to the maturity of the investment. At the end of November 2025 our calculated Historic Risk of Default was 0.006% as our cash was in either Money Market Funds, deposits with appropriately rated banks and a liquid call account with NatWest. As this situation is not expected to change in 2026/27, then the risk remains very small.

Liquidity – in respect of this area the Council seeks to maintain: -

- No Bank overdraft
- Liquid short-term deposits of at least £5m available with a week's notice.

Yield - local measures of yield benchmarks are

- Investments – internal returns above the 7-day SONIA compounded rate

#### **4.5 End of Year Investment Report**

At the end of the financial year, the Council will report on its investment activity as part of its Annual Treasury Report.

## 5 APPENDICES

1. Prudential and treasury indicators
2. Economic background
3. Treasury management practice 1 – credit and counterparty risk management
4. Approved countries for investments
5. Treasury management scheme of delegation
6. The treasury management role of the section 151 officer

## 5.1 THE CAPITAL PRUDENTIAL AND TREASURY INDICATORS 2026/27 – 2028/29

The Council's capital expenditure plans are the key driver of treasury management activity. The output of the capital expenditure plans is reflected in the prudential indicators, which are designed to assist members' overview and confirm capital expenditure plans.

### 5.1.1 Affordability Prudential Indicators

The previous sections cover the overall capital and control of borrowing prudential indicators, but within this framework prudential indicators are required to assess the affordability of the capital investment plans. These provide an indication of the impact of the capital investment plans on the Council's overall finances. The Council is asked to approve the following indicators: -

#### Ratio of Financing Costs to Net Revenue Stream

This indicator identifies the trend in the cost of capital, (borrowing and other long-term obligation costs), against the net revenue stream.

| %             | 2024/25<br>Actual | 2025/26<br>Estimate | 2026/27<br>Estimate | 2027/28<br>Estimate | 2028/29<br>Estimate |
|---------------|-------------------|---------------------|---------------------|---------------------|---------------------|
| Annual Charge | 1.40%             | 9.04%               | 4.98%               | -2.74%              | -0.66%              |

The estimates of financing costs include current commitments and the proposals in this budget report.

## 5.2 ECONOMIC BACKGROUND (to 23 December 2025)

- The first half of 2025/26 saw:
  - A 0.3% pick up in GDP for the period April to June 2025. More recently, the economy flatlined in July, with higher taxes for businesses restraining growth, but picked up to 0.1% m/m in August before falling back by 0.1% m/m in September.
  - The 3m/yy rate of average earnings growth excluding bonuses has fallen from 5.5% to 4.6% in September.
  - CPI inflation has ebbed and flowed but finished September at 3.8%, whilst core inflation eased to 3.5%.
  - The Bank of England cut interest rates from 4.50% to 4.25% in May, and then to 4% in August.
  - The 10-year gilt yield fluctuated between 4.4% and 4.8%, ending the half year at 4.70% (before falling back to 4.43% in early November).
- From a GDP perspective, the financial year got off to a bumpy start with the 0.3% m/m fall in real GDP in April as front-running of US tariffs in Q1 (when GDP grew 0.7% on the quarter) weighed on activity. Despite the underlying reasons for the drop, it was still the first fall since October 2024 and the largest fall since October 2023. However, the economy surprised to the upside in May and June so that quarterly growth ended up 0.3% q/q (subsequently revised down to 0.2% q/q). Nonetheless, the 0.0% m/m change in real GDP in July, followed by a 0.1% m/m increase in August and a 0.1% decrease in September will have caused some concern. GDP growth for 2025 and 2028 is currently forecast by the Bank of England to be in the region of 1.5%.
- Sticking with future economic sentiment, the composite Purchasing Manager Index (PMI) for the UK increased to 52.2 in October. The manufacturing PMI output balance improved to just below 50 but it is the services sector (52.2) that continues to drive the economy forward. Nonetheless, the PMIs suggest tepid growth is the best that can be expected in the second half of 2025 and the start of 2026. Indeed, on 13 November we heard that GDP for July to September was 0.1% q/q.
- Turning to retail sales volumes, and the 1.5% year-on-year rise in September, accelerating from a 0.7% increase in August, marked the highest gain since April. On a monthly basis, retail sales volumes rose 0.5%, defying forecasts of a 0.2% fall, following an upwardly revised 0.6% gain in August. Household spending remains surprisingly resilient, but the headwinds are gathering.
- Prior to the November Budget, the public finances position looked weak. The £20.2 billion borrowed in September was slightly above the £20.1 billion forecast by the OBR. For the year to date, the £99.8 billion borrowed is the second highest for the April to September period since records began in 1993, surpassed only by borrowing during the COVID-19 pandemic. The main drivers of the increased borrowing were higher debt interest costs, rising government running costs, and increased inflation-linked benefit payments, which outweighed the rise in tax and National Insurance contributions.
- Following the 26 November Budget, the Office for Budget Responsibility (OBR) calculated the net tightening in fiscal policy as £11.7bn (0.3% of GDP) in 2029/30, smaller than the consensus forecast of £25bn. It did downgrade productivity growth by 0.3%, from 1.3% to 1.0%, but a lot of that influence was offset by upgrades to its near-term wage and inflation forecasts. Accordingly, the OBR judged the Chancellor was going to achieve her objectives with £4.2bn to spare. The Chancellor then chose to expand that headroom to £21.7bn, up from £9.9bn previously.
- Moreover, the Chancellor also chose to raise spending by a net £11.3bn in 2029/30. To pay for that and the increase in her headroom, she raised taxes by £26.1bn in 2029/30. The biggest revenue-raisers were the freeze in income tax thresholds from 2028/29 (+£7.8bn) and the rise in NICs on salary-sacrifice pension contributions (+£4.8bn). The increase in council tax for properties worth more than £2.0m will generate £0.4bn.

- The weakening in the jobs market looked clear in the spring. May's 109,000 m/m fall in the PAYE measure of employment was the largest decline (barring the pandemic) since the data began and the seventh in as many months. The monthly change was revised lower in five of the previous seven months too, with April's 33,000 fall revised down to a 55,000 drop. More recently, however, the monthly change was revised higher in seven of the previous nine months by a total of 22,000. So instead of falling by 165,000 in total since October, payroll employment is now thought to have declined by a smaller 153,000. Even so, payroll employment has still fallen in nine of the ten months since the Chancellor announced the rises in National Insurance Contributions (NICs) for employers and the minimum wage in the October 2024 Budget. The number of job vacancies in the three months to November 2025 stood at 729,000 (the peak was 1.3 million in spring 2022). All this suggests the labour market continues to loosen, albeit at a slow pace.
- A looser labour market is driving softer wage pressures. The 3m/yy rate of average earnings growth excluding bonuses has fallen from 5.5% in April to 4.6% in September. (still at that level in November). The rate for the private sector has slipped just below 4% as the year end approaches.
- CPI inflation remained at 3.8% in September but dropped to 3.2% by November. Core inflation also fell to 3.2% by November while services inflation fell to 4.4%. Nonetheless, a further loosening in the labour market and weaker wage growth may be a requisite to UK inflation coming in below 2.0% by 2027.
- An ever-present issue throughout recent months has been the pressure being exerted on medium and longer dated gilt yields. The yield on the 10-year gilt moved sideways in the second quarter of 2025, rising from 4.4% in early April to 4.8% in mid-April following wider global bond market volatility stemming from the "Liberation Day" tariff announcement, and then easing back as trade tensions began to de-escalate. By the end of April, the 10-year gilt yield had returned to 4.4%. In May, concerns about stickier inflation and shifting expectations about the path for interest rates led to another rise, with the 10-year gilt yield fluctuating between 4.6% and 4.75% for most of May. Thereafter, as trade tensions continued to ease and markets increasingly began to price in looser monetary policy, the 10-year yield edged lower, and ended June at 4.50%.
- More recently, the yield on the 10-year gilt rose from 4.46% to 4.60% in early July as rolled-back spending cuts and uncertainty over Chancellor Reeves' future raised fiscal concerns. Although the spike proved short lived, it highlighted the UK's fragile fiscal position. In an era of high debt, high interest rates and low GDP growth, the markets are now more sensitive to fiscal risks than before the pandemic. During August, long-dated gilts underwent a particularly pronounced sell-off, climbing 22 basis points and reaching a 27-year high of 5.6% by the end of the month. While yields have since eased back, the market sell-off was driven by investor concerns over growing supply-demand imbalances, stemming from unease over the lack of fiscal consolidation and reduced demand from traditional long-dated bond purchasers like pension funds. For 10-year gilts, by late September, sticky inflation, resilient activity data and a hawkish Bank of England kept yields elevated over 4.70% although by late December had fallen back again to a little over 4.50%.
- The FTSE 100 fell sharply following the "Liberation Day" tariff announcement, dropping by more than 10% in the first week of April - from 8,634 on 1 April to 7,702 on 7 April. However, the de-escalation of the trade war coupled with strong corporate earnings led to a rapid rebound starting in late April. As a result, the FTSE 100 ended June at 8,761, around 2% higher than its value at the end of March and more than 7% above its level at the start of 2025. Since then, the FTSE 100 has enjoyed a further 4% rise in July, its strongest monthly gain since January and outperforming the S&P 500. Strong corporate earnings and progress in trade talks (US-EU, UK-India) lifted share prices and the index hit a record 9,321 in mid-August, driven by hopes of peace in Ukraine and dovish signals from Fed Chair Powell. September proved more volatile and the FTSE 100 closed September at 9,350, 7% higher than at the end of Q1 and 14% higher since the start of 2025. Future performance will likely be

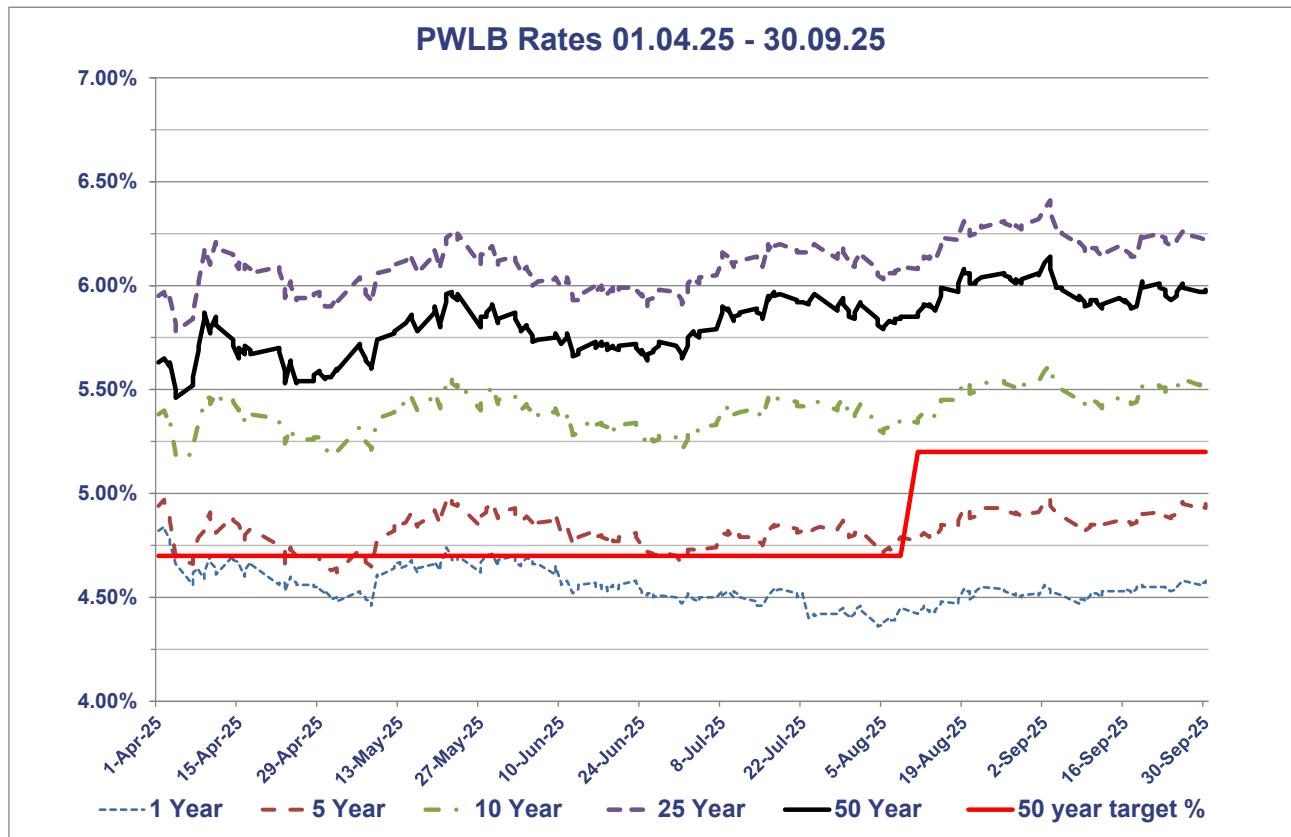
impacted by the extent to which investors' global risk appetite remains intact, Fed rate cuts, resilience in the US economy, and AI optimism. A weaker pound will also boost the index as it inflates overseas earnings. In early November, the FTSE100 climbed to a record high just above 9,900. By late December, the index had clung on to most of those gains standing at 9,870 on 23 December.

### **MPC meetings: 8 May, 19 June, 7 August, 18 September, 6 November, 18 December 2025**

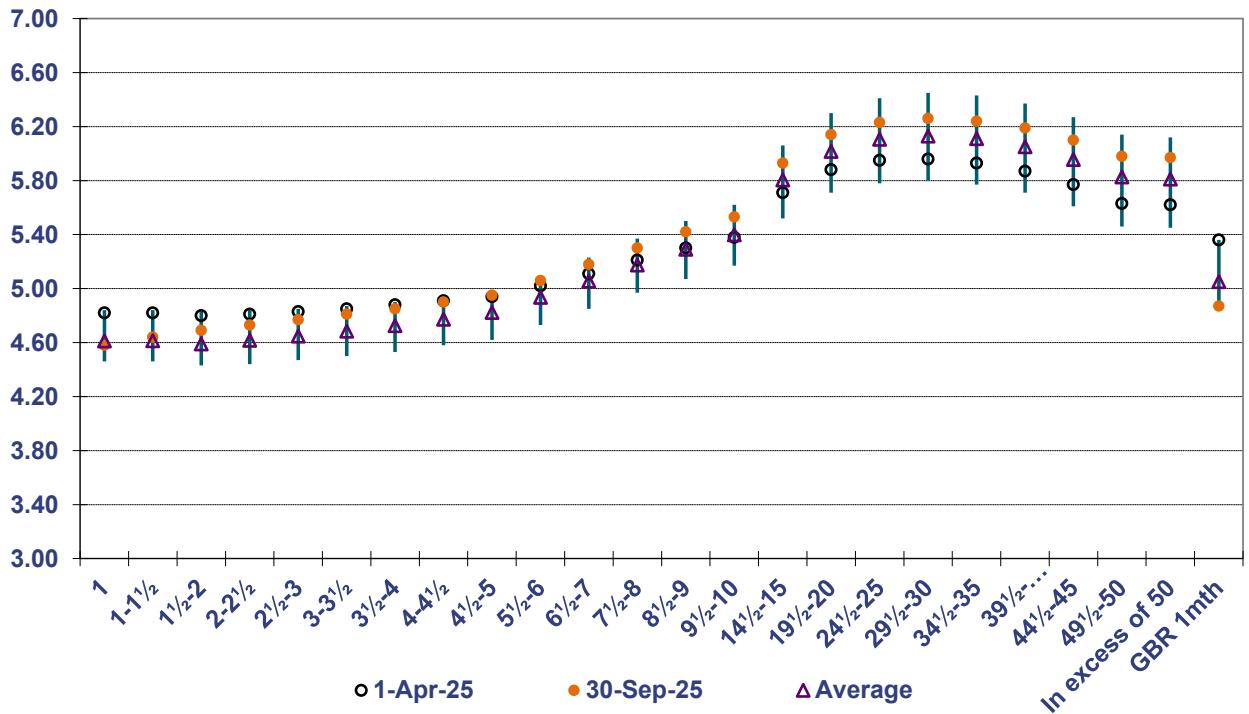
There were six Monetary Policy Committee (MPC) meetings held between April and December. In May, the Committee cut Bank Rate from 4.50% to 4.25%, while in June policy was left unchanged. In June's vote, three MPC members (Dhingra, Ramsden and Taylor) voted for an immediate cut to 4.00%, citing loosening labour market conditions. The other six members were more cautious, as they highlighted the need to monitor for "signs of weak demand", "supply-side constraints" and higher "inflation expectations", mainly from rising food prices. By repeating the well-used phrase "gradual and careful", the MPC continued to suggest that rates would be reduced further.

- In August, a further rate cut was implemented. However, a 5-4 split vote for a rate cut to 4% laid bare the different views within the Monetary Policy Committee, with the accompanying commentary noting the decision was "finely balanced" and reiterating that future rate cuts would be undertaken "gradually and carefully". Ultimately, Governor Bailey was the casting vote for a rate cut but with the CPI measure of inflation expected to reach at least 4% later this year, the MPC was wary of making any further rate cuts until inflation begins its slow downwards trajectory back towards 2%.
- With wages still rising by just below 5%, it was no surprise that the September meeting saw the MPC vote 7-2 for keeping rates at 4% (Dhingra and Taylor voted for a further 25bps reduction). Moreover, the Bank also took the opportunity to announce that they would only shrink its balance sheet by £70bn over the next 12 months, rather than £100bn. The repetition of the phrase that "a gradual and careful" approach to rate cuts is appropriate suggested the Bank still thought interest rates will fall further.
- At the 6 November meeting, Governor Bailey was once again the deciding vote, keeping Bank Rate at 4% but hinting strongly that a further rate cut was imminent if data supported such a move. By 18 December, with November CPI inflation having fallen to 3.2%, and with Q2 GDP revised down from 0.3% q/q to only 0.2% q/q, and Q3 GDP stalling at 0.1%, the MPC voted by 5-4 to cut rates further to 3.75%. However, Governor Bailey made it clear that any further reductions would require strong supporting data, and the pace of any further decreases would be slow compared to recent months. The markets expect Bank Rate to next be cut in April.

## PWLB RATES 01.04.25 - 30.09.25



## PWLB Certainty Rate Variations 01.04.25 to 30.09.25



## HIGH/LOW/AVERAGE PWLB RATES FOR 01.04.25 – 30.09.25

|                   | 1 Year     | 5 Year     | 10 Year    | 25 Year    | 50 Year    |
|-------------------|------------|------------|------------|------------|------------|
| <b>01/04/2025</b> | 4.82%      | 4.94%      | 5.38%      | 5.95%      | 5.63%      |
| <b>30/09/2025</b> | 4.58%      | 4.95%      | 5.53%      | 6.23%      | 5.98%      |
| <b>Low</b>        | 4.36%      | 4.62%      | 5.17%      | 5.78%      | 5.46%      |
| <b>Low date</b>   | 04/08/2025 | 02/05/2025 | 02/05/2025 | 04/04/2025 | 04/04/2025 |
| <b>High</b>       | 4.84%      | 4.99%      | 5.62%      | 6.41%      | 6.14%      |
| <b>High date</b>  | 02/04/2025 | 21/05/2025 | 03/09/2025 | 03/09/2025 | 03/09/2025 |
| <b>Average</b>    | 4.55%      | 4.82%      | 5.40%      | 6.11%      | 5.83%      |
| <b>Spread</b>     | 0.48%      | 0.37%      | 0.45%      | 0.63%      | 0.68%      |

### 5.3 TREASURY MANAGEMENT PRACTICE – CREDIT AND COUNTERPARTY RISK MANAGEMENT OPTION 1

**SPECIFIED INVESTMENTS:** All such investments will be sterling denominated, with **maturities up to a maximum of 1 year**, meeting the minimum 'high' quality criteria where applicable. (Non-specified investments which would be specified investments apart from originally being for a period longer than 12 months, will be classified as being specified once the remaining period to maturity falls to under twelve months.)

**NON-SPECIFIED INVESTMENTS:** These are any investments which do not meet the specified investment criteria. The Council will not engage in any non-specific investments.

#### SPECIFIED INVESTMENTS

A variety of investment instruments will be used, subject to the credit quality of the institution, and depending on the type of investment made, it will fall into one of the above categories.

The criteria, time limits and monetary limits applying to institutions or investment vehicles are:

|  | Minimum credit criteria / colour band       | ** Max % of total investment s / £ limit per institution | Max. maturity period  |
|--|---|--|---|
| DMADF – UK Government                                    | Yellow                                      | 100%   | 6 months (max. is set by the DMO*)                            |
| UK Gilts   | Yellow                                      |  | 5 years   |
| Money Market Funds CNAV                                  | AAA   | 100%   | Liquid  |
| Money Market Funds LNAV                                  | AAA   |  | Liquid  |
| Money Market Funds VNAV                                  | AAA   |  | Liquid  |
| Ultra-Short Dated Bond Funds with a credit score of 1.25 | AAA   | 100%   | Liquid  |
| Ultra-Short Dated Bond Funds with a credit score of 1.5  | AAA   | 100%   | Liquid  |
| Local Authorities  | Yellow                                      | 100%   | 5 years   |
| Term Deposits with Housing Associations                  | Blue<br>Orange<br>Red<br>Green<br>No Colour |  | 12 months<br>12 months<br>6 months<br>100 days<br>Not for use |

\* DMO – is the Debt Management Office of HM Treasury

#### 5.4 APPROVED COUNTRIES FOR INVESTMENTS

This list is based on those countries which have sovereign ratings of AA- or higher, (we show the lowest rating from Fitch, Moody's and S&P) and also, (except - at the time of writing - for Hong Kong and Luxembourg), have banks operating in sterling markets which have credit ratings of green or above in the MUFG Corporate Markets creditworthiness service.

***Based on lowest available rating (as at 23.12.25)***

##### **AAA**

- Australia
- Denmark
- Germany
- Netherlands
- Norway
- Singapore
- Sweden
- Switzerland

##### **AA+**

- Canada
- U.S.A.

##### **AA**

- Abu Dhabi (UAE)
- Finland
- Qatar

##### **AA-**

- U.K.

##### **A+**

- Belgium
- France

## **5.5 TREASURY MANAGEMENT SCHEME OF DELEGATION**

### **(i) Full council**

- receiving and reviewing reports on treasury management policies, practices and activities;
- approval of annual strategy.

### **(ii) Finance and Assets committees**

- approval of/amendments to the organisation's adopted clauses, treasury management policy statement and treasury management practices;
- budget consideration and approval;
- approval of the division of responsibilities;
- receiving and reviewing regular monitoring reports and acting on recommendations;
- approving the selection of external service providers and agreeing terms of appointment.

### **(iii) Director, Finance (as the person with responsibility for the treasury function)**

- reviewing the treasury management policy and procedures and making recommendations to the responsible body.

## 5.6 THE TREASURY MANAGEMENT ROLE OF THE SECTION 151 OFFICER

### The S151 (responsible) officer

- recommending clauses, treasury management policy/practices for approval, reviewing the same regularly, and monitoring compliance;
- submitting regular treasury management policy reports;
- submitting budgets and budget variations;
- receiving and reviewing management information reports;
- reviewing the performance of the treasury management function;
- ensuring the adequacy of treasury management resources and skills, and the effective division of responsibilities within the treasury management function;
- ensuring the adequacy of internal audit, and liaising with external audit;
- recommending the appointment of external service providers.
- preparation of a Capital Strategy to include capital expenditure, capital financing, non-financial investments and treasury management, with a long-term timeframe (*say 20+ years – to be determined in accordance with local priorities.*)
- ensuring that the Capital Strategy is prudent, sustainable, affordable and prudent in the long term and provides value for money
- ensuring that due diligence has been carried out on all treasury and non-financial investments and is in accordance with the risk appetite of the Council
- ensure that the Council has appropriate legal powers to undertake expenditure on non-financial assets and their financing
- ensuring the proportionality of all investments so that the Council does not undertake a level of investing which exposes the Council to an excessive level of risk compared to its financial resources
- ensuring that an adequate governance process is in place for the approval, monitoring and ongoing risk management of all non-financial investments and long-term liabilities
- provision to members of a schedule of all non-treasury investments including material investments in subsidiaries, joint ventures, loans and financial guarantees
- ensuring that members are adequately informed and understand the risk exposures taken on by the Council
- ensuring that the Council has adequate expertise, either in house or externally provided, to carry out the above
- creation of Treasury Management Practices which specifically deal with how non treasury investments will be carried out and managed, to include the following: -
  - *Risk management (TMP1 and schedules), including investment and risk management criteria for any material non-treasury investment portfolios;*
  - *Performance measurement and management (TMP2 and schedules), including methodology and criteria for assessing the performance and success of non-treasury investments;*
  - *Decision making, governance and organisation (TMP5 and schedules), including a statement of the governance requirements for decision making in relation to non-treasury investments; and arrangements to ensure that appropriate professional due diligence is carried out to support decision making;*
  - *Reporting and management information (TMP6 and schedules), including where and how often monitoring reports are taken;*
  - *Training and qualifications (TMP10 and schedules), including how the relevant knowledge and skills in relation to non-treasury investments will be arranged.*

**Title: Revenue Budget, Capital Strategy and Council Tax 2026/27**

Committee: Finance and Assets Committee

Date: 29 January 2026

Author: Director, Finance

Report No: AA134

Contact Officer: Jude Antony, Director Finance

[jude.antony@eastcambs.gov.uk](mailto:jude.antony@eastcambs.gov.uk) 01353 616470, Room 104, The Grange, Ely

## **1.0 Issue**

1.1 This report sets out the Council's proposed revenue budget, capital strategy, and the required level of Council Tax in 2026/27. The report assesses the robustness of the budgets, the adequacy of reserves and updates the Council's Medium Term Financial Strategy (MTFS).

## **2.0 Recommendations**

2.1 Committee is asked to recommend to Full Council that it approve:

- i) The draft revenue budget for 2026/27 and MTFS for 2027/28 to 2029/30 as set out in Appendix 1
- ii) The Statement of Reserves as set out in Appendix 2
- iii) The Capital Strategy and financing as set out in Appendix 3
- iv) The 2026/27 Fees and Charges as set out in Appendix 4
- v) The application of Business Rate reliefs for 2026/27, including those announced in the Autumn Budget and fully funded by Government through Section 31 grant, as detailed in sections 6.6 to 6.7 of this report.
- vi) The changes to the Local Council Tax Reduction Scheme and premiums for Long-Term Empty and Second Homes as detailed in sections 11.8 and 11.9 of this report.

2.2 To authorise the Director, Finance, in consultation with the Chairman of Committee to adjust the use of the Surplus Savings Reserve in 2026/27 and future years (as available), to ensure that the net budget as detailed in 2.1 remains unchanged (in the event of any additional information becoming available, principally in relation to (but not exclusive too) the Final Local Government Settlement and/or the NNDR1 return). These adjustments to be made in advance of the report being presented to Full Council on the 24 February 2026.

## **3.0 Background / Options**

3.1 At the Full Council meeting on 25 February 2025, members approved a net budget for 2025/26 of £12,487,403 and a frozen Council Tax. The budget had a planned draw of £1,812,895 from the Surplus Savings Reserve. The Medium-

Term Financial Strategy at that time showed a balanced budget in 2026/27 (using further resources from the Surplus Savings Reserve and an increase in Council Tax of £5), but with significant budget deficits in 2027/28 and 2028/29.

- 3.2 The outturn position for 2024/25 was reported to the Finance and Assets Committee on the 26 June 2025. This showed that due to the actions taken by management to reduce the Council's cost base prior to and during 2024/25 and the prudent forecast of Business Rates receipts, the Council underspent in 2024/25 by £2,621,278. This was transferred into the Surplus Savings Reserve.
- 3.3 Management has continued to look for opportunities to reduce the Council's cost base during the current financial year. This work has led to further one-off and ongoing savings being made, which both contribute to the projected outturn for this financial year and also provide savings throughout the term of the MTFS. The current year-end forecast for 2025/26, as presented to this meeting in a separate report, is an underspend of £1,271,162. This too will be transferred to the Surplus Savings Reserve at year-end and has been reflected in the figures in this report.

#### **4.0 Local Government Finance – Policy Statement**

- 4.1 The Local Government Finance Policy Statement 2026/27 to 2028/29 was published on 20 November 2025, setting out the Government's plans for the first multi-year Local Government Finance Settlement in a decade. The statement outlines substantive reforms to deliver a fairer and simpler funding system for local government in England.
- 4.2 At the heart of the policy is the implementation of the Fair Funding Review 2.0, which updates how funding allocations are calculated to better reflect councils' relative needs and resources. This follows extensive consultation and represents the most significant overhaul of local government funding in many years.
- 4.3 The Government's objective is to align funding with need and to redistribute resources towards authorities facing the greatest demand pressures and lowest capacity to raise income locally. The statement sets out the Government's response to the Fair Funding Review 2.0 and explains how the new funding system will be delivered through the 2026/27 Settlement.
- 4.4 To support the transition to the new funding system, a full reset of the Business Rates Retention System (BRRS) is planned from 1 April 2026. This reset will establish new business rates baselines and redistribute retained business rates income in line with updated assessments of need. A transitional baseline will be used to phase changes over the multi-year settlement and to mitigate potential sudden funding losses.
- 4.5 The policy introduces phasing arrangements to manage the impact of funding redistribution. Revenue Support Grant will be used to move authorities gradually to their new funding positions over the three years of the settlement, preventing abrupt changes to councils' funding levels in 2026/27.
- 4.6 Consistent with the Government's aim to provide certainty for local authorities, the policy consolidates a large number of revenue funding streams into the core Settlement. An unprecedented 33 funding streams — previously paid outside the Settlement across multiple departments — will be brought into the Settlement

framework over the three-year period. This simplifies funding, reduces fragmentation, and gives councils greater predictability.

- 4.7 The Government has confirmed a continuation of flexibility on Council Tax referendum principles for the period of the multi-year Settlement. This provides local authorities with clarity on the parameters within which they can set Council Tax levels to support service delivery.
- 4.8 Transitional protections include increased Safety Net arrangements, with protection at 100% of set Baseline Funding Levels for 2026/27, providing a safeguard against significant falls in funding during the reset and recalibration of the business rates system. The Safety Net threshold will return gradually to its standard level over the course of the settlement.
- 4.9 The policy also confirms continued support for key services and targeted funding, including a guaranteed continuation of the Recovery Grant for authorities previously eligible, coupled with a Recovery Grant Guarantee to ensure minimum real-terms funding increases for eligible upper-tier authorities. Further additional grant funding for services such as adult social care and children's services has also been built into the multi-year Settlement.
- 4.10 For levies that have disproportionately impacted some authorities (e.g., Internal Drainage Board levies), the Government plans dedicated support funding for 2026/27, with allocations to be announced ahead of the provisional Settlement.
- 4.11 Overall, the 2026/27 Policy Statement marks a fundamental shift towards a fairer, simpler and more evidence-based funding system, underpinned by transitional protections and multi-year certainty. The reforms are intended to create a more rational distribution of government funding that better reflects local need while providing councils with increased planning stability.

## **5.0 Local Government Finance Provisional Settlement**

- 5.1 The Provisional Local Government Finance Settlement for 2026/27 was announced in December 2025 and represents the first year of the new multi-year settlement following the implementation of the Fair Funding Review and the Business Rates baseline reset. This marks a significant change in the way funding is distributed to local authorities, including East Cambridgeshire District Council.
- 5.2 As part of the new settlement arrangements, Revenue Support Grant (RSG) is no longer allocated on a traditional basis. Instead, it is used as a transitional mechanism to manage the redistribution of funding arising from the Fair Funding Review. For East Cambridgeshire, RSG now reflects transitional support rather than a direct funding stream linked to inflation or service pressures.
- 5.3 The New Homes Bonus scheme has been fully discontinued from 2026/27, in line with Government policy. There are no legacy payments or further allocations. For East Cambridgeshire, this removes a previously significant and variable source of income, with funding effectively absorbed into the revised baseline funding assessment as part of the Fair Funding Review.
- 5.4 The Provisional Settlement includes transitional protections to manage the impact of funding changes resulting from the Fair Funding Review and Business Rates

reset. These protections are built into baseline funding levels rather than provided through a separate grant mechanism. While this provides short-term stability for East Cambridgeshire, it also means that funding reductions are phased rather than avoided entirely.

- 5.5 The Recovery Grant continues in 2026/27 but remains targeted at authorities experiencing the highest levels of financial pressure. East Cambridgeshire does not qualify for this grant and therefore receives no allocation.
- 5.6 The Provisional Settlement confirms that support for authorities facing higher Internal Drainage Board (IDB) levies will continue in 2026/27. Final allocations will be confirmed in the Final Settlement. Given the Council's historic eligibility for this funding, a prudent assumption has been included within the budget, although the final amount remains uncertain.
- 5.7 The lead authority for Cambridgeshire requested that the existing Cambridgeshire Business Rates Pool be revoked. As a result, East Cambridgeshire District Council will not participate in a Business Rates Pool in 2026/27 and will instead operate on an individual authority basis for business rates purposes.

## **6.0 Business Rates**

- 6.1 The NNDR 1 return for 2025/26 will be produced by the end of January in line with statutory requirements. Figures from this will be included in the budget presented to Full Council in February. However, for this report, estimated figures as provided by Pixel Financial Management have been used.
- 6.2 While East Cambridgeshire District Council has previously benefitted from retained Business Rates growth, the full Business Rates baseline reset implemented in 2026/27 means that future growth is redistributed through the new funding system. There remains a risk that successful appeals could be lodged and backdated, potentially affecting income over multiple years. Accordingly, the Council continues to include a provision for Business Rates appeals when determining the amount of rates income to be recognised within the 2026/27 budget.
- 6.3 The MTFS assumed that the Collection Fund for Business Rates will be in balance as at 31 March 2026, however this will not be known until the NNDR1 is completed at the end of January. This figure will be included in the report to Full Council as in 6.1 above.
- 6.4 East Cambridgeshire District Council will not participate in a Business Rates Pool in 2026/27, following the revocation of the Cambridgeshire Business Rates Pool by the lead authority. The other authorities previously in the Pool – Cambridgeshire County Council, Cambridgeshire Fire Authority, Peterborough City Council, and South Cambridgeshire District Council – will now operate independently. Cambridge City Council, Fenland District Council, and Huntingdonshire District Council were not members of the Pool and continue to operate outside it. As a result, East Cambridgeshire will account for business rates on an individual authority basis, with no pooling of growth or risk-sharing arrangements.

- 6.5 The approach to business rates support in 2026/27 includes the replacement of the temporary 40% Retail, Hospitality and Leisure relief (available for 2025/26) with the new permanently lower multipliers for qualifying properties from April 2026. Any other business rates reliefs announced in the national budget are also reflected, as detailed in section 6.6. These assumptions have been informed by advice from our external consultant, Pixel Financial Management.
- 6.6 Although the 2026/27 business rates multipliers and reliefs were set out in the Autumn Budget on 26 November 2025, the Council must use its discretionary powers under Section 47 of the Local Government Finance Act 1988 to grant certain reliefs, including Supporting Small Business Relief. Central Government will fully reimburse the cost of these nationally mandated reliefs through Section 31 grants.
- 6.7 With the Spring Statement expected to take place in March 2026, if any further discretionary reliefs to Business Rates are announced, Council is asked to delegate authority to the Director of Finance to implement these, provided they are fully funded by Government through Section 31 grant.

## **7.0 The 2026/27 Budget**

- 7.1 Due to the proactive actions taken by management to reduce costs and generate new sources of funding in recent years, the revenue budget for 2026/27 is fully funded.
- 7.2 The draft budget for 2026/27 is set out in Appendix 1 to this report.
- 7.3 The following key assumptions have been made in preparing the draft budget:
  - The April 2026 inflationary pay increase for staff has been assumed at 2.5% with then in addition the additional employer National Insurance contributions built into the budget;
  - Service leads are provided budget to cover their full staff establishment – i.e. without a turnover allowance;
  - Where known, inflation on contracts has been included to reflect the expected increase in these during the year. These include insurance and IT licences;
  - Inflation has been added to the Waste contract for 2026/27, Funding is also provided for the capital costs of the new vehicles (purchased in 2025/26) which will start being charged to East Cambs Street Scene (ECSS) in 2026/27.
  - The budget also reflects a clearer client and contractor split within Waste, with the costs of the Mechanical Recycling Facility (MRF); income from Recycling Credits and the Extended Producer Responsibility Grant, as well as some staff costs, now being treated as client costs;
  - 9% inflation has been added to the Parks and Gardens contract with East Cambs Trading Company (ECTC);
  - Internal Drainage Board levies have been inflated by 6% based on information received from Middle Level Commissioners, this in advance of the individual drainage boards setting their detailed budgets. Drainage levies have increased significantly above general inflation in recent years as a consequence of higher electricity costs and water volumes;
  - Other expenditure budgets have been increased between 0% and 2% for inflation;

- Pension Fund revaluations are undertaken every three years, with the most recent valuation completed as at 31 March 2025. Following this valuation, employer contribution rates for the period from 1 April 2026 to 31 March 2029 have been confirmed. As a result of the improved funding position of the Pension Fund, the Council is no longer required to make a lump sum (secondary) contribution. From 1 April 2026, the Council will instead pay a single employer contribution rate of 18.5%.

This replaces the previous arrangement under which the Council paid a primary rate of 17.4% together with a lump sum contribution of £437,000 in 2025/26. The revised contribution rate of 18.5% will apply for the full valuation period to 31 March 2029 and has been reflected in the Medium Term Financial Strategy.

- The Housing Benefit budget reflects the mid-year position for 2025/26: the latest information received from Anglia Revenues Partnership (ARP);
- No adjustments to spend have been made to reflect the anticipated increase in population within the District;
- Budgeted income from the commuter car park has been increased by £10k in line with the expected increase seen in year 2025/26.
- A budget allocation of £50k is set aside as a match funding to support the parish councils in support of neighbourhood plans with a maximum payment of £5k;

## **8.0 Reserves**

8.1 The Council holds reserves, at levels which remain prudent. It is important to review the level of reserves on a regular basis, in particular to ensure that potential liabilities not in the Council's base budget can be funded from earmarked reserves; and that unearmarked reserves are at a sufficient level to cover any unforeseen events.

8.2 As part of the process of preparing this budget, officers have reviewed each reserve to ensure its purpose and level is appropriate. A Statement of Reserves is attached at Appendix 2.

8.3 The sole unearmarked reserve is the General Fund. This currently stands at £1,426,014. There is no statutory minimum level set for local authority reserves; it is a matter for each local authority's own judgement after taking into consideration the strategic, operational and financial risks it faces. It has been this Council's policy for some time that the level of the unearmarked reserve be set at 10% of the net operating budget (before any movement to the reserve). This is a reasonably prudent approach and a higher percentage than many other authorities locally. The proposed net operating budget for 2026/27 is £17,295,161. Using the 10% figure, this requires an unearmarked reserve of £1,729,516 an increase of £303,502.

## **9.0 Fees and Charges**

9.1 Officers have reviewed the fees and charges, and details of the proposed charges for 2025/26 are shown at Appendix 4. The proposed budgets have been adjusted to reflect the change in price and volumes expected in 2026/27.

9.2 Where we have control over the fee level, as opposed to where these are negotiated nationally, and where the fee relates to work undertaken by officers, it

is proposed to increase fees and charges by approximately 2.5%. This reflects the forecast 2.5% inflationary increase in pay on the 1<sup>st</sup> April 2026. This approach ensures that the additional cost of providing the service is met by the person / organisation benefiting from the service, rather than the general populous through Council Tax.

- 9.3 As external funding from Government grants continues to reduce, the Council's approach to fees and charges will need to reflect the increasing importance of this as a funding source.

## **10.0 Capital Strategy**

- 10.1 The CIPFA revised 2017 Prudential and Treasury Management Codes required, from 2019/20, all local authorities to prepare a capital strategy report, which provides:
  - a high level long term overview of how capital expenditure, capital financing and treasury management activity contribute to the provision of services;
  - an overview of how the associated risk is managed;
  - the implications for future financial sustainability.
- 10.2 The Council currently has one major capital project underway, with the remainder of the programme representing a continuation of existing and ongoing schemes. The medium-term Capital Programme is set out in Appendix 3, with a total value of £7,474,882 for 2026/27.
- 10.3 The Council's Treasury Management Strategy is a separate document, which is also on today's Finance and Assets Committee agenda with the recommendation to ask Full Council to approve.
- 10.4 The principal capital project within the 2026/27 Capital Programme is the development of a District Bereavement Centre on the Council-owned Mepal site at Ireton's Way. The scheme comprises a crematorium, a modular function room, and associated natural burial and pet cemetery facilities. The project commenced in 2025/26, with a total estimated cost of £12,890,617. The budget provision for 2026/27 is £2,482,583, with completion expected by July 2026. Funding will be provided through Community Infrastructure Levy (CIL) contributions.
- 10.5 Where the additional cost of vehicles purchased in 2025/26, 2026/27 and future years impact the charge to ECSS, the Council has increased the management fee it pays ECSS for providing the service as detailed in paragraph 7.3 to ensure that it can meet these additional costs.
- 10.6 Council at its meeting on the 21 April 2022, approved a further loan facility to ECTC of £7.5 million. Much of this has been provided in the current year and previous years, with the current profile assuming that £4,000,000 will be provided in 2026/27. This funding is to ensure that ECTC has the finance available to progress and complete two building development schemes, these being phase two and three at the former MoD site in North Ely. The Council has security in place with regard to this loan in the form of a debenture which provides it with first ranking security over all unsecured assets of the Company.

10.7 There are a number of capital budgets that continue into 2026/27, having been in place in previous years, where there is a commitment to continue spending in each year of the capital programme:

- The purchase of new wheelied bins. As further residential properties are built within the District, these need to be supplied with bins, so the Council needs to have these available. The cost of these, estimated at £40,000 per annum, will be covered by a combination of Section 106 funding from developers and capital receipts.
- Disabled Facilities, both mandatory and discretionary. The Council receives Government funding (from the Better Care Fund), via the County Council to assist with the funding of this work. The total budget in 2026/27 is £772,299.
- Vehicle replacement funding for the Parks and Gardens team. These vehicles are purchased by the Council using Section 106 funding, and then hired to ECTC at a rate to cover the notional MRP and interest costs using the same approach as with Waste vehicles.

10.8 As agreed in the 2017/18 budget, the Council now funds expenditure that would have previously been funded from external borrowing, on schemes such as the Leisure Centre, Waste fleet and bins and the loan to the ECTC, from internal borrowing. As interest chargeable on external borrowing is higher than interest receipts on investments, this provides a net saving to the Council. The expectation is that all borrowing in 2026/27 will be funded from internal borrowing, thus preventing any external borrowing costs. More details of the Council's borrowing requirement and investment strategy are detailed in the Treasury Management Strategy (also on the agenda for this meeting).

10.9 In summary therefore, the Council has limited exposure to the ongoing costs of capital expenditure at this time. The MRP costs of the Leisure Centre are being met by the operator through the management fee; the loan to ECTC is due to be repaid in full by March 2027 and in the intervening period a commercial interest rate is being charged, and the costs of the Waste fleet will be passed onto ECSS, although the Council's management fee payable to ECSS has been increased in 2026/27 and 2027/28 to reflect the additional MRP payments the Company will be paying on the replacement vehicles.

## **11.0 Council Tax**

11.1 The MTFS assumed that the Collection Fund for Council Tax would be in balance as at 31 March 2026. However, due to the increased number of houses built in the District during 2025/26 and the fact that Council Tax receipts have not been impacted by the cost of living crisis as much as expected, the Fund is now forecast to be in surplus at the end of this financial year. The net position being that the Council will benefit by £150,313 from the Collection Fund surplus in 2026/27.

11.2 The taxbase for 2026/27 estimated in last year's budget was an equivalent of 33,393.0 Band D properties.

- 11.3 As detailed earlier in this report, the Local Government Policy Statement detailed that district councils can increase Council Tax by 2.99% or £5 without the need for a referendum. A 1% increase in Council Tax for this Council would generate an additional £48,115, whereas a £1 increase would generate a further £33,850.7. For this Council therefore the £5 figure would be the highest, generating additional income of £169,253 in the year.
- 11.4 This budget is drafted on the assumption that the Council will apply the maximum increase available, therefore increasing Council Tax to £147.14 in 2026/27.
- 11.5 The County Council, Fire Authority, Police Authority and Cambridgeshire and Peterborough Combined Authority budgets and precepts will be considered by their respective decision making bodies in early February and we are expecting to be notified of their precept requirement prior to Full Council approving the budget at its February meeting.
- 11.6 It should be noted that the County Council's precept comes in two parts, a general precept and an adult social care precept, this following the Secretary of State's offer to all adult social care authorities (those with functions under Part 1 of the Care Act 2014). The offer was the option of an adult social care authority being able to charge an additional "precept" on its council tax without holding a referendum, to assist the authority in meeting its expenditure on adult social care. This arrangement has been in place since 2016/17.
- 11.7 Where parish precepts have been notified to the Council, these are shown in Appendix 5. Again, it is expected that these will all be available prior to this report going to Full Council on the 24<sup>th</sup> February 2026.
- 11.8 Finance and Assets Committee at its meeting on the 27<sup>th</sup> November 2025 agreed to make one change to the Local Council Tax Reduction Scheme (LCTRS), that being, that DWP passported benefit status for LCTRS assessments will be disregarded where the Council is satisfied that the assessment is incorrect based on information obtained by the Council's Fraud Investigation Team.
- 11.9 At the same meeting, it was agreed to apply a premium of 100% to Second Homes from the 1<sup>st</sup> April 2027 and allow Long-Term Empty premiums to be applied after one year as opposed to two, this coming into effect on the 1<sup>st</sup> April 2026. There were some exemptions from these additional premiums which were detailed in the paper presented to Finance and Assets Committee. Both these decisions need formal approval from Full Council.

## 12.0 Risk and Sensitivity Analysis

- 12.1 The Local Government Act 2003 places two specific requirements on an authority's Section 151 Officer in determining the Council's budget and Council Tax. Under Section 25, the Section 151 Officer must advise on the **robustness of the estimates** included in the budget. The advice given to the Council on this issue is that the estimates have been produced on a prudent basis, with a strong emphasis on ensuring all cost pressures are included. Budget estimates have

been developed with senior officers, with regular updates and discussions with members of Management Team.

- 12.2 The main financial risk for the Council continues to be uncertainty around future Government funding. While the Fair Funding Review introduces a multi-year funding settlement from 2026/27, providing greater short-term stability, there remains limited clarity on how the new funding formula and Business Rates reset will impact individual councils over the medium term. As a result, the Medium Term Financial Strategy has been developed using prudent assumptions, recognising that funding allocations may change as the new arrangements are implemented.
- 12.3 One of the most significant financial challenges facing the Council arises from the implementation of the Fair Funding Review and the associated full reset of Business Rates from 2026/27. Under the new national funding framework, the existing Business Rates baseline—originally set in 2013—will be replaced, and historic growth retained by councils will no longer be reflected in future funding levels. Although the Government has now confirmed the introduction of the new funding system, the final allocation for individual authorities has not yet been published. The Medium Term Financial Strategy therefore reflects the expected reduction in Business Rates income based on the best information currently available, but there remains a degree of uncertainty until final funding figures are confirmed.
- 12.4 Unlike the position for the past two years, inflation and the consequential higher pay rises are anticipated to be less of an issue in 2026/27. Section 7.3 of this report details the inflation built into the 2025/26 budget, but in addition to this a £100,000 provision of additional unknown inflation has been built into the budget. To put some context to this figure, we have budgeted for a 2.5% increase in staff pay from the 1<sup>st</sup> April 2026, if pay was to increase by 3.5% (1% higher) this would cost the Council a further £105,474.
- 12.5 To mitigate the above risks, the Section 151 Officer will continue to report on a regular basis to Management Team and Members as new information becomes available.
- 12.6 The Section 151 Officer is also required to report on the **adequacy of reserves**. The projected level of reserves, specifically the General Fund Reserve and Surplus Savings Reserve, and their use in 2026/27 are **prudent** and show how these will sustain the functions of the Council in that year.
- 12.7 However, the MTFS assumes the Surplus Savings Reserve is utilised during 2026/27 and 2027/28, with only a small amount being carried into 2028/29. This will reduce the overall level of reserves significantly. Reserves can only be utilised once and while the purpose of the Surplus Savings Reserve is to provide one-off funding to balance the budget in future years, the Council needs to consider all options to reduce the speed that this is being utilised so that it remains available as far as possible into the future. The Council has a track record of delivering additional savings and generating extra income in advance of the budget requirement, so work done during 2025/26 and 2026/27 financial years will hopefully lead to a reduced draw from the Surplus Savings Reserve in these and future years through the MTFS period.

12.8 Another key risk for the Council is its loan to ECTC. Should ECTC encounter any financial difficulties and be unable to repay the £7,500,000 loan facility, then the Council will need to account for this within its financial statements. In such an event, the Council would need to draw on its reserves to meet such a liability. At this point, it should be noted there is no indication that this is likely to be the case and indeed not all of the loan facility has, as yet, been drawn down. To limit this risk further and as detailed in 10.10 above, the Council has security in place with regard to this loan in the form of a debenture which provides it with first ranking security over all unsecured assets of the Company.

## **13.0 Medium Term Financial Strategy**

13.1 The Council's Medium Term Financial Strategy is to set a robust financial framework for the Council's plans over the next four years which support the delivery of the Council's priorities within a context of an annual balanced budget. Specifically, the MTFS:

- Looks to the longer term to help plan sustainable services within an uncertain external economic and funding environment;
- Maximises the Council's financial resilience to manage risk and volatility, including managing adequate reserves;
- Helps ensure that the Council's financial resources are directed to support delivery of the Council's priorities over the medium term.

13.2 The MTFS covers the period 2026/27 to 2029/30. As highlighted earlier in the report, the Policy Statement and Local Government Finance Settlement announced by Government for 2026/27 provide assurance about the grant position for the budget year.

13.3 Developing a robust Medium Term Financial Strategy for 2027/28 and beyond remains challenging due to ongoing uncertainties around future Government funding. As set out earlier in this report, the Fair Funding Review and the associated full reset of Business Rates are now confirmed, but the final allocations to individual councils, including East Cambridgeshire, have not yet been published. This creates a degree of uncertainty for the Council's funding position in future years. The MTFS will continue to be monitored and updated as further details of the Government's funding decisions are released. Any significant changes will be reported to the Finance and Assets Committee to ensure that the Council can respond appropriately and maintain financial stability.

13.4 The assumptions used in the MTFS include:

- Government funding from 2026/27 is assumed to be based on the Fair Funding Review and a multi-year funding settlement, following the cessation of the New Homes Bonus and Funding Floor Grant in 2025/26.
- The MTFS includes transitional funding arising from the Government's 95% income protection arrangements, as reflected in the Local Government Finance Settlement. This funding is included only for the years explicitly indicated, up to 2028/29, and is transitional in nature. It has not been assumed as ongoing funding beyond this period, and any change to, or withdrawal of, this protection represents a financial risk to the Council.

- Inflation on staff pay is included at 2.5% in 2026/27 and then 2% in all future years;
- The loan to ECTC is planned to be repaid by March 2027, the interest received by the Council on this loan will therefore stop at this point. The loan repayments will be used to reduce / prevent the Council needing to borrow externally and/or to invest in line with the Treasury Management Strategy;
- As discussed earlier in this report, one of the requirements of the Government's new Waste Strategy is the introduction of weekly food waste collections for all households from 2026. The revenue cost of delivering this service has been included in the 2026/27 budget and future years of the MTFS. Under the provisional 2026/27 Local Government Finance Settlement, funding for local authorities is now being allocated through a multi-year settlement covering 2026/27 to 2028/29, which includes the Fair Funding Review 2.0 reforms to the distribution of Revenue Support Grant and business rates allocations. This new multi-year framework is intended to provide greater stability and certainty of funding compared with previous annual settlements. At this stage, it remains unclear whether additional, specific Government funding (such as new burdens funding or targeted grants) will be provided to fully offset the costs associated with the introduction of weekly food waste collections, or the extent to which income from the Extended Producer Responsibility (EPR) regime will mitigate these costs. In the absence of confirmed funding allocations, no additional specific funding has therefore been assumed within the MTFS, and this position will be kept under review as further details of the Local Government Finance Settlement and final funding allocations become available.
- On interest receipts, it is assumed that interest rates will remain at around 3.5% in 2026/27, but then reducing during the MTFS period to 2.75% by 2028/29;
- There remains no assumption in the MTFS for any dividends being received from ECTC. (While noting that no dividends are budgeted for, it should not be forgotten that the Council continues to get a benefit from ECTC, with interest being paid on the loan provided, the recharge of management and support services costs to the Company, the hire of the Market Place and part of the depot (the remainder is charged to ECSS), as well as Capital Receipts, Section 106 contributions and additional Council Tax receipts from the properties developed.);
- The budget and MTFS include the impacts of the construction or running costs of the proposed new Crematorium at Mepal;
- The Council has a track record of delivering cost reductions; it is anticipated therefore that a contribution to the budget deficit forecast in future years will be achieved during the term through general efficiencies and income generating opportunities. However, to be prudent, no account of these is shown within the forecasts in this report.

13.5 The impact of the above assumptions is attached at Appendix 1. This shows the budgets for 2026/27 and 2027/28 are fully funded. However, there are significant budget shortfalls projected in 2028/29 and subsequent years. Clearly many things

will change between now and then, so Members should not focus on the precise numbers. It is far more important that Members appreciate the direction of funding facing this and many local authorities, and the likely scale. It will be necessary to develop a plan to meet these shortfalls, although the Council does have time (although limited) to put the necessary plans in place. The Council also has access to a reasonable level of reserves, as described in Section 8 of this report.

13.6 While noting the uncertainty that is highlighted in this report about the 2027/28 financial year, it is considered unlikely that the quantum of funding from Government will increase and as such, this Council will need to identify measures to bridge the budget gap. A comparison between this year's MTFS and the past two last years does highlight an increased savings need particularly in years three and four.

| <b>2024/25 Budget</b> |                            |
|-----------------------|----------------------------|
| 2024/25 – budget year | Balanced                   |
| 2025/26 – MTFS year 1 | Balanced                   |
| 2026/27 – MTFS year 2 | Savings to find £3,196,858 |
| 2027/28 – MTFS year 3 | Savings to find £5,586,743 |
|                       |                            |
| <b>2025/26 Budget</b> |                            |
| 2025/26 – budget year | Balanced                   |
| 2026/27 – MTFS year 1 | Balanced                   |
| 2027/28 – MTFS year 2 | Savings to find £4,502,091 |
| 2028/29 – MTFS year 3 | Savings to find £5,602,453 |
|                       |                            |
| <b>2026/27 Budget</b> |                            |
| 2026/27 – budget year | Balanced                   |
| 2027/28 – MTFS year 1 | Balanced                   |
| 2028/29 – MTFS year 2 | Savings to find £2,028,819 |
| 2029/30 – MTFS year 3 | Savings to find £6,499,212 |

13.7 Options to resolve the budget shortfalls in future years include:

- Efficiencies in the cost-of-service delivery
- Reductions in service levels
- Increased income from fees and charges
- Increased commercialisation via the trading companies

13.8 While noting the Council's favourable position of having a balanced budget (by use of the Surplus Savings Reserve) for 2026/27 and 2027/28, it is strongly recommended that early consideration is given to how savings in future years will be achieved. All the bullets above need to be considered, with a quickening of the pace with a review of all income generating opportunities, as these are potentially the areas that could generate the highest returns, while having least impact on the services provided by the Council. However, within the MTFS period, all options will need to be considered and potentially implemented.

13.9 Any savings achieved in 2025/26 and 2027/28 resulting in potential underspends in those years, will allow further funding to be moved into the Surplus Savings Reserve and therefore available to assist in the balancing of the budget in future years.

## 14.0 Conclusions

14.1 The proactive actions already taken have enabled a balanced budget for 2026/27, utilising the Surplus Savings Reserve where necessary. With the Fair Funding Review allocations and multi-year settlement now confirmed, the Council has greater certainty over its funding for 2026/27 compared with previous forecasts. While this reduces the overall level of uncertainty, the Medium-Term Financial Strategy still contains risk, particularly relating to future service pressures and cost increases beyond 2026/27. The Council will continue to identify opportunities within its control to manage these risks and support financial sustainability in future years.

## 15.0 Additional Implications Assessment

15.1 In the table below, please put Yes or No in each box:

| Financial Implications<br>Yes             | Legal Implications<br>No                | Human Resources (HR)<br>Implications<br>No           |
|---|---|--|
| Equality Impact<br>Assessment (EIA)<br>No | Carbon Impact<br>Assessment (CIA)<br>No | Data Protection Impact<br>Assessment<br>(DPIA)<br>No |

### 15.2 Financial Implications

The proposed net operating budget of £17,295,161 will be financed by Revenue Support Grant, retained Business Rates, Council Tax and a contribution from the Surplus Savings Reserve.

## 16.0 Appendices

Appendix 1 - Draft Budget 2026/27 and MTFS

Appendix 2 – Draft Statement of Reserves

Appendix 3 – Draft Capital Programme

Appendix 4 – Draft Schedule of Fees and Charges

Appendix 5 – Parish Precepts

## 17.0 Background Documents

2025/26 Budget to Full Council – 25 February 2025

Year-end Finance report for 2024/25 to Finance and Assets Committee – 26 June 2025

MTFS up-date report to Finance and Assets Committee – 25 September 2025

Local Council Tax Reduction Scheme (LCTRS) update for 2026/27 and change to Council Tax on Long-Term Empty and Second Homes report to Finance and Assets Committee – 27 November 2025

## DRAFT BUDGET 2026-27

|   | Budget<br>2025-26 | Estimate<br>2026-27 | Estimate<br>2027-28 | Estimate<br>2028-29 | Estimate<br>2029-30 |
|---|-------------------|---------------------|---------------------|---------------------|---------------------|
|   | £                 | £                   | £                   | £                   | £                   |
| <b>Committees:</b>                          |                   |                     |                     |                     |                     |
| Operational Services                        | 6,842,567         | <b>8,368,382</b>    | 8,437,242           | 8,505,138           | 8,775,199           |
| Finance & Assets                            | 7,969,054         | <b>8,279,422</b>    | 8,334,820           | 8,635,326           | 8,844,736           |
| Net District Spending                       | 14,811,621        | <b>16,647,804</b>   | 16,772,062          | 17,140,464          | 17,619,935          |
| New Homes Bonus Grant                       | -828,863          | <b>0</b>            | 0                   | 0                   | 0                   |
| Dampening Grants ( Transitional Protection) | 0                 | <b>-164,492</b>     | -1,073,724          | -2,015,660          | 0                   |
| Service Grant / Funding Floor Grants        | -523,990          | <b>0</b>            | 0                   | 0                   | 0                   |
| Internal Drainage Board Levies              | 801,368           | <b>811,850</b>      | 829,687             | 847,881             | 866,439             |
| Net Operating Expenditure                   | 14,260,136        | <b>17,295,161</b>   | 16,528,025          | 15,972,684          | 18,486,374          |
| Contribution to Corporate Reserve           | 40,162            | <b>303,502</b>      | -76,713             | -55,535             | 251,369             |
| Contribution from Surplus Savings Reserve   | -1,812,895        | <b>-3,739,723</b>   | -3,737,450          | -2,210,338          | 0                   |
| Savings to be identified                    | 0                 | <b>0</b>            | 0                   | -2,028,819          | -6,499,212          |
| ECDC Budget Requirement                     | 12,487,403        | <b>13,858,940</b>   | 12,713,863          | 11,677,992          | 12,238,531          |
| Parish Council Precepts                     | 3,596,232         | <b>3,776,044</b>    | 3,889,325           | 4,006,005           | 4,126,185           |
| <b>DISTRICT BUDGET REQUIREMENT</b>          | <b>16,083,635</b> | <b>17,634,984</b>   | <b>16,603,188</b>   | <b>15,683,997</b>   | <b>16,364,716</b>   |
| <u>Financed by:</u>                         |                   |                     |                     |                     |                     |
| Council's share of Collection               | -492,272          | <b>-150,313</b>     | 0                   | 0                   | 0                   |
| Fund Surpluses                              |                   |                     |                     |                     |                     |
| Revenue Support Grant                       | -125,690          | <b>-4,971,021</b>   | -3,712,999          | -2,415,112          | -2,472,088          |
| Locally retained Non-Domestic Rates         | -5,393,410        | <b>-2,110,633</b>   | -2,159,047          | -2,202,603          | -2,503,610          |
| NNDR from Renewables / Enterprise Zone      | -1,773,841        | <b>-1,713,527</b>   | -1,713,527          | -1,713,527          | -1,713,527          |
| <b>COUNCIL TAX REQUIREMENT</b>              | <b>8,298,422</b>  | <b>8,689,490</b>    | <b>9,017,614</b>    | <b>9,352,756</b>    | <b>9,675,491</b>    |

| Unallocated Surplus Savings Reserve  | Estimate         | Estimate          | Estimate   | Estimate   | Estimate  |
|--|------------------|-------------------|------------|------------|-----------|
|  | 2025-26          | 2026-27           | 2027-28    | 2028-29    | 2029-30   |
|  | £                | £                 | £          | £          | £         |
| In hand at 1st April   | 10,229,244       | <b>9,687,511</b>  | 5,947,788  | 2,210,338  | 0         |
| Movement in year   | -541,733         | <b>-3,739,723</b> | -3,737,450 | -2,210,338 | 0         |
| In hand at 31st March  | <u>9,687,511</u> | <b>5,947,788</b>  | 2,210,338  | 0          | 0         |
| <hr/>  |                  |                   |            |            |           |
| IMPLIED BAND 'D' COUNCIL TAX<br>(District only i.e. excluding parish levies) |                  |                   |            |            |           |
| Demand on Collection Fund as above   | 8,298,422        | <b>8,689,490</b>  | 9,017,614  | 9,352,756  | 9,675,491 |
| Less Parish Precepts as above  | 3,596,232        | <b>3,776,044</b>  | 3,889,325  | 4,006,005  | 4,126,185 |
|  | <u>4,702,190</u> | <b>4,913,446</b>  | 5,128,289  | 5,346,751  | 5,549,306 |
| Council Tax Base   | 33,081.4         | <b>33,393.0</b>   | 33,707.7   | 34,025.4   | 34,225.4  |
| District Council Tax - Band D  | 142.14           | <b>147.14</b>     | 152.14     | 157.14     | 162.14    |

| Description                   | Estimate<br>2025/26 | Estimate<br>2026/27 | Estimate<br>2027/28 | Estimate<br>2028/29 | Estimate<br>2029/30 |
|-------------------------------|---------------------|---------------------|---------------------|---------------------|---------------------|
| <b>Operational Services</b>   |                     |                     |                     |                     |                     |
| Building Regulations          | 36,436              | <b>45,677</b>       | 46,127              | 46,586              | 47,054              |
| Care and Repair               | -98,842             | <b>-25,836</b>      | -26,059             | -26,311             | -26,593             |
| Community Projects & Grants   | 206,095             | <b>212,295</b>      | 214,420             | 216,588             | 218,799             |
| Community Safety              | 64,358              | <b>73,219</b>       | 81,587              | 82,738              | 83,912              |
| Cons. Area & Listed Buildings | 74,808              | <b>77,144</b>       | 78,420              | 79,722              | 81,050              |
| Crematorium                   | 0                   | <b>242,649</b>      | -30,371             | -264,791            | -299,935            |
| Customer Services             | 665,279             | <b>649,638</b>      | 662,858             | 676,343             | 690,097             |
| Dog Warden Scheme             | 50,553              | <b>50,674</b>       | 51,643              | 52,632              | 53,641              |
| Emergency Planning            | 32,148              | <b>34,578</b>       | 34,954              | 35,338              | 35,730              |
| Environmental                 | 52,087              | <b>53,377</b>       | 54,357              | 55,357              | 56,377              |
| Environmental Health          | 620,980             | <b>708,373</b>      | 721,889             | 735,675             | 749,737             |
| Homelessness                  | 326,611             | <b>383,692</b>      | 388,324             | 393,049             | 397,869             |
| Leisure Centre                | -502,043            | <b>-548,183</b>     | -548,183            | -548,183            | -548,183            |
| Licencing - Env Services      | 26,040              | <b>-102,213</b>     | -91,897             | -81,375             | -70,643             |
| Marketing & Grants            | 33,766              | <b>33,766</b>       | 34,290              | 34,825              | 34,825              |
| Nuisances                     | 115,533             | <b>119,898</b>      | 122,198             | 124,544             | 126,937             |
| Parish Forums                 | 1,561               | <b>1,561</b>        | 1,561               | 1,561               | 1,561               |
| Planning                      | 395,659             | <b>419,250</b>      | 426,522             | 433,940             | 441,506             |
| Public Relations              | 124,682             | <b>130,557</b>      | 133,101             | 135,696             | 138,342             |
| Recycling                     | 1,649,812           | <b>3,048,931</b>    | 3,267,033           | 3,450,667           | 3,635,390           |
| Refuse Collection             | 1,850,473           | <b>1,438,796</b>    | 1,467,572           | 1,496,923           | 1,526,861           |
| Street Cleansing              | 1,082,792           | <b>1,284,471</b>    | 1,310,160           | 1,336,363           | 1,363,090           |
| Street Naming & Numbering     | 33,279              | <b>36,067</b>       | 36,568              | 37,080              | 37,601              |
| Travellers Sites              | 0                   | <b>0</b>            | 168                 | 171                 | 174                 |
|                               | <b>6,842,067</b>    | <b>8,368,382</b>    | <b>8,437,242</b>    | <b>8,505,138</b>    | <b>8,775,199</b>    |

## Finance & Assets

|                                    |            |                   |            |            |            |
|------------------------------------|------------|-------------------|------------|------------|------------|
| Asset Management                   | 153,442    | <b>153,442</b>    | 153,442    | 153,442    | 153,442    |
| Award Ditches                      | 11,468     | <b>11,697</b>     | 11,931     | 12,170     | 12,413     |
| Civic Relations                    | 18,721     | <b>19,212</b>     | 19,507     | 19,807     | 20,113     |
| Climate Change                     | 100,000    | <b>232,687</b>    | 235,340    | 238,046    | 240,807    |
| Closed Churchyards                 | 37,777     | <b>38,533</b>     | 39,304     | 40,090     | 40,892     |
| Community Transport                | 15,000     | <b>15,000</b>     | 15,000     | 15,000     | 15,000     |
| Corp. Man. Policy Research / Revie | 245,497    | <b>251,354</b>    | 257,334    | 263,458    | 269,730    |
| Council Tax Collection Costs       | 614,713    | <b>625,991</b>    | 644,561    | 657,329    | 670,353    |
| Data Management                    | 175,648    | <b>138,122</b>    | 140,061    | 142,038    | 144,055    |
| Depot                              | -76,499    | <b>-76,530</b>    | -78,081    | -79,663    | -81,277    |
| Economic Development               | 32,486     | <b>-68,922</b>    | -64,461    | -59,909    | -55,266    |
| Enterprise Zone Business Rates     | 610,816    | <b>500,816</b>    | 603,506    | 603,506    | 603,506    |
| Finance                            | 359,950    | <b>391,762</b>    | 399,458    | 407,308    | 415,315    |
| General Gang                       | 99,947     | <b>60,838</b>     | 61,715     | 62,609     | 63,521     |
| Health & Safety (Work)             | 28,784     | <b>29,900</b>     | 29,900     | 29,900     | 29,900     |
| Housing Benefits                   | 518,819    | <b>508,800</b>    | 532,371    | 545,467    | 558,825    |
| Housing Strategy                   | 207,243    | <b>193,762</b>    | 200,387    | 207,145    | 214,038    |
| Human Resources (including trainin | 287,498    | <b>300,371</b>    | 304,708    | 309,132    | 313,644    |
| Information Technology             | 1,136,674  | <b>1,310,335</b>  | 1,391,189  | 1,392,959  | 1,379,391  |
| Interest & Financial Transactions  | -994,055   | <b>-530,353</b>   | -430,154   | -233,637   | -230,201   |
| Internal Audit                     | 88,568     | <b>89,548</b>     | 91,771     | 94,050     | 96,386     |
| Land Charges Admin                 | -29,917    | <b>-24,758</b>    | -26,188    | -27,647    | -29,135    |
| Legal Services                     | 189,832    | <b>177,887</b>    | 180,915    | 184,004    | 187,154    |
| Local Elections                    | 25,000     | <b>25,000</b>     | 25,000     | 25,000     | 25,000     |
| Local Plans                        | 229,069    | <b>318,652</b>    | 323,609    | 328,065    | 333,222    |
| Management Team                    | 725,349    | <b>828,759</b>    | 845,235    | 862,041    | 879,183    |
| Markets                            | 0          | <b>0</b>          | 0          | 0          | 0          |
| Member & Committee Support         | 711,686    | <b>729,619</b>    | 755,397    | 757,720    | 772,330    |
| Misc. Financial Services           | 556,098    | <b>44,478</b>     | -344,114   | -375,373   | -304,860   |
| Miscellaneous Properties           | -53,487    | <b>-54,229</b>    | -58,486    | -59,258    | -60,046    |
| NNDR Collection Costs              | 61,973     | <b>59,525</b>     | 64,347     | 67,663     | 71,045     |
| Out Of Hours Service               | 14,000     | <b>14,000</b>     | 14,280     | 14,566     | 14,857     |
| Parking of Vehicles                | 47,544     | <b>4,850</b>      | 8,109      | 11,435     | 14,826     |
| Parks and Open Spaces              | 509,711    | <b>539,859</b>    | 554,228    | 568,886    | 583,836    |
| Payroll                            | 133,939    | <b>125,102</b>    | 127,465    | 129,875    | 132,334    |
| Public Conveniences                | 213,197    | <b>222,249</b>    | 209,381    | 212,488    | 215,654    |
| Registration of Electors           | 50,644     | <b>50,644</b>     | 50,644     | 50,644     | 50,644     |
| Reprographics                      | 159,263    | <b>230,890</b>    | 241,327    | 244,937    | 248,619    |
| Office Accommodation               | 618,884    | <b>657,707</b>    | 670,395    | 683,338    | 696,538    |
| Sport & Recreation Admin           | 133,772    | <b>132,823</b>    | 134,487    | 136,695    | 138,948    |
|                                    | 7,969,054  | <b>8,279,422</b>  | 8,334,820  | 8,635,326  | 8,844,736  |
| Total                              | 14,811,121 | <b>16,647,804</b> | 16,772,062 | 17,140,464 | 17,619,935 |

| Description                       | 2025/26                 |                      |                            |                           | 2026/27                 |                      |                            |                           |
|-----------------------------------|-------------------------|----------------------|----------------------------|---------------------------|-------------------------|----------------------|----------------------------|---------------------------|
|                                   | Opening Balance 1 April | Transfers to Reserve | Contributions from Reserve | Forecast Balance 31 March | Opening Balance 1 April | Transfers to Reserve | Contributions from Reserve | Forecast Balance 31 March |
|                                   | £                       | £                    | £                          | £                         | £                       | £                    | £                          | £                         |
| District Elections                | 50,397                  | 25,000               |                            | 75,397                    | 75,397                  | 25,000               |                            | 100,397                   |
| Housing Conditions Survey         | 35,000                  | 5,000                |                            | 40,000                    | 40,000                  | 5,000                |                            | 45,000                    |
| Change Management                 | 0                       |                      |                            | 0                         | 0                       |                      |                            | 0                         |
| Major Project Development         | 100,000                 |                      |                            | 100,000                   | 100,000                 |                      |                            | 100,000                   |
| Surplus Savings Reserve           | 10,229,244              | 1,271,162            | (1,812,895)                | 9,687,511                 | 9,687,511               |                      | (3,739,723)                | 5,947,788                 |
| Vehicle Replacements              | 74,240                  |                      |                            | 74,240                    | 74,240                  |                      |                            | 74,240                    |
| Sports Facilities Funding Reserve | 58,000                  |                      |                            | 58,000                    | 58,000                  |                      |                            | 58,000                    |
| IT                                | 160,000                 | 60,000               | (73,345)                   | 146,655                   | 146,655                 | 60,000               | (196,138)                  | 10,517                    |
| CIL Admin                         | 206,621                 | 70,000               | (100,000)                  | 176,621                   | 176,621                 | 70,000               | (100,000)                  | 146,621                   |
| Asset Management                  | 96,441                  |                      |                            | 96,441                    | 96,441                  |                      |                            | 96,441                    |
| Community Fund Reserves           | 18,207                  |                      |                            | 18,207                    | 18,207                  |                      |                            | 18,207                    |
| Housing                           | 69,926                  |                      |                            | 69,926                    | 69,926                  |                      |                            | 69,926                    |
| Historic Homelessness Grant       | 742,431                 |                      | (143,268)                  | 599,163                   | 599,163                 |                      | (104,992)                  | 494,171                   |
| Affordable Housing                | 97,526                  |                      |                            | 97,526                    | 97,526                  |                      |                            | 97,526                    |
| General Fund Balance              | 1,385,852               | 40,162               |                            | 1,426,014                 | 1,426,014               | 303,502              |                            | 1,729,516                 |
| Commercial Invest to Save         | 20,000                  |                      |                            | 20,000                    | 20,000                  |                      |                            | 20,000                    |
| CLT Grant Applications            | 20,000                  |                      |                            | 20,000                    | 20,000                  |                      |                            | 20,000                    |
| Travellers' Sites                 | 0                       | 35,722               |                            | 35,722                    | 35,722                  | 35,722               |                            | 71,444                    |
| Enterprise Zone NNDR              | 1,234,540               | 305,408              | (83,249)                   | 1,456,699                 | 1,456,699               | 250,408              | (185,718)                  | 1,521,389                 |
| Growth and Infrastructure Fund    | 2,522,015               |                      |                            | 2,522,015                 | 2,522,015               |                      |                            | 2,522,015                 |
| Exceptional Hardship Fund         | 6,939                   |                      |                            | 6,939                     | 6,939                   |                      |                            | 6,939                     |
| Community Transport               | 125,281                 |                      |                            | 125,281                   | 125,281                 |                      |                            | 125,281                   |
| Climate Change                    | 88,229                  |                      |                            | 88,229                    | 88,229                  |                      |                            | 88,229                    |
| Other                             |                         |                      |                            |                           |                         |                      |                            |                           |
| CIL                               | 12,947,370              | 400,000              | (9,758,962)                | 3,588,408                 | 3,588,408               | 400,000              | (2,482,583)                | 1,505,825                 |
| Section 106 Agreements            | 4,722,039               |                      | (500,000)                  | 4,222,039                 | 4,222,039               |                      | (500,000)                  | 3,722,039                 |
| Internal Borrowing                | (10,197,185)            | (5,454,653)          | 3,190,300                  | (12,461,538)              | (12,461,538)            | (3,580,000)          | 2,816,384                  | (13,225,154)              |
| <b>Total Reserves</b>             | <b>24,813,113</b>       | <b>(3,242,199)</b>   | <b>(9,281,419)</b>         | <b>12,289,495</b>         | <b>12,289,495</b>       | <b>(2,430,368)</b>   | <b>(4,492,770)</b>         | <b>5,366,356</b>          |
| Total Reserves                    | 17,340,889              | 1,812,454            | (2,212,757)                | 16,940,586                |                         |                      |                            | 13,363,646                |
| General Fund                      | 1,385,852               | 40,162               | 0                          | 1,426,014                 |                         |                      |                            | 1,729,516                 |
| Earmarked Reserves                | 15,955,037              | 1,772,292            | (2,212,757)                | 15,514,572                |                         |                      |                            | 11,634,130                |

## Reserve Accounts

| Description                       | 2027/28                 |                      |                            |                           | 2028/29                 |                      |                            |                           |
|-----------------------------------|-------------------------|----------------------|----------------------------|---------------------------|-------------------------|----------------------|----------------------------|---------------------------|
|                                   | Opening Balance 1 April | Transfers to Reserve | Contributions from Reserve | Forecast Balance 31 March | Opening Balance 1 April | Transfers to Reserve | Contributions from Reserve | Forecast Balance 31 March |
|                                   | £                       | £                    | £                          | £                         | £                       | £                    | £                          | £                         |
| District Elections                | 100,397                 | 25,000               |                            | 125,397                   | 125,397                 |                      | (125,397)                  | 0                         |
| Housing Conditions Survey         | 45,000                  | 5,000                |                            | 50,000                    | 50,000                  | 5,000                |                            | 55,000                    |
| Change Management                 | 0                       |                      |                            | 0                         | 0                       |                      |                            | 0                         |
| Major Project Development         | 100,000                 |                      |                            | 100,000                   | 100,000                 |                      |                            | 100,000                   |
| Surplus Savings Reserve           | 5,947,788               |                      | (3,737,450)                | 2,210,338                 | 2,210,338               |                      | (2,210,338)                | 0                         |
| Vehicle Replacements              | 74,240                  |                      |                            | 74,240                    | 74,240                  |                      |                            | 74,240                    |
| Sports Facilities Funding Reserve | 58,000                  |                      |                            | 58,000                    | 58,000                  |                      |                            | 58,000                    |
| IT                                | 10,517                  | 60,000               | (70,517)                   | 0                         | 0                       | 60,000               | (60,000)                   | 0                         |
| CIL Admin                         | 146,621                 | 70,000               | (100,000)                  | 116,621                   | 116,621                 | 70,000               | (100,000)                  | 86,621                    |
| Asset Management                  | 96,441                  |                      |                            | 96,441                    | 96,441                  |                      |                            | 96,441                    |
| Community Fund Reserves           | 18,207                  |                      |                            | 18,207                    | 18,207                  |                      |                            | 18,207                    |
| Housing                           | 69,926                  |                      |                            | 69,926                    | 69,926                  |                      |                            | 69,926                    |
| Historic Homelessness Grant       | 494,171                 |                      | (67,859)                   | 426,312                   | 426,312                 |                      | (56,288)                   | 370,024                   |
| Affordable Housing                | 97,526                  |                      |                            | 97,526                    | 97,526                  |                      |                            | 97,526                    |
| General Fund Balance              | 1,729,516               |                      | (76,713)                   | 1,652,803                 | 1,652,803               |                      | (55,535)                   | 1,597,268                 |
| Commercial Invest to Save         | 20,000                  |                      |                            | 20,000                    | 20,000                  |                      |                            | 20,000                    |
| CLT Grant Applications            | 20,000                  |                      |                            | 20,000                    | 20,000                  |                      |                            | 20,000                    |
| Travellers' Sites                 | 71,444                  | 34,529               |                            | 105,973                   | 105,973                 | 33,851               |                            | 139,824                   |
| Enterprise Zone NNDR              | 1,521,389               | 301,753              | (188,881)                  | 1,634,261                 | 1,634,261               | 301,753              | (192,107)                  | 1,743,907                 |
| Growth and Infrastructure Fund    | 2,522,015               |                      |                            | 2,522,015                 | 2,522,015               |                      |                            | 2,522,015                 |
| Exceptional Hardship Fund         | 6,939                   |                      |                            | 6,939                     | 6,939                   |                      |                            | 6,939                     |
| Community Transport               | 125,281                 |                      |                            | 125,281                   | 125,281                 |                      |                            | 125,281                   |
| Climate Change                    | 88,229                  |                      |                            | 88,229                    | 88,229                  |                      |                            | 88,229                    |
| Other                             |                         |                      |                            |                           |                         |                      |                            |                           |
| CIL                               | 1,505,825               | 400,000              |                            | 1,905,825                 | 1,905,825               | 400,000              |                            | 2,305,825                 |
| Section 106 Agreements            | 3,722,039               |                      | (500,000)                  | 3,222,039                 | 3,222,039               |                      | (500,000)                  | 2,722,039                 |
| Internal Borrowing                | (13,225,154)            |                      | 7,019,399                  | (6,205,755)               | (6,205,755)             | 0                    | 768,233                    | (5,437,522)               |
| <b>Total Reserves</b>             | <b>5,366,356</b>        | <b>896,282</b>       |                            | <b>2,277,979</b>          | <b>8,540,617</b>        |                      |                            | <b>6,879,789</b>          |
| Total Reserves                    |                         |                      |                            |                           | 9,618,509               |                      |                            | 7,289,448                 |
| General Fund                      |                         |                      |                            |                           | 1,652,803               |                      |                            | 1,597,268                 |
| Earmarked Reserves                |                         |                      |                            |                           | 7,965,706               |                      |                            | 5,692,180                 |

Capital Programme 2025/26 to 2029/30

| CAPITAL BUDGET   | Projected Spend 2025/26 £ | Budget 2026/27 £ | Proposed Budget 2027/28 £ | Proposed Budget 2028/29 £ | Proposed Budget 2029/30 £ |
|--|---------------------------|------------------|---------------------------|---------------------------|---------------------------|
| <b>Operational Services</b>  |                           |                  |                           |                           |                           |
| Refuse Vehicles  | 2,587,620                 | 80,000           | 360,000                   |                           |                           |
| Waste Bins   | 1,040,000                 | <b>40,000</b>    | 40,000                    | 40,000                    | 40,000                    |
| Food Waste Caddies   | 280,256                   |                  |                           |                           |                           |
| Conservation Area Schemes - 2nd round                                | 27,506                    |                  |                           |                           |                           |
| Mandatory Disabled Facilities Grants (DFG)                           | 1,217,804                 | <b>697,299</b>   | 697,299                   | 697,299                   | 697,299                   |
| Empty Properties, Discretionary DFGs, Minor Works, Home Repair Asst. | 75,000                    | <b>75,000</b>    | 75,000                    | 75,000                    | 75,000                    |
| Vehicle Etc. Replacements  | 100,000                   | <b>100,000</b>   | 100,000                   | 100,000                   | 100,000                   |
| Bereavement Centre   | 9,758,962                 | <b>2,482,583</b> | 150,413                   |                           |                           |
| <b>Operational Services Total</b>                                    | <b>15,087,148</b>         | <b>3,474,882</b> | <b>1,422,712</b>          | <b>912,299</b>            | <b>912,299</b>            |
| <b>Finance and Assets</b>  |                           |                  |                           |                           |                           |
| Depot  | 280,833                   | 0                |                           |                           |                           |
| Solar Panels on Council Buildings                                    | 100,100                   | 0                |                           |                           |                           |
| Loan Agreement with ECTC   | 2,700,000                 | <b>4,000,000</b> |                           |                           |                           |
| <b>Finance and Assets Total</b>                                      | <b>3,080,933</b>          | <b>4,000,000</b> | 0                         | 0                         | 0                         |
| <b>Capital Programme Total</b>                                       | <b>18,168,081</b>         | <b>7,474,882</b> | <b>1,422,712</b>          | <b>912,299</b>            | <b>912,299</b>            |

**Refuse Vehicles**

The Council purchases and then hires to East Cambs Street Scene refuse vehicles to be used to undertake the refuse contract for the Council. With the Government's long term Waste Strategy being implemented in 2026, the Council is being required to purchase a significant number of new vehicles in 2025/26 to ensure that it is ready to meet the additional demands put upon it by the Strategy.

## **Waste Bins**

The on-going £40,000 budget is to ensure that as the number of residential homes in the District increases, the Council has new wheeled bins available to deliver to these properties.

## **Conservation Area Schemes**

This scheme is for the Steeple Row enhancement, led by Ely Perspective for public realm improvements in the Steeple Row area. The remaining balance is required to provide partnership funding towards a larger Heritage Lottery Scheme currently being worked on by Ely Cathedral for enhancements to the entire cathedral precinct.

## **Mandatory Disabled Facilities Grants**

These grants are provided to enable disabled people, including children, to remain in their own home. Due to an ageing population, the demand for this type of grant is likely to increase and capital funding will need to continue to enable the Council to meet this statutory function. The majority is funded from Government grant from the Better Care Fund.

## **Empty Properties, Discretionary DFGs, Minor Works & Home Repair Asst.**

Grant provided to owner occupiers on an income related benefit to carry out essential repairs and energy efficiency work to their homes, to ensure that they meet the decent homes standard. This grant takes two forms, one, a small non-repayable grant and the other, where more extensive works are needed, a repayable loan.

## **Vehicle Replacements**

Vehicle replacement mostly for the Parks and Gardens Team. This is funded from Section 106 contributions.

## **Bereavement Centre**

To develop a District Bereavement Centre at the Council-owned Mepal site on Ireton's Way, comprising a crematorium, a modular function room, and associated natural burial and pet cemetery facilities. The latest projections incorporate the revised cost estimates.

## **Depot**

The depot, including the drainage on the site is being improved to provide staff with a safe environment.

## **Solar Panels on Council Buildings**

Installation of solar panelling on a number of Council buildings including E-Space North in Littleport, the Hive and potentially the Grange

## **Loan to East Cambs CLT**

Loan to East Cambs CLT, to provide the funding (alongside Ecology Building Society) for the CLT to purchase fifteen properties on the former Ministry of Defence site in Ely, so these can be offered as affordable, shared ownership properties to local residents. The terms of the loan require it to be repaid in seven years time.

## Loan Agreement with ECTC approved in April 2022

At its meeting on the 21st April 2022, the Council approved a new loan facility to ECTC up to a value of £7,500,000 in order to move forward with new projects at the Paradise Pool site and phase two and three at the former Ministry of Defence site. At the end of March 2026, it is expected that ECTC will have drawdown net £2.7 million of this facility. Current cashflows suggest that a further £4.0 million will be drawn down in 2026/27.

| SOURCES OF FINANCING                            | Projected Spend<br>2025/26<br>£ | Budget<br>2026/27<br>£ | Proposed Budget<br>2027/28<br>£ | Proposed Budget<br>2028/29<br>£ | Proposed Budget<br>2029/30<br>£ |
|---|---------------------------------|------------------------|---------------------------------|---------------------------------|---------------------------------|
| <b>Operational Services</b>                     |                                 |                        |                                 |                                 |                                 |
| Revenue Contribution                            |                                 |                        |                                 |                                 |                                 |
| Government Grants (Disability Facilities Grant) | 1,123,183                       | 602,678                | 602,678                         | 602,678                         | 602,678                         |
| Government Grants (Food Waste)                  | 894,056                         |                        |                                 |                                 |                                 |
| Capital Reserves                                | 237,127                         | 209,621                | 209,621                         | 209,621                         | 209,621                         |
| Section 106 / CIL                               | 10,358,962                      | 3,082,583              | 750,413                         | 600,000                         | 600,000                         |
| Borrowing                                       | 2,473,820                       | (420,000)              | (140,000)                       | (500,000)                       | (500,000)                       |
| <b>Operational Services Total</b>               | <b>15,087,148</b>               | <b>3,474,882</b>       | <b>1,422,712</b>                | <b>912,299</b>                  | <b>912,299</b>                  |
| <b>Finance and Assets</b>                       |                                 |                        |                                 |                                 |                                 |
| Capital Reserves                                | 100,100                         |                        |                                 |                                 |                                 |
| Borrowing                                       | 2,980,833                       | 4,000,000              |                                 |                                 |                                 |
| <b>Finance and Assets Total</b>                 | <b>3,080,933</b>                | <b>4,000,000</b>       | <b>0</b>                        | <b>0</b>                        | <b>0</b>                        |
| <b>Capital Funding Total</b>                    | <b>18,168,081</b>               | <b>7,474,882</b>       | <b>1,422,712</b>                | <b>912,299</b>                  | <b>912,299</b>                  |

| Capital Reserves Forecast               | 2025/26<br>£     | 2026/27<br>£     | 2027/28<br>£     | 2028/29<br>£   | 2029/30<br>£   |
|---|------------------|------------------|------------------|----------------|----------------|
| Balance Brought Forward                 | 1,758,648        | 1,471,421        | 1,311,800        | 1,152,179      | 992,558        |
| Add receipts from Sales of Assets       | 50,000           | 50,000           | 50,000           | 50,000         | 50,000         |
| Less Capital Receipts Applied           | (337,227)        | (209,621)        | (209,621)        | (209,621)      | (209,621)      |
| <b>Capital Reserves Carried Forward</b> | <b>1,471,421</b> | <b>1,311,800</b> | <b>1,152,179</b> | <b>992,558</b> | <b>832,937</b> |

| <b>Borrowing Forecast</b>              | <b>2025/26</b>    | <b>2026/27</b>    | <b>2027/28</b>   | <b>2028/29</b>   | <b>2029/30</b>   |
|--|-------------------|-------------------|------------------|------------------|------------------|
|  | <b>£</b>          | <b>£</b>          | <b>£</b>         | <b>£</b>         | <b>£</b>         |
| Balance Brought Forward                | 10,197,185        | 12,461,538        | 13,225,154       | 6,205,755        | 5,437,522        |
| Add Borrowing in Year                  | 5,454,653         | 3,580,000         | (140,000)        | (500,000)        | (500,000)        |
| Repayment from ECTC                    | (2,605,000)       | (1,875,653)       | (6,468,236)      | 0                | 0                |
| Less Minimum Revenue Provision (MRP)   | (585,300)         | (940,731)         | (411,163)        | (268,233)        | (109,233)        |
| <b>Total Borrowing Carried Forward</b> | <b>12,461,538</b> | <b>13,225,154</b> | <b>6,205,755</b> | <b>5,437,522</b> | <b>4,828,289</b> |
| Internal Borrowing                     | 12,461,538        | 13,225,154        | 6,205,755        | 5,437,522        | 4,828,289        |
| External Borrowing                     | 0                 | 0                 | 0                | 0                | 0                |

## EAST CAMBRIDGESHIRE DISTRICT COUNCIL

## FEES AND CHARGES SCHEDULE 2026/27

| Description  | VAT code | Discretionary or Statutory | Charge for 2025/26                              | Charge for 2026/27                              |
|--|----------|----------------------------|---|---|
| <b><u>COMMUNITY SERVICES</u></b>   |          |                            |   |   |
| <b>BUSINESS PARKING PERMIT SCHEME</b>  |          |                            |   |   |
| First permit   | SR       | Discretionary              | £50.00  | £50.00  |
| Second permit  | SR       | Discretionary              | £55.00  | £55.00  |
| Third permit   | SR       | Discretionary              | £60.00  | £60.00  |
| Fourth permit  | SR       | Discretionary              | £70.00  | £70.00  |
| Market Traders   | SR       | Discretionary              | £20.00  | £20.00  |
| <b>CAR PARKING – ANGEL DROVE, ELY</b>  |          |                            |   |   |
| Cost per day   | SR       | Discretionary              | £4.00   | £4.00   |
| Season Ticket – Weekly (6 days)  | SR       | Discretionary              | £16.00  | £16.00  |
| Season Ticket – Quarterly  | SR       | Discretionary              | £193.00   | £193.00   |
| Season Ticket – Annual   | SR       | Discretionary              | £675.00   | £675.00   |
| <b>CAR PARKING – THE DOCK, ELY</b>   |          |                            |   |   |
| Cost per day   | SR       | Discretionary              | £4.00   | £4.00   |
| Season Ticket – Weekly (6 days)  | SR       | Discretionary              | £16.00  | £16.00  |
| Season Ticket – Quarterly  | SR       | Discretionary              | £193.00   | £193.00   |
| Season Ticket – Annual   | SR       | Discretionary              | £675.00   | £675.00   |
| <b>CAR PARKING – LITTLEPORT STATION</b>  |          |                            |   |   |
| <u>On-peak</u>   |          |                            |   |   |
| Daily  | SR       | Discretionary              | £1.80   | £1.80   |
| Weekly   | SR       | Discretionary              | £5.70   | £5.70   |
| Quarterly  | SR       | Discretionary              | £57.00  | £57.00  |
| Annual   | SR       | Discretionary              | £205.00   | £205.00   |
| <u>Off-peak</u>  |          |                            |   |   |
| Daily  | SR       | Discretionary              | £0.50   | £0.50   |
| <b>FIXED PENALTY PARKING FINES</b>   |          |                            |   |   |
| Excess Charge if paid within 14 days   | OS       | Discretionary              | £50.00  | £50.00  |
| Excess Charge if paid after 14 days  | OS       | Discretionary              | £60.00  | £60.00  |
| <b>ELY RIVERSIDE</b>   |          |                            |   |   |
| Mooring Overstay Charge Notice - First 48 hours are free, with a charge applying after this period | SR       | Discretionary              | £100.00 (reduced to £70 if paid within 14 days) | £100.00 (reduced to £70 if paid within 14 days) |

## EAST CAMBRIDGESHIRE DISTRICT COUNCIL

## FEES AND CHARGES SCHEDULE 2026/27

| Description  | VAT code | Discretionary or Statutory | Charge for 2025/26 | Charge for 2026/27 |
|--|----------|----------------------------|--------------------|--------------------|
| <b>PLANNING</b>  |          |                            |                    |                    |
| <b>PROPOSED FEE LEVELS FOR PRE-APPLICATION (AND RELATED) ADVICE</b>  |          |                            |                    |                    |
| Is listed building consent required? (Informal advice)   | SR       | Discretionary              | £105.00            | £107.65            |
| Is a building or structure considered to be curtilage listed? (Informal advice)  | SR       | Discretionary              | £105.00            | £107.65            |
| <b>CONDITIONS AND S106 CLAUSES</b>   |          |                            |                    |                    |
| Has a planning condition or S.106 legal agreement clause been complied with?   | SR       | Discretionary              | £524.00            | £537.10            |
| <b>BASIC HOUSEHOLDER ADVICE – WRITTEN ONLY</b>   |          |                            |                    |                    |
| Basic Householder advice (does not include advice relating to development proposals for listed buildings)  |          |                            |                    |                    |
| Examples –   |          |                            |                    |                    |
| Small scale single extensions  | SR       | Discretionary              | £157.00            | £160.95            |
| Other extensions which are not tantamount to a redesigned dwelling house   |          |                            |                    |                    |
| Outbuildings   |          |                            |                    |                    |
| Minor external works (not listed/CA).  |          |                            |                    |                    |
| <b>DETAILED HOUSEHOLDER ADVICE</b>   |          |                            |                    |                    |
| In depth householder advice (including advice relating to development proposals for listed buildings). This service includes (where required) a site visit or meeting within the hours paid for. | SR       | Discretionary              | £314.00            | £321.85            |
| Each subsequent hour of officer time above the stated limit (to be agreed in advance) including specialist officers time.  | SR       | Discretionary              | £57.00             | £58.45             |
| Any subsequent response to further amendments  | SR       | Discretionary              | £105.00            | £107.65            |
| Any subsequent meeting or site visit   | SR       | Discretionary              | £79.00             | £81.00             |

## EAST CAMBRIDGESHIRE DISTRICT COUNCIL

## FEES AND CHARGES SCHEDULE 2026/27

| Description   | VAT code | Discretionary or Statutory | Charge for 2025/26    | Charge for 2026/27       |
|---|----------|----------------------------|-----------------------|--------------------------|
| <b>MINOR DEVELOPMENT</b>  |          |                            |                       |                          |
| 1 dwelling (including replacement dwellings and holiday let/tourist accommodation)  | SR       | Discretionary              | £419.00               | £429.50                  |
| Provision of up to 1000 square metres of floor space for other uses e.g. equestrian/retail/commercial/industrial/ mixed development | SR       | Discretionary              | £57.00                | £58.45                   |
| Additional hour(s) of officer time (including specialist officers) to be agreed and paid in advance                                 | SR       | Discretionary              | £105.00               | £107.65                  |
| Any subsequent response to further amendments   | SR       | Discretionary              | £105.00               | £107.65                  |
| Any subsequent meeting / Site visit   | SR       | Discretionary              | £105.00               | £107.65                  |
| <b>MINOR DEVELOPMENTS</b>   |          |                            |                       |                          |
| 2 - 9 (inclusive) dwellings (including replacement dwellings and holiday let/tourist accommodation)                                 | SR       | Discretionary              | £786 (2-3 Dwellings   | £841.50 (2-3 Dwellings   |
|   | SR       | Discretionary              | £1,048 (4-9 Dwellings | £1,074.20 (4-9 Dwellings |
| Development of less than 0.5 hectares for residential use (if number of dwellings/units is not known)                               | SR       | Discretionary              | £524.00               | £537.10                  |
| Development of land for other uses e.g. equestrian/retail/agricultural/mixed development use with a site area of up to 1 hectare    | SR       | Discretionary              | £524.00               | £537.10                  |
| Change of use of land or buildings  | SR       | Discretionary              | £524.00               | £537.10                  |
| Additional hour (s) of officer and specialist time (to be agreed and paid in advance)   | SR       | Discretionary              | £63.00                | £64.60                   |
| Any subsequent response to further amendments   | SR       | Discretionary              | £157.00               | £160.95                  |
| Any subsequent meeting  | SR       | Discretionary              | £157.00               | £160.95                  |

## EAST CAMBRIDGESHIRE DISTRICT COUNCIL

## FEES AND CHARGES SCHEDULE 2026/27

| Description   | VAT code | Discretionary or Statutory | Charge for 2025/26 | Charge for 2026/27 |
|---|----------|----------------------------|--------------------|--------------------|
| <b>MAJOR DEVELOPMENTS</b>   |          |                            |                    |                    |
| 10 – 40 (inclusive) residential units   | SR       | Discretionary              | £2,096.00          | £2,148.40          |
| 41-99 (inclusive) residential units   | SR       | Discretionary              | £4,192.00          | £4,296.80          |
| Residential development (where the proposed number of units is not specified), with a site area of 0.5 hectares or more and less than four hectares | SR       | Discretionary              | £2,096.00          | £2,148.40          |
| Provision of 1,000 - 9,999 square metres of floor space for other uses e.g. equestrian/ retail/ commercial/industrial/ mixed development            | SR       | Discretionary              | £2,096.00          | £2,148.40          |
| An hour of additional officer (including specialist) time (to be agreed and paid in advance)  | SR       | Discretionary              | £79.00             | £81.00             |
| Any subsequent response to further amendments   | SR       | Discretionary              | £262.00            | £268.55            |
| Any subsequent meeting  | SR       | Discretionary              | £524.00            | £537.10            |
| <b>STRATEGIC DEVELOPMENTS</b>   |          |                            |                    |                    |
| 100 or more residential units   | SR       | Discretionary              | £7,336.00          | £7,519.40          |
| Residential development (where the proposed number of units is not specified) with a site area of four hectares or more                             | SR       | Discretionary              | £4,192.00          | £4,292.80          |
| Provision of 10,000 square metres or more of floor space for other uses e.g. equestrian/retail commercial/ industrial/ mixed development            | SR       | Discretionary              | £4,192.00          | £4,292.80          |
| Development of land for other uses e.g. equestrian /retail /commercial / industrial / mixed development with a site area of two hectares or more    | SR       | Discretionary              | £4,192.00          | £4,292.80          |
| Any subsequent response to further amendments   | SR       | Discretionary              | £524.00            | £537.10            |
| An hour of additional officer (including specialist) time (to be agreed and paid in advance)  | SR       | Discretionary              | £105.00            | £107.65            |
| Any subsequent meeting  | SR       | Discretionary              | £524.00            | £537.10            |

## EAST CAMBRIDGESHIRE DISTRICT COUNCIL

## FEES AND CHARGES SCHEDULE 2026/27

| Description   | VAT code | Discretionary or Statutory | Charge for 2025/26         | Charge for 2026/27            |
|---|----------|----------------------------|----------------------------|-------------------------------|
| <b>OTHER DISCRETIONARY PLANNING RELATED FEES</b>  |          |                            |                            |                               |
| CIL/S106/BNG related Advice (where resource is available)   | SR       | Discretionary              | £105 per hour Officer time | £111.75 per hour Officer time |
| General Planning or other related advice not covered above  | SR       | Discretionary              | £105 per hour Officer time | £111.75 per hour Officer time |
| Admin charge for applications not submitted on the Planning Portal i.e postal or email.   | SR       | Discretionary              | £73 per hour Officer time  | £74.85 per hour Officer time  |
| Charging for invalid applications (that have not been made valid within 28 days or as indicated/agreed by the Councils validation team). Householder, advertisements Certificates of Lawfulness and prior notifications |          |                            | £52                        | £53.30                        |
| Charging for invalid applications (that have not been made valid within 28 days or as indicated/agreed by the Councils validation team). Minor Applications   |          |                            | £105                       | £107.65                       |
| Charging for invalid applications (that have not been made valid within 28 days or as indicated/agreed by the Councils validation team). Major Applications   |          |                            | £210                       | £215.25                       |
| <b><u>DEVELOPMENT SERVICES</u></b>  |          |                            |                            |                               |
| Registration and annual fee to be included on the register under the Self Build and Custom Housing Building Act 2015  | OS       | Discretionary              | £25.15                     | £25.80                        |
| <b>PLANNING APPLICATIONS</b>  |          |                            |                            |                               |
| See separate document for scale of fee for planning applications, determinations, certificates of lawful use or development and advertising consents  |          |                            |                            |                               |
| <u>Planning Portal Fees Legislation Link</u>  |          |                            |                            |                               |
| Page 5 of 30  |          |                            |                            |                               |
| 115   |          |                            |                            |                               |

## EAST CAMBRIDGESHIRE DISTRICT COUNCIL

## FEES AND CHARGES SCHEDULE 2026/27

| Description   | VAT code | Discretionary or Statutory | Charge for 2025/26 | Charge for 2026/27 |
|---|----------|----------------------------|--------------------|--------------------|
| <b>BUILDING REGULATION CHARGES</b>  |          |                            |                    |                    |
| TABLE 1 – Standard charges for new dwellings and flats up to 300m <sup>2</sup> and not more than 3 storeys.   |          |                            |                    |                    |
| TABLE 2 – Standard domestic charges including extensions and conversions to an existing dwelling  |          |                            |                    |                    |
| TABLE 3 – Standard Charges for other work under £100,000 including<br><br>For works over £100,000, please contact Building Control for an individual quote.<br><br>If your building work is defined as requiring an individual determined charge, please contact us on 01353 665555, email us at <a href="mailto:bcservices@eastcambs.gov.uk">bcservices@eastcambs.gov.uk</a> |          |                            |                    |                    |
| <b>Please note that Building Control fees consultation will be done after the consultation is done and new guidance comes into effect from October 2026 . The figures in this table are still 2025/26 figures.</b>  |          |                            |                    |                    |
| (ALL FEES ARE INCLUSIVE OF VAT UNLESS OTHERWISE STATED)   |          |                            |                    |                    |
| <b>TABLE 1 – NEW DWELLINGS/FLATS &amp; DWELLINGS/FLATS FORMED BY CHANGE OF USE</b>  |          |                            |                    |                    |
| <b>Full Plans Application/Plan Check Fee</b>  |          |                            |                    |                    |
| 1 Dwelling  | SR       |                            | £267.75            | £267.75            |
| 2 Dwellings   | SR       |                            | POA                | POA                |
| 2+ Dwellings  | SR       |                            | POA                | POA                |
| <b>Full Plans Application Inspection Fee</b>  |          |                            |                    |                    |
| 1 Dwelling  | SR       |                            | £700.40            | £700.40            |
| 2 Dwellings   | SR       |                            | POA                | POA                |
| 2+ Dwellings  | SR       |                            | POA                | POA                |
| <b>Building Notice Application (No VAT)</b>   |          |                            |                    |                    |
| 1 Dwelling  | OS       |                            | £1,029.95          | £1,029.95          |
| 2 Dwellings   | OS       |                            | POA                | POA                |
| 2+ Dwellings  | OS       |                            | POA                | POA                |
| <b>Regularisation Application (No VAT)</b>  |          |                            |                    |                    |
| 1 Dwelling  | OS       |                            | £1,081.50          | £1,081.50          |
| 2 Dwellings   | OS       |                            | POA                | POA                |
| 2+ Dwellings  | OS       |                            | POA                | POA                |

## EAST CAMBRIDGESHIRE DISTRICT COUNCIL

## FEES AND CHARGES SCHEDULE 2026/27

| Description  | VAT code | Discretionary or Statutory | Charge for 2025/26 | Charge for 2026/27 |
|--|----------|----------------------------|--------------------|--------------------|
| <b>Electrical Check &amp; Testing</b>  |          |                            |                    |                    |
| 1 Dwelling   | SR       |                            | POA                | POA                |
| 2 Dwellings  | SR       |                            | POA                | POA                |
| 2+ Dwellings   | SR       |                            | POA                | POA                |
| <b>TABLE 2 – DOMESTIC EXTENSIONS AND CONVERSIONS</b>   |          |                            |                    |                    |
| <b>Extension or annex with floor area not exceeding 10m<sup>2</sup></b>  |          |                            |                    |                    |
| Full Plans Application Plan Check Fee  | SR       |                            | £206.00            | £206.00            |
| Full Plans Application Inspection Fee's  | SR       |                            | £411.95            | £411.95            |
| Building Notice Application  | SR       |                            | £659.20            | £659.20            |
| Regularisation Application No VAT  | OS       |                            | £714.10            | £714.10            |
| <b>Extension or annex with floor area not exceeding 10m<sup>2</sup> Extension or annex with floor area exceeding 10m<sup>2</sup> but not exceeding 40m<sup>2</sup></b> |          |                            |                    |                    |
| Full Plans Application Plan Check Fee  | SR       |                            | £206.00            | £206.00            |
| Full Plans Application Inspection Fee's  | SR       |                            | £494.40            | £494.40            |
| Building Notice Application  | SR       |                            | £803.40            | £803.40            |
| Regularisation Application No VAT  | OS       |                            | £870.30            | £870.30            |
| <b>Extension or annex with floor area exceeding 40m<sup>2</sup> but not exceeding 100m<sup>2</sup></b>   |          |                            |                    |                    |
| Full Plans Application Plan Check Fee  | SR       |                            | £247.15            | £247.15            |
| Full Plans Application Inspection Fee's  | SR       |                            | £657.10            | £657.10            |
| Building Notice Application  | SR       |                            | £988.80            | £988.80            |
| Regularisation Application No VAT  | OS       |                            | £1,071.15          | £1,071.15          |
| <b>A building or extension comprising solely of a garage, carport or store the total floor area not exceeding 60m<sup>2</sup></b>                                      |          |                            |                    |                    |
| Full Plans Application Plan Check Fee  | SR       |                            | £206.00            | £206.00            |
| Full Plans Application Inspection Fee's  | SR       |                            | £329.60            | £329.60            |
| Building Notice Application  | SR       |                            | £597.35            | £597.35            |
| Regularisation Application No VAT  | OS       |                            | £624.85            | £624.85            |
| <b>First or second floor loft conversions with a floor area not exceeding 100m<sup>2</sup></b>   |          |                            |                    |                    |
| Full Plans Application Plan Check Fee  | SR       |                            | £226.60            | £226.60            |
| Full Plans Application Inspection Fee's  | SR       |                            | £411.95            | £411.95            |
| Building Notice Application  | SR       |                            | £772.65            | £772.65            |
| Regularisation Application No VAT  | OS       |                            | £825.70            | £825.70            |

## EAST CAMBRIDGESHIRE DISTRICT COUNCIL

## FEES AND CHARGES SCHEDULE 2026/27

| Description   | VAT code | Discretionary or Statutory | Charge for 2025/26 | Charge for 2026/27 |
|---|----------|----------------------------|--------------------|--------------------|
| <b>Garage conversion up to 60m<sup>2</sup></b>  |          |                            |                    |                    |
| Full Plans Application Plan Check Fee   | SR       |                            | £144.20            | £144.20            |
| Full Plans Application Inspection Fee's   | SR       |                            | £329.60            | £329.60            |
| Building Notice Application   | SR       |                            | £494.40            | £494.40            |
| Regularisation Application No VAT   | OS       |                            | £519.15            | £519.15            |
| Electrical Check & Testing  |          |                            | POA                | POA                |
| The charges in Table 2 apply to extensions, garages and conversions only. Where it is intended to carry out other alterations at the same time as the extension, the charges outlined in Table 3 will also apply. |          |                            |                    |                    |
| <b>TABLE 3 – DOMESTIC ALTERATIONS</b>   |          |                            |                    |                    |
| <b>Renovation of a thermal element</b>  |          |                            |                    |                    |
| Full Plans Application Plan Check fee   | SR       |                            | £164.80            | £164.80            |
| Plan Check fee Full Plans Application   | SR       |                            | £0.00              | £0.00              |
| Building Notice Application   | SR       |                            | £164.80            | £164.80            |
| Regularisation Application No VAT   | OS       |                            | £178.55            | £178.55            |
| <b>Replacement of windows, roof lights, roof windows or external glazed doors</b>   |          |                            |                    |                    |
| Full Plans Application Plan Check fee   | SR       |                            | £144.20            | £144.20            |
| Plan Check fee Full Plans Application   | SR       |                            | £0.00              | £0.00              |
| Building Notice Application   | SR       |                            | £144.20            | £144.20            |
| Regularisation Application No VAT   | OS       |                            | £156.20            | £156.20            |
| <b>Replacement Boiler/New wood burner</b>   |          |                            |                    |                    |
| Full Plans Application Plan Check fee   | SR       |                            | £164.80            | £164.80            |
| Plan Check fee Full Plans Application   | SR       |                            | £0.00              | £0.00              |
| Building Notice Application   | SR       |                            | £164.80            | £164.80            |
| Regularisation Application No VAT   | OS       |                            | £178.55            | £178.55            |
| <b>Renewable Energy systems/installation of wood burner</b>   |          |                            |                    |                    |
| Full Plans Application Plan Check fee   | SR       |                            | £164.80            | £164.80            |
| Plan Check fee Full Plans Application   | SR       |                            | £0.00              | £0.00              |
| Building Notice Application   | SR       |                            | £164.80            | £164.80            |
| Regularisation Application No VAT   | OS       |                            | £178.55            | £178.55            |

## EAST CAMBRIDGESHIRE DISTRICT COUNCIL

## FEES AND CHARGES SCHEDULE 2026/27

| Description   | VAT code | Discretionary or Statutory | Charge for 2025/26 | Charge for 2026/27 |
|---|----------|----------------------------|--------------------|--------------------|
| <b>Alterations with a cost up to £5,000</b>                     |          |                            |                    |                    |
| Full Plans Application Plan Check fee                           | SR       |                            | £309.00            | £309.00            |
| Plan Check fee Full Plans Application                           | SR       |                            | £0.00              | £0.00              |
| Building Notice Application                                     | SR       |                            | £309.00            | £309.00            |
| Regularisation Application No VAT                               | OS       |                            | £334.75            | £334.75            |
| <b>Alterations exceeding £5,000 but not exceeding £10,000</b>   |          |                            |                    |                    |
| Full Plans Application Plan Check fee                           |          |                            | £206.00            | £206.00            |
| Plan Check fee Full Plans Application                           |          |                            | £247.15            | £247.15            |
| Building Notice Application                                     |          |                            | £453.20            | £453.20            |
| Regularisation Application No VAT                               |          |                            | £490.95            | £490.95            |
| <b>Alterations exceeding £10,000 but not exceeding £20,000</b>  |          |                            |                    |                    |
| Full Plans Application Plan Check fee                           | SR       |                            | £206.00            | £206.00            |
| Plan Check fee Full Plans Application                           | SR       |                            | £329.60            | £329.60            |
| Building Notice Application                                     | SR       |                            | £576.75            | £576.75            |
| Regularisation Application No VAT                               | OS       |                            | £624.85            | £624.85            |
| <b>Alterations exceeding £20,000 but not exceeding £50,000</b>  |          |                            |                    |                    |
| Full Plans Application Plan Check fee                           | SR       |                            | £206.00            | £206.00            |
| Plan Check fee Full Plans Application                           | SR       |                            | £453.20            | £453.20            |
| Building Notice Application                                     | SR       |                            | £741.55            | £741.55            |
| Regularisation Application No VAT                               | OS       |                            | £803.40            | £803.40            |
| <b>Alterations exceeding £50,000 but not exceeding £100,000</b> |          |                            |                    |                    |
| Full Plans Application Plan Check fee                           | SR       |                            | £247.15            | £247.15            |
| Plan Check fee Full Plans Application                           | SR       |                            | £576.75            | £576.75            |
| Building Notice Application                                     | SR       |                            | £906.35            | £906.35            |
| Regularisation Application No VAT                               | OS       |                            | £925.30            | £925.30            |
| <b>Electrical work up to a value of £10,000</b>                 |          |                            |                    |                    |
| Full Plans Application Plan Check fee                           | SR       |                            | £288.40            | £288.40            |
| Plan Check fee Full Plans Application                           | SR       |                            | £0.00              | £0.00              |
| Building Notice Application                                     | SR       |                            | £288.40            | £288.40            |
| Regularisation Application No VAT                               | OS       |                            | £312.40            | £312.40            |

**EAST CAMBRIDGESHIRE DISTRICT COUNCIL**  
**FEES AND CHARGES SCHEDULE 2026/27**

| Description                                    | VAT code | Discretionary or Statutory | Charge for 2025/26 | Charge for 2026/27 |
|--|----------|----------------------------|--------------------|--------------------|
| <b>Drainage works with a cost up to £5,000</b> |          |                            |                    |                    |
| Full Plans Application Plan Check fee          | SR       |                            | £164.80            | £164.80            |
| Plan Check fee Full Plans Application          | SR       |                            | £0.00              | £0.00              |
| Building Notice Application                    | SR       |                            | £164.80            | £164.80            |
| Regularisation Application No VAT              | OS       |                            | £178.55            | £178.55            |
| <b>Electrical Check &amp; Testing</b>          |          |                            | POA                | POA                |

## EAST CAMBRIDGESHIRE DISTRICT COUNCIL

## FEES AND CHARGES SCHEDULE 2026/27

| Description   | VAT code | Discretionary or Statutory | Charge for 2025/26                | Charge for 2026/27                |
|---|----------|----------------------------|-----------------------------------|-----------------------------------|
| <b>STREET NAMING &amp; NUMBERING</b>  |          |                            |                                   |                                   |
| Property name additions/amendments/removals   | OS       | Discretionary              | £62.15                            | £63.70                            |
| Naming of new streets   | OS       | Discretionary              | £185.30                           | £189.95                           |
| Numbering of new properties   |          |                            |                                   |                                   |
| 1 property  | OS       | Discretionary              | £62.15                            | £63.70                            |
| 2 – 5 properties  | OS       | Discretionary              | £93.75                            | £96.10                            |
| 6 – 10 properties   | OS       | Discretionary              | £123.15                           | £125.25                           |
| 11 – 25 properties  | OS       | Discretionary              | £185.30                           | £189.95                           |
| 26 – 50 properties  | OS       | Discretionary              | £309.55                           | £317.30                           |
| 51 – 100 properties   | OS       | Discretionary              | £495.90                           | £508.30                           |
| 101 + properties  | OS       | Discretionary              | £618.00                           | £633.45                           |
|   |          |                            | Plus £12.25 per property over 102 | Plus £12.55 per property over 102 |
| Division of properties – same as numbering of new properties (and based on number of properties created including the original)   | OS       | Discretionary              | See numbering of new properties   | See numbering of new properties   |
| Confirmation of address to solicitors / conveyancers / occupiers or owners  | OS       | Discretionary              | £30.50                            | £31.25                            |
| Renumbering of scheme following development replan (after notification of numbering scheme issued)  | OS       | Discretionary              | £118.80 + £12.20 per property     | £121.65 + £12.50 per property     |
| Address issued/confirmed when replacement property built (as the original address will have been removed following the demolition as address may be different to original property) reactivation of address | OS       | Discretionary              | £60.45 per property               | £61.90 per property               |
| 1 <sup>st</sup> set of nameplates erected for each new street if one nameplate required   | OS       | Discretionary              | £277.95                           | £284.90                           |
| 1 <sup>st</sup> set of nameplates erected for each new street if two nameplates required  | OS       | Discretionary              | £402.15                           | £412.20                           |
| For each additional nameplate that is required to be erected at other junctions and entrances onto the new street   | OS       | Discretionary              | £123.15                           | £126.25                           |
| Challenges/requests/revisions to existing street naming and numbering schemes   | OS       | Discretionary              |                                   |                                   |

## EAST CAMBRIDGESHIRE DISTRICT COUNCIL

## FEES AND CHARGES SCHEDULE 2026/27

| Description   | VAT code | Discretionary or Statutory | Charge for 2025/26         | Charge for 2026/27         |
|---|----------|----------------------------|----------------------------|----------------------------|
| <b>E-SPACE BUSINESS CENTRES</b>   |          |                            |                            |                            |
| Ely – Annual rental charge per square foot (effective for new leases and on renewals)       | SR       | Discretionary              | £37.20                     | £38.15                     |
| Littleport – Annual rental charge per square foot (effective on new leases and on renewals) | SR       | Discretionary              | £23.60                     | £24.20                     |
| <b>PHOTOCOPYING CHARGES</b>   |          |                            |                            |                            |
| Up to 10 A4 pages   | SR       | Discretionary              | No charge                  | No charge                  |
| 11 A4 pages and over  | SR       | Discretionary              | £1.40 plus 10p per copy    | £1.45 plus 10p per copy    |
| A3 copies (2xA4)  | SR       | Discretionary              | As above plus 20p per copy | As above plus 20p per copy |
| A2 copies (4xA4)  | SR       | Discretionary              | As above plus 40p per copy | As above plus 40p per copy |
| A1 copies (8xA4)  | SR       | Discretionary              | As above plus 80p per copy | As above plus 80p per copy |
| Copy of Building Control Completion Certificate   |          |                            | £12.35                     | £12.65                     |
| <b>ENVIRONMENTAL SERVICES</b>   |          |                            |                            |                            |
| Safer Food Better Business Mentoring Scheme   | SR       | Discretionary              | N/A                        | N/A                        |
| Safer Food Better Business Packs  |          |                            |                            |                            |
| Collected   |          | Discretionary              | £18.00                     | £18.00                     |
| Posted  |          | Discretionary              | £20.00                     | £20.00                     |
| Safer Food Better Business Packs Diary refill   |          |                            |                            |                            |
| Collected   |          | Discretionary              | £9.00                      | £9.00                      |
| Posted  |          | Discretionary              | £11.00                     | £11.00                     |
| Re-rating inspection fee for food business  | OS       | Discretionary              | £170.00                    | £174.00                    |
| <b>LICENCING</b>  |          |                            |                            |                            |

## EAST CAMBRIDGESHIRE DISTRICT COUNCIL

## FEES AND CHARGES SCHEDULE 2026/27

| Description   | VAT code | Discretionary or Statutory | Charge for 2025/26 | Charge for 2026/27 |
|---|----------|----------------------------|--------------------|--------------------|
| <b>Please note that Licencing fees for 2025-26 were approved by Licencing Committee on November 19th and formally adopted following a period of compulsory consultation on 25th December 2025</b> |          |                            |                    |                    |
| <b>GAMBLING ACT 2005</b>  |          |                            |                    |                    |
| <b>Casino Premises Licence - Regional</b>   |          |                            |                    |                    |
| Maximum non conversion application fee in respect of provisional statement premises   | OS       | Statutory                  | £8,000.00          | £8,000.00          |
| Maximum non conversion application fee in respect of other premises   | OS       | Statutory                  | £15,000.00         | £15,000.00         |
| Annual fee  | OS       | Statutory                  | £15,000.00         | £15,000.00         |
| Fee for application to vary licence   | OS       | Statutory                  | £7,500.00          | £7,500.00          |
| Fee for application to transfer licence   | OS       | Statutory                  | £6,500.00          | £6,500.00          |
| Fee for application for reinstatement of a licence  | OS       | Statutory                  | £6,500.00          | £6,500.00          |
| Fee for application for provisional statement   | OS       | Statutory                  | £15,000.00         | £15,000.00         |
| <b>Casino Premises Licence - Large</b>  |          |                            |                    |                    |
| Maximum non conversion application fee in respect of provisional statement premises   | OS       | Statutory                  | £5,000.00          | £5,000.00          |
| Maximum non conversion application fee in respect of other premises   | OS       | Statutory                  | £10,000.00         | £10,000.00         |
| Annual fee  | OS       | Statutory                  | £10,000.00         | £10,000.00         |
| Fee for application to vary licence   | OS       | Statutory                  | £5,000.00          | £5,000.00          |
| Fee for application to transfer licence   | OS       | Statutory                  | £2,150.00          | £2,150.00          |
| Fee for application for reinstatement of a licence  | OS       | Statutory                  | £2,150.00          | £2,150.00          |
| Fee for application for provisional statement   | OS       | Statutory                  | £10,000.00         | £10,000.00         |
| <b>Casino Premises Licence - Small</b>  |          |                            |                    |                    |
| Maximum non conversion application fee in respect of provisional statement premises   | OS       | Statutory                  | £3,000.00          | £3,000.00          |
| Maximum non conversion application fee in respect of other premises   | OS       | Statutory                  | £8,000.00          | £8,000.00          |
| Annual fee  | OS       | Statutory                  | £5,000.00          | £5,000.00          |
| Fee for application to vary licence   | OS       | Statutory                  | £4,000.00          | £4,000.00          |
| Fee for application to transfer licence   | OS       | Statutory                  | £1,800.00          | £1,800.00          |
| Fee for application for reinstatement of a licence  | OS       | Statutory                  | £1,800.00          | £1,800.00          |
| Fee for application for provisional statement   | OS       | Statutory                  | £8,000.00          | £8,000.00          |

## EAST CAMBRIDGESHIRE DISTRICT COUNCIL

## FEES AND CHARGES SCHEDULE 2026/27

| Description   | VAT code | Discretionary or Statutory | Charge for 2025/26 | Charge for 2026/27 |
|---|----------|----------------------------|--------------------|--------------------|
| <b>Casino Premises Licence - Converted</b>  |          |                            |                    |                    |
| Maximum conversion application fee for non fast track application                   | OS       | Statutory                  | £2,000.00          | £2,000.00          |
| Annual fee  | OS       | Statutory                  | £3,000.00          | £3,000.00          |
| Fee for application to vary licence   | OS       | Statutory                  | £2,000.00          | £2,000.00          |
| Fee for application to transfer licence   | OS       | Statutory                  | £1,350.00          | £1,350.00          |
| Fee for application for reinstatement of a licence                                  | OS       | Statutory                  | £1,350.00          | £1,350.00          |
| <b>Bingo Premises Licence</b>   |          |                            |                    |                    |
| Maximum conversion application fee for non fast track application                   | OS       | Statutory                  | £1,750.00          | £1,750.00          |
| Maximum non conversion application fee in respect of provisional statement premises | OS       | Statutory                  | £1,200.00          | £1,200.00          |
| Maximum non conversion application fee in respect of other premises                 | OS       | Statutory                  | £3,500.00          | £3,500.00          |
| Annual fee  | OS       | Statutory                  | £1,000.00          | £1,000.00          |
| Fee for application to vary licence   | OS       | Statutory                  | £1,750.00          | £1,750.00          |
| Fee for application to transfer licence   | OS       | Statutory                  | £1,200.00          | £1,200.00          |
| Fee for application for reinstatement of a licence                                  | OS       | Statutory                  | £1,200.00          | £1,200.00          |
| Fee for application for provisional statement                                       | OS       | Statutory                  | £3,500.00          | £3,500.00          |
| <b>Adult Gaming Premises Licence</b>  |          |                            |                    |                    |
| Maximum conversion application fee for non fast track application                   | OS       | Statutory                  | £1,000.00          | £1,000.00          |
| Maximum non conversion application fee in respect of provisional statement premises | OS       | Statutory                  | £1,200.00          | £1,200.00          |
| Maximum non conversion application fee in respect of other premises                 | OS       | Statutory                  | £2,000.00          | £2,000.00          |
| Annual fee  | OS       | Statutory                  | £1,000.00          | £1,000.00          |
| Fee for application to vary licence   | OS       | Statutory                  | £1,000.00          | £1,000.00          |
| Fee for application to transfer licence   | OS       | Statutory                  | £1,200.00          | £1,200.00          |
| Fee for application for reinstatement of a licence                                  | OS       | Statutory                  | £1,200.00          | £1,200.00          |
| Fee for application for provisional statement                                       | OS       | Statutory                  | £2,000.00          | £2,000.00          |

## EAST CAMBRIDGESHIRE DISTRICT COUNCIL

## FEES AND CHARGES SCHEDULE 2026/27

| Description   | VAT code | Discretionary or Statutory | Charge for 2025/26 | Charge for 2026/27 |
|---|----------|----------------------------|--------------------|--------------------|
| <b>Betting Premises (Track) Licence</b>   |          |                            |                    |                    |
| Maximum conversion application fee for non fast track application                   | OS       | Statutory                  | £1,250.00          | £1,250.00          |
| Maximum non conversion application fee in respect of provisional statement premises | OS       | Statutory                  | £950.00            | £950.00            |
| Maximum non conversion application fee in respect of other premises                 | OS       | Statutory                  | £2,500.00          | £2,500.00          |
| Annual fee  | OS       | Statutory                  | £1,000.00          | £1,000.00          |
| Fee for application to vary licence   | OS       | Statutory                  | £1,250.00          | £1,250.00          |
| Fee for application to transfer licence   | OS       | Statutory                  | £950.00            | £950.00            |
| Fee for application for reinstatement of a licence                                  | OS       | Statutory                  | £950.00            | £950.00            |
| Fee for application for provisional statement                                       | OS       | Statutory                  | £2,500.00          | £2,500.00          |
| <b>Family Entertainment Centre Premises Licence</b>                                 |          |                            |                    |                    |
| Maximum conversion application fee for non fast track application                   | OS       | Statutory                  | £1,000.00          | £1,000.00          |
| Maximum non conversion application fee in respect of provisional statement premises | OS       | Statutory                  | £950.00            | £950.00            |
| Maximum non conversion application fee in respect of other premises                 | OS       | Statutory                  | £2,000.00          | £2,000.00          |
| Annual fee  | OS       | Statutory                  | £750.00            | £750.00            |
| Fee for application to vary licence   | OS       | Statutory                  | £1,000.00          | £1,000.00          |
| Fee for application to transfer licence   | OS       | Statutory                  | £950.00            | £950.00            |
| Fee for application for reinstatement of a licence                                  | OS       | Statutory                  | £950.00            | £950.00            |
| Fee for application for provisional statement                                       | OS       | Statutory                  | £2,000.00          | £2,000.00          |
| <b>Betting Premises (Other) Licence</b>   |          |                            |                    |                    |
| Maximum conversion application fee for non fast track application                   | OS       | Statutory                  | £1,500.00          | £1,500.00          |
| Maximum non conversion application fee in respect of provisional statement premises | OS       | Statutory                  | £1,200.00          | £1,200.00          |
| Maximum non conversion application fee in respect of other premises                 | OS       | Statutory                  | £3,000.00          | £3,000.00          |
| Annual fee  | OS       | Statutory                  | £600.00            | £600.00            |
| Fee for application to vary licence   | OS       | Statutory                  | £1,500.00          | £1,500.00          |
| Fee for application to transfer licence   | OS       | Statutory                  | £1,200.00          | £1,200.00          |
| Fee for application for reinstatement of a licence                                  | OS       | Statutory                  | £1,200.00          | £1,200.00          |
| Fee for application for provisional statement                                       | OS       | Statutory                  | £3,000.00          | £3,000.00          |

## EAST CAMBRIDGESHIRE DISTRICT COUNCIL

## FEES AND CHARGES SCHEDULE 2026/27

| Description  | VAT code | Discretionary or Statutory | Charge for 2025/26 | Charge for 2026/27 |
|--|----------|----------------------------|--------------------|--------------------|
| <b>Temporary Use Notices</b>   |          |                            |                    |                    |
| Temporary Use Notice fee   | OS       | Statutory                  | £500.00            | £500.00            |
| Replacement of an endorsed copy  | OS       | Statutory                  | £25.00             | £25.00             |
| <b>All premises licences</b>   |          |                            |                    |                    |
| Change of circumstances fee  | OS       | Statutory                  | £50.00             | £50.00             |
| Fee for a copy licence   | OS       | Statutory                  | £25.00             | £25.00             |
| <b>GAMBLING ACT 2005 PERMITS</b>   |          |                            |                    |                    |
| <b>Family Entertainment Centre Gaming Machine Permit</b>   |          |                            |                    |                    |
| Application fee  | OS       | Statutory                  | £300.00            | £300.00            |
| Renewal  | OS       | Statutory                  | £300.00            | £300.00            |
| Change of name   | OS       | Statutory                  | £25.00             | £25.00             |
| Copy of permit   | OS       | Statutory                  | £15.00             | £15.00             |
| <b>Club Gaming Permits</b>   |          |                            |                    |                    |
| Application fee - holder of club premises certificate or holder of existing Pt 2 or 3 registration under Gaming Act 1968 | OS       | Statutory                  | £100.00            | £100.00            |
| Application fee – non club premises certificate holder   | OS       | Statutory                  | £200.00            | £200.00            |
| Renewal after 10 years   | OS       | Statutory                  | £200.00            | £200.00            |
| Copy of permit   | OS       | Statutory                  | £15.00             | £15.00             |
| Variation  | OS       | Statutory                  | £100.00            | £100.00            |
| <b>Club Machine Permits</b>  |          |                            |                    |                    |
| Application fee - holder of club premises certificate or holder of existing Pt 2 or 3 registration under Gaming Act 1968 | OS       | Statutory                  | £100.00            | £100.00            |
| Application fee – non club premises certificate holder   | OS       | Statutory                  | £200.00            | £200.00            |
| Renewal after 10 years   | OS       | Statutory                  | £200.00            | £200.00            |
| Copy of permit   | OS       | Statutory                  | £15.00             | £15.00             |
| Variation  | OS       | Statutory                  | £100.00            | £100.00            |
| <b>Alcohol Licensed Premises – 2 or less machines</b>  |          |                            |                    |                    |
| Notification fee   | OS       | Statutory                  | £50.00             | £50.00             |

## EAST CAMBRIDGESHIRE DISTRICT COUNCIL

## FEES AND CHARGES SCHEDULE 2026/27

| Description  | VAT code | Discretionary or Statutory | Charge for 2025/26 | Charge for 2026/27 |
|--|----------|----------------------------|--------------------|--------------------|
| <b>Alcohol Licensed Premises – more than 2 machines</b>  |          |                            |                    |                    |
| Application fee  | OS       | Statutory                  | £150.00            | £150.00            |
| Annual fee   | OS       | Statutory                  | £50.00             | £50.00             |
| Change of name   | OS       | Statutory                  | £25.00             | £25.00             |
| Copy of permit   | OS       | Statutory                  | £15.00             | £15.00             |
| Variation  | OS       | Statutory                  | £100.00            | £100.00            |
| Transfer   | OS       | Statutory                  | £25.00             | £25.00             |
| <b>Prize Gaming Permits (pubs)</b>   |          |                            |                    |                    |
| Application fee  | OS       | Statutory                  | £300.00            | £300.00            |
| Renewal  | OS       | Statutory                  | £300.00            | £300.00            |
| Change of name   | OS       | Statutory                  | £25.00             | £25.00             |
| Copy of permit   | OS       | Statutory                  | £15.00             | £15.00             |
| <b>Registration Of Small Society Lotteries</b>   |          |                            |                    |                    |
| Lottery registration   | OS       | Statutory                  | £40.00             | £40.00             |
| Lottery renewals   | OS       | Statutory                  | £20.00             | £20.00             |
| <b>HACKNEY CARRIAGE AND PRIVATE HIRE FEES</b>  |          |                            |                    |                    |
| <b>New Driver Licence Application for 12 months</b>  |          |                            |                    |                    |
| Joint Hackney Carriage <u>and</u> Private Hire and Standard Private Hire only (incl. 1st knowledge test) | OS       | Discretionary              | £229.00            | £160.00            |
| Restricted Private Hire (SEND) licence   | OS       | Discretionary              | N/A                | £90.00             |
| <b>Renewal of Driver Licence Application for 12 months</b>   |          |                            |                    |                    |
| Joint Hackney Carriage <u>and</u> Private Hire and Standard Private Hire only                            | OS       | Discretionary              | £175.00            | £120.00            |
| Restricted Private Hire (SEND) licence   | OS       | Discretionary              | N/A                | £90.00             |
| <b>New Driver Licence Application for 36 months</b>  |          |                            |                    |                    |
| Joint Hackney Carriage <u>and</u> Private Hire and Standard Private Hire only (incl. 1st knowledge test) | OS       | Discretionary              | £579.00            | £400.00            |
| Restricted Private Hire (SEND) licence   | OS       | Discretionary              | N/A                | £270.00            |
| <b>Renewal of Driver Licence Application for 36 months</b>   |          |                            |                    |                    |
| Joint Hackney Carriage <u>and</u> Private Hire and Standard Private Hire only                            | OS       | Discretionary              | £525.00            | £360.00            |
| Restricted Private Hire (SEND) licence   | OS       | Discretionary              | N/A                | £270.00            |
| Knowledge Test Re-sit  | OS       | Discretionary              | £32.00             | £40.00             |

## EAST CAMBRIDGESHIRE DISTRICT COUNCIL

## FEES AND CHARGES SCHEDULE 2026/27

| Description   | VAT code | Discretionary or Statutory | Charge for 2025/26 | Charge for 2026/27 |
|---|----------|----------------------------|--------------------|--------------------|
| <b>Conversion of Private Hire to Joint Private Hire/Hackney Carriage Driver Licence</b> |          |                            |                    |                    |
| Conversion Fee  | OS       | Discretionary              | £30.00             | £30.00             |
| <b>General driver fees</b>  |          |                            |                    |                    |
| Three yearly Criminal Records Bureau disclosure   |          | Discretionary              | N/A                | N/A                |
| DVLA check  |          | Discretionary              | £5.00              | £5.00              |
| <b>New Vehicle (Plate) Licence Application</b>  |          |                            |                    |                    |
| Private Hire Vehicle Licence – 1 year   | OS       | Discretionary              | £250.00            | £160.00            |
| Hackney Carriage Vehicle Licence – 1 year   | OS       | Discretionary              | £250.00            | £190.00            |
| Restricted Private Hire - 1 year  | OS       | Discretionary              | N/A                | £140.00            |
| <b>Renewal Vehicle (Plate) Licence Application</b>                                      |          |                            |                    |                    |
| Private Hire Vehicle Licence – 1 year   | OS       | Discretionary              | £250.00            | £250.00            |
| Hackney Carriage Vehicle Licence – 1 year   | OS       | Discretionary              | £250.00            | £250.00            |
| <b>Transfer of Vehicle Plate/licence</b>  |          |                            |                    |                    |
| Private Hire Vehicle Licence – 1 year   | OS       | Discretionary              | £250.00            | £160.00            |
| Hackney Carriage Vehicle Licence – 1 year   | OS       | Discretionary              | £250.00            | £190.00            |
| Restricted Private Hire - 1 year  | OS       | Discretionary              | N/A                | £140.00            |
| <b>Variation of Vehicle Plate/licence</b>   |          |                            |                    |                    |
| Private Hire  | OS       | Discretionary              | £35.00             | £45.00             |
| Hackney Carriage  | OS       | Discretionary              | £35.00             | £45.00             |
| Restricted Private Hire   | OS       | Discretionary              | N/A                | £25.00             |
| <b>Private Hire Operator's Licence</b>  |          |                            |                    |                    |
| New & Renewal - 1 year - Single vehicle   | OS       | Discretionary              | £126.00            | £126.00            |
| New & Renewal - 1 year - 2 to 5 vehicles  | OS       | Discretionary              | £156.00            | £156.00            |
| New & Renewal - 1 year - 6 to 10 vehicles   | OS       | Discretionary              | £186.00            | £186.00            |
| New & Renewal - 1 year - 11 + vehicles  | OS       | Discretionary              | £216.00            | £216.00            |
| New & Renewal - 5 year - Single vehicle   | OS       | Discretionary              | £627.00            | £627.00            |
| New & Renewal - 5 year - 2 to 5 vehicles  | OS       | Discretionary              | £737.00            | £737.00            |
| New & Renewal - 5 year - 6 to 10 vehicles   | OS       | Discretionary              | £847.00            | £847.00            |
| New & Renewal - 5 year - 11 + vehicles  | OS       | Discretionary              | £957.00            | £957.00            |

## EAST CAMBRIDGESHIRE DISTRICT COUNCIL

## FEES AND CHARGES SCHEDULE 2026/27

| Description   | VAT code | Discretionary or Statutory | Charge for 2025/26 | Charge for 2026/27 |
|---|----------|----------------------------|--------------------|--------------------|
| <b>Replacement Items (charge applicable per licence)</b>          |          |                            |                    |                    |
| Joint P/H & H/C Licence   | OS       | Discretionary              | £10.50             | £10.50             |
| P/H or H/C Vehicle Licence  | OS       | Discretionary              | £10.50             | £10.50             |
| Private Hire Operator Licence                                     | OS       | Discretionary              | £10.50             | £10.50             |
| Joint P/H and H/C Driver Badge/ID                                 | OS       | Discretionary              | £10.50             | £10.50             |
| P/H or H/C Vehicle Plate  | OS       | Discretionary              | £20.00             | £20.00             |
| Joint P/H and H/C Driver change of address                        | OS       | Discretionary              | £10.50             | £10.50             |
| P/H and H/C Vehicle change of address                             | OS       | Discretionary              | £10.50             | £10.50             |
| Theft, loss etc of a licence                                      | OS       | Discretionary              | £10.50             | £10.50             |
| Theft, loss etc of a plate  | OS       | Discretionary              | £20.00             | £30.00             |
| Replacement door sticker  | OS       | Discretionary              | £6.00              | £6.00              |
| DBS update service check  | OS       | Discretionary              | £5.00              | £5.00              |
| Knowledge test re-sit fee   | OS       | Discretionary              | £32.00             | £40.00             |
| DBS enhanced check (where no DBS update service option available) | OS       | Discretionary              | £51.80             | £51.80             |
| DVLA licence check  | OS       | Discretionary              | £5.00              | £5.00              |
| <b>PARK HOMES / CARAVAN SITES / MOBILE HOMES</b>                  |          |                            |                    |                    |
| <b>Costs of New Applications</b>                                  |          |                            |                    |                    |
| 5 and under pitches   | OS       | Discretionary              | £285.00            | £292.15            |
| 6 to 10 pitches   | OS       | Discretionary              | N/A                | N/A                |
| 11 to 20 pitches  | OS       | Discretionary              | N/A                | N/A                |
| 21 to 50 pitches  | OS       | Discretionary              | N/A                | N/A                |
| 51 to 100 pitches   | OS       | Discretionary              | N/A                | N/A                |
| 6 to 24 pitches   | OS       | Discretionary              | £338.00            | £346.45            |
| 25 to 99 pitches  | OS       | Discretionary              | £394.00            | £403.85            |
| Greater than 100 pitches  | OS       | Discretionary              | £453.00            | £464.35            |

## EAST CAMBRIDGESHIRE DISTRICT COUNCIL

## FEES AND CHARGES SCHEDULE 2026/27

| Description                        | VAT code | Discretionary or Statutory | Charge for 2025/26 | Charge for 2026/27 |
|------------------------------------|----------|----------------------------|--------------------|--------------------|
| <b>Annual Inspection Fees</b>      |          |                            |                    |                    |
| 5 and under pitches                | OS       | Discretionary              | nil                | nil                |
| 6 to 10 pitches                    | OS       | Discretionary              | N/A                | N/A                |
| 11 to 20 pitches                   | OS       | Discretionary              | N/A                | N/A                |
| 21 to 50 pitches                   | OS       | Discretionary              | N/A                | N/A                |
| 51 to 100 pitches                  | OS       | Discretionary              | N/A                | N/A                |
| 6 to 24 pitches                    | OS       | Discretionary              | £263.00            | £269.60            |
| 25 to 99 pitches                   | OS       | Discretionary              | £305.00            | £312.65            |
| Greater than 100 pitches           | OS       | Discretionary              | £378.00            | £387.45            |
| Cost of Laying Site Rules          | OS       | Discretionary              | £49.00             | £50.25             |
| Cost of Variation / Transfer       | OS       | Discretionary              | £132.00            | £135.30            |
| Cost of variation (no visit)       |          |                            |                    |                    |
| 5 units or less                    | OS       | Discretionary              | £107.00            | £109.70            |
| 6-24 units                         | OS       | Discretionary              | £117.00            | £119.95            |
| 25-99 units                        | OS       | Discretionary              | £127.00            | £130.20            |
| 100 units or more                  | OS       | Discretionary              | £127.00            | £130.20            |
| Cost of variation (visit required) |          |                            |                    |                    |
| 5 units or less                    | OS       | Discretionary              | £170.00            | £174.25            |
| 6-24 units                         | OS       | Discretionary              | £180.00            | £184.50            |
| 25-99 units                        | OS       | Discretionary              | £190.00            | £194.75            |
| 100 units or more                  | OS       | Discretionary              | £190.00            | £194.75            |
| Fit and Proper Person              | OS       | Discretionary              | £268.29            | £275.00            |
| <b>ZOO LICENCE</b>                 |          |                            |                    |                    |
| New establishment (excl. VET fees) | OS       | Discretionary              | £2,415.00          | £2,415.00          |
| Renewal (excl. VET fees)           | OS       | Discretionary              | £2,070.00          | £2,070.00          |
| Theft, loss etc of a licence       | OS       | Discretionary              | £10.50             | £10.50             |
| Change of name on licence          | OS       | Discretionary              | £10.50             | £10.50             |
| Change of licence details          | OS       | Discretionary              | £10.50             | £10.50             |

## EAST CAMBRIDGESHIRE DISTRICT COUNCIL

## FEES AND CHARGES SCHEDULE 2026/27

| Description   | VAT code | Discretionary or Statutory | Charge for 2025/26 | Charge for 2026/27 |
|---|----------|----------------------------|--------------------|--------------------|
| <b>ANIMAL WELFARE LICENCE</b>   |          |                            |                    |                    |
| Animal Welfare Licence - New and renewal applications   | OS       | Discretionary              | £290.00 - £2,490   | £290.00 - £2,490   |
| Re-rating inspection fee  | OS       | Discretionary              | £72.00 - £168.00   | £72.00 - £168.00   |
| Variation requiring inspection  | OS       | Discretionary              | £72.00 - £168.00   | £72.00 - £168.00   |
| Copy licence, change of details not requiring inspection  | OS       | Discretionary              | £10.50             | £10.50             |
| <b>DANGEROUS WILD ANIMALS (2 YR LICENCE)</b>  |          |                            |                    |                    |
| New establishment (excl. VET fees)  | OS       | Discretionary              | £648.00            | £648.00            |
| Renewal applications (excl. VET fees)   | OS       | Discretionary              | £648.00            | £648.00            |
| Theft, loss etc of a licence  | OS       | Discretionary              | £10.50             | £10.50             |
| Change of name on licence   | OS       | Discretionary              | £10.50             | £10.50             |
| Change of licence details   | OS       | Discretionary              | £10.50             | £10.50             |
| <b>STRAY DOGS</b>   |          |                            |                    |                    |
| Stray Dog Collection - per dog  | OS       | Statutory                  | £25.00             | £25.00             |
| Kennelling Charge per night/or few hours  | OS       | Discretionary              | £19.65             | £20.15             |
| Stray dog collection (anytime)  | OS       | Discretionary              | £61.05             | £62.60             |
| Transfer to Woodgreen   | OS       | Discretionary              | £49.00             | £50.25             |
| Admin Fee   | OS       | Discretionary              | £12.05             | £12.35             |
| <b>PRIVATE WATER SUPPLY SAMPLING</b>  |          |                            |                    |                    |
| Risk Assessment (each assessment) - officer hourly rate x time taken up to a maximum fee              | OS       | Discretionary              | Max £500.00        | Max £500.00        |
| Sampling (each visit) - officer hourly rate x time taken up to a maximum fee                          | OS       | Discretionary              | Max £100.00        | Max £100.00        |
| Investigation (each investigation) - officer hourly rate x time taken up to a maximum fee             | OS       | Discretionary              | Max £100.00        | Max £100.00        |
| Granting an authorisation (each authorisation) - officer hourly rate x time taken up to a maximum fee | OS       | Discretionary              | Max £100.00        | Max £100.00        |

## EAST CAMBRIDGESHIRE DISTRICT COUNCIL

## FEES AND CHARGES SCHEDULE 2026/27

| Description   | VAT code | Discretionary or Statutory | Charge for 2025/26 | Charge for 2026/27 |
|---|----------|----------------------------|--------------------|--------------------|
| <b>Analysing a sample</b><br>Taken under Regulation 10 - officer hourly rate x time taken up to a maximum fee | OS       | Discretionary              | Max £25.00         | Max £25.00         |
| Taken during check monitoring - officer hourly rate x time taken up to a maximum fee                          | OS       | Discretionary              | Max £100.00        | Max £100.00        |
| Taken during audit monitoring - officer hourly rate x time taken up to a maximum fee                          | OS       | Discretionary              | Max £500.00        | Max £500.00        |
| <b>IMMIGRATION HOUSING INSPECTIONS</b><br>Production of housing condition reports                             | OS       | Discretionary              | £133.75            | £136.95            |
| <b>LICENSING OF HOUSES IN MULTIPLE OCCUPATION</b>   |          |                            |                    |                    |
| New mandatory licence application < 7 occupiers   | OS       | Discretionary              | £397.00            | £406.95            |
| New mandatory licence application 7 or more occupiers   | OS       | Discretionary              | £463.00            | £474.60            |
| Mandatory licence renewal < 7 occupiers   | OS       | Discretionary              | £147.00            | £150.70            |
| Mandatory licence renewal 7 or more occupiers   | OS       | Discretionary              | £169.00            | £173.25            |
| <b>SKIN PIERCING (ACUPUNCTURE,TATTOING, PERMANENET AND SEMI PERMANENT SKIN COLOURING)</b>                     |          |                            |                    |                    |
| Premises  | OS       | Discretionary              | £190.00            | £190.00            |
| Per Individual  | OS       | Discretionary              | £190.00            | £190.00            |
| Amendment of Export health or skin piercing certificate   | OS       | Discretionary              | £11.00             | £11.00             |
| <b>SEX ESTABLISHMENTS</b>   |          |                            |                    |                    |
| Application   | OS       | Discretionary              | £3,761.00          | £3,761.00          |
| Renewal   | OS       | Discretionary              | £1,880.50          | £1,880.50          |
| Variation   | OS       | Discretionary              | £1,880.50          | £1,880.50          |
| Transfer  | OS       | Discretionary              | £1,880.50          | £1,880.50          |
| Theft, loss etc of a licence  | OS       | Discretionary              | £10.50             | £10.50             |
| <b>TRAVELLER SITE RENTS</b>   |          |                            |                    |                    |
| Earith Bridge – Site Rent per week  | EX       | Discretionary              | £91.00             | £91.00             |
| Earith Bridge – Water & Waste Charge per week   | EX       | Discretionary              | £11.00             | £11.00             |
| Wentworth – Site Rent per week  | EX       | Discretionary              | £91.00             | £91.00             |
| Wentworth – Water & Waste Charge per week   | EX       | Discretionary              | £11.00             | £11.00             |

## EAST CAMBRIDGESHIRE DISTRICT COUNCIL

## FEES AND CHARGES SCHEDULE 2026/27

| Description   | VAT code | Discretionary or Statutory | Charge for 2025/26  | Charge for 2026/27  |
|---|----------|----------------------------|---------------------|---------------------|
| <b>STREET TRADING</b>   |          |                            |                     |                     |
| Street Trading - Consent - Annual   | OS       | Discretionary              | £520.00 - £1,040.00 | £520.00 - £1,040.00 |
| Street Trading - Consent - Daily Permit   | OS       | Discretionary              | £15.00 - £30.00     | £15.00 - £30.00     |
| Street Trading - Consent - Transfer   | OS       | Discretionary              | £48.00              | £48.00              |
| Street Trading Consent - Event  | OS       | Discretionary              | £20.00 - £500.00    | £20.00 - £500.00    |
| <b>THE POLLUTION PREVENTION &amp; CONTROL ACT 1990</b>                                    |          |                            |                     |                     |
| <b>ENVIRONMENTAL PERMITTING REGULATIONS 2010</b>  |          |                            |                     |                     |
| See link for nationally set figures   |          | Statutory                  |                     |                     |
| <u><a href="#">Environment Permitting Regulations</a></u>                                 |          |                            |                     |                     |
| <b>LICENSING ACT 2003</b>   |          |                            |                     |                     |
| <b>Personal Licence</b>   |          |                            |                     |                     |
| Application for grant of a personal licence   | OS       | Statutory                  | £37.00              | £37.00              |
| Theft, loss etc of a personal licence   | OS       | Statutory                  | £10.50              | £10.50              |
| <b>Temporary Event Notices</b>  |          |                            |                     |                     |
| Temporary & Late Temporary Event Notices  | OS       | Statutory                  | £21.00              | £21.00              |
| Theft, loss etc of Temporary Event Notice   | OS       | Statutory                  | £10.50              | £10.50              |
| <b>Premises Licence</b>   |          |                            |                     |                     |
| Application for transfer of a premises licence  | OS       | Statutory                  | £23.00              | £23.00              |
| Theft, loss etc of premises licence   | OS       | Statutory                  | £10.50              | £10.50              |
| Loss of premises summary  | OS       | Statutory                  | £10.50              | £10.50              |
| Application to vary licence to specify individual as designated premises supervisor (DPS) | OS       | Statutory                  | £23.00              | £23.00              |
| Application to dis-apply designated premises supervisor (DPS) on community premises       | OS       | Statutory                  | £23.00              | £23.00              |
| <b>Club Premises</b>  |          |                            |                     |                     |
| Change of relevant registered address of club   | OS       | Statutory                  | £10.50              | £10.50              |
| Notification of change of name or alteration of club rules                                | OS       | Statutory                  | £10.50              | £10.50              |
| Theft, loss etc of club certificate   | OS       | Statutory                  | £10.50              | £10.50              |

## EAST CAMBRIDGESHIRE DISTRICT COUNCIL

## FEES AND CHARGES SCHEDULE 2026/27

| Description   | VAT code | Discretionary or Statutory | Charge for 2025/26 | Charge for 2026/27 |
|---|----------|----------------------------|--------------------|--------------------|
| <b>General</b>  |          |                            |                    |                    |
| Minor variation to a premises licence or club premises certificate                              | OS       | Statutory                  | £89.00             | £89.00             |
| Notification of change of name or address   | OS       | Statutory                  | £10.50             | £10.50             |
| Duty to notify change of name or address  | OS       | Statutory                  | £10.50             | £10.50             |
| Application fee for a provisional statement where premises being built                          | OS       | Statutory                  | £315.00            | £315.00            |
| Interim authority notice following death etc of licence holder                                  | OS       | Statutory                  | £23.00             | £23.00             |
| Right of freeholder etc to be notified of licensing matters                                     | OS       | Statutory                  | £21.00             | £21.00             |
| <b>New Premises Licence Applications And Variations For Premises And Club Premises Licences</b> |          |                            |                    |                    |
| Band A  | OS       | Statutory                  | £100.00            | £100.00            |
| Band B  | OS       | Statutory                  | £190.00            | £190.00            |
| Band C  | OS       | Statutory                  | £315.00            | £315.00            |
| Band D  | OS       | Statutory                  | £450.00            | £450.00            |
| Band D when primary business Alcohol Sales x 2  | OS       | Statutory                  | £900.00            | £900.00            |
| Band E  | OS       | Statutory                  | £635.00            | £635.00            |
| Band E when primary business Alcohol Sales x 3  | OS       | Statutory                  | £1,905.00          | £1,905.00          |
| <b>Premises Annual Renewal</b>  |          |                            |                    |                    |
| Band A  | OS       | Statutory                  | £70.00             | £70.00             |
| Band B  | OS       | Statutory                  | £180.00            | £180.00            |
| Band C  | OS       | Statutory                  | £295.00            | £295.00            |
| Band D  | OS       | Statutory                  | £320.00            | £320.00            |
| Band D when primary business Alcohol Sales x 2  | OS       | Statutory                  | £640.00            | £640.00            |
| Band E  | OS       | Statutory                  | £350.00            | £350.00            |
| Band E when primary business Alcohol Sales x 3  | OS       | Statutory                  | £1,050.00          | £1,050.00          |

## EAST CAMBRIDGESHIRE DISTRICT COUNCIL

## FEES AND CHARGES SCHEDULE 2026/27

| Description   | VAT code | Discretionary or Statutory | Charge for 2025/26 | Charge for 2026/27 |
|---|----------|----------------------------|--------------------|--------------------|
| <b>Additional Fees For Large Venues And Events</b>                                  |          |                            |                    |                    |
| Number in attendance at any one time  |          |                            |                    |                    |
| 5,000 – 9,999   | OS       | Statutory                  | £1,000.00          | £1,000.00          |
| 10,000 – 14,999   | OS       | Statutory                  | £2,000.00          | £2,000.00          |
| 15,000 – 19,999   | OS       | Statutory                  | £4,000.00          | £4,000.00          |
| 20,000 – 29,999   | OS       | Statutory                  | £8,000.00          | £8,000.00          |
| 30,000 – 39,999   | OS       | Statutory                  | £16,000.00         | £16,000.00         |
| 40,000 – 49,999   | OS       | Statutory                  | £24,000.00         | £24,000.00         |
| 50,000 – 59,999   | OS       | Statutory                  | £32,000.00         | £32,000.00         |
| 60,000 – 69,999   | OS       | Statutory                  | £40,000.00         | £40,000.00         |
| 70,000 – 79,999   | OS       | Statutory                  | £48,000.00         | £48,000.00         |
| 80,000 – 89,999   | OS       | Statutory                  | £56,000.00         | £56,000.00         |
| 90,000 and over   | OS       | Statutory                  | £64,000.00         | £64,000.00         |
| <b>SCRAP METAL DEALER LICENCE</b>   |          |                            |                    |                    |
| Initial Site Licence Fee  | OS       | Discretionary              | £732.00            | £732.00            |
| Site Licence Renewal  | OS       | Discretionary              | £600.00            | £600.00            |
| Initial Collectors Licence Fee  | OS       | Discretionary              | £560.00            | £560.00            |
| Collectors Licence renewal.   | OS       | Discretionary              | £450.00            | £450.00            |
| Variation for both licences.  | OS       | Discretionary              | £120.00            | £120.00            |
| Theft, loss etc of a licence  | OS       | Discretionary              | £10.50             | £10.50             |
| <b>WASTE</b>  |          |                            |                    |                    |
| <b>Bulky Waste</b>  |          |                            |                    |                    |
| Up to three household items   | OS       | Discretionary              | £31.70             | £32.50             |
| Fridge or freezer   | OS       | Discretionary              | £31.70             | £32.50             |
| Initial cost of bins for new residential properties (this is for each bin provided) | OS       | Discretionary              | £31.70             | £32.50             |

## EAST CAMBRIDGESHIRE DISTRICT COUNCIL

## FEES AND CHARGES SCHEDULE 2026/27

| Description  | VAT code | Discretionary or Statutory | Charge for 2025/26            | Charge for 2026/27            |
|--|----------|----------------------------|-------------------------------|-------------------------------|
| <b>Fixed Penalty Notices</b>   |          |                            |                               |                               |
| Dog Fouling  |          |                            | £100.00                       | £100.00                       |
| Littering  |          |                            | £65 - £500                    | £65 - £500                    |
| Graffiti   |          |                            | £65 - £500                    | £65 - £500                    |
| Fly Posting  |          |                            | £65 - £500                    | £65 - £500                    |
| Alarm Noise  |          |                            | £80.00                        | £80.00                        |
| Nuisance Parking   |          |                            | £100.00                       | £100.00                       |
| Abandoning a vehicle   |          |                            | £200.00                       | £200.00                       |
| Unauthorised distribution of free literature on designated land  |          |                            | £150.00                       | £150.00                       |
| <b>Waste Duty of Care</b>  |          |                            |                               |                               |
| FPN for breach by house holder of waste duty of care   |          |                            | £120 - £600                   | £120 - £600                   |
| Failure to produce a waste carriers' licence or waste transfer documentation   |          |                            | £300.00                       | £300.00                       |
| Illegal waste deposit  |          |                            | £120 - £1000                  | £120 - £1000                  |
| Waste carriers licence requirements - FPN for breach   |          |                            |                               |                               |
| <b>Housing Enforcement Civil Penalties - adopted by members as a</b>   |          |                            |                               |                               |
| Specified offences under the Housing Act 2004  |          | Statutory                  | Up to £30,000 (Sliding        | Up to £30,000 (Sliding Scale) |
| Smoke and Carbon Monoxide Alarm (England) Regs 2015  |          |                            |                               |                               |
| 1 <sup>st</sup> offence  |          | Statutory                  | £500.00                       | £500.00                       |
| 2nd offence  |          | Statutory                  | £1,000.00                     | £1,000.00                     |
| Additional offences  |          | Statutory                  | £5,000.00                     | £5,000.00                     |
| Electrical Safety Standards in the Private Rented Sector(England) Regs 2020  |          | Statutory                  | Up to £30,000 (Sliding Scale) | Up to £30,000 (Sliding Scale) |
| Energy Performance of Buildings (Certificates and Inspections) (England and Wales) Regs 2007                               |          | Statutory                  | £200.00                       | £200.00                       |
| Minimum Energy Efficiency (Private Rented Property) (England and Wales) Regs 2015  |          | Statutory                  | Up to £5000                   | Up to £5000                   |
| Redress Scheme for Letting Agency Work and Property Management Work Requirement to Belong to a Scheme (England) Order 2014 |          | Statutory                  | Up to £5000                   | Up to £5000                   |
| <b>ENVIRONMENTAL PROTECTION ACT PERMIT</b>   | OS       | Statutory                  |                               |                               |
| <b>EXPORT CERTIFICATE OF HEALTH</b>  | OS       | Discretionary              | £110.00                       | £110.00                       |
| Amendment of Export Heath Certificate  |          | Discretionary              | £11.00                        | £11.00                        |

## EAST CAMBRIDGESHIRE DISTRICT COUNCIL

## FEES AND CHARGES SCHEDULE 2026/27

| Description   | VAT code | Discretionary or Statutory | Charge for 2025/26                          | Charge for 2026/27                          |
|---|----------|----------------------------|---|---|
| <b><u>FACILITIES MANAGEMENT</u></b>                     |          |                            |   |   |
| <b>GARAGE RENTS – ST JOHNS ROAD, ELY</b>                |          |                            |   |   |
| Monthly charge  | SR       | Discretionary              | 38.55 (Including VAT) plus RPI as at 1.1.25 | 39.50 (Including VAT) plus RPI as at 1.1.26 |
| <b><u>LEGAL SERVICES</u></b>                            |          |                            |   |   |
| LLC1 ONLY   | OS       | Discretionary              |   |   |
| CON29(R) ONLY   | SR       | Discretionary              | £158.35                                     | £162.30                                     |
| STANDARD SEARCH - LLC1 AND CON29(R)                     | SR/OS    | Discretionary              | £158.35                                     | £162.30                                     |
| <b><u>CON29 OPTIONAL ENQUIRIES</u></b>                  |          |                            |   |   |
| Q4 Road proposal by private bodies                      | SR       | Discretionary              |   |   |
| Q5. Advertisements                                      | SR       | Discretionary              | £12.70                                      | £13.02                                      |
| Q6 Completion Notices                                   | SR       | Discretionary              | £16.70                                      | £17.12                                      |
| Q7 Parks and Countryside                                | SR       | Discretionary              | £12.70                                      | £13.02                                      |
| Q8 Pipelines  | SR       | Discretionary              | £4.30                                       | £4.41                                       |
| Q9 Houses in Multiple Occupation                        | SR       | Discretionary              | £4.30                                       | £4.41                                       |
| Q10 Noise Abatement                                     | SR       | Discretionary              | £3.75                                       | £3.84                                       |
| Q11 Urban Development Areas                             | SR       | Discretionary              | £12.70                                      | £13.02                                      |
| Q12 Enterprise Zones, Local Development Orders and BIDS | SR       | Discretionary              | £4.30                                       | £4.41                                       |
| Q13 Inner Urban Improvement Areas                       | SR       | Discretionary              | £4.30                                       | £4.41                                       |
| Q14 Simplified Planning Zones                           | SR       | Discretionary              | £12.70                                      | £13.02                                      |
| Q15 Land Maintenance Notices                            | SR       | Discretionary              | £12.70                                      | £13.02                                      |
| Q16 Mineral Consultation and Safeguarding Areas         | SR       | Discretionary              | £6.05                                       | £6.20                                       |
| Q17 Hazardous Substance Consents                        | SR       | Discretionary              | £12.70                                      | £13.02                                      |
| Q18 Environmental and Pollution Notices                 | SR       | Discretionary              | £4.30                                       | £4.41                                       |
| Q19 Food Safety Notices                                 | SR       | Discretionary              | £9.70                                       | £9.94                                       |
| Q20 Hedgerow Notices                                    | SR       | Discretionary              | £4.30                                       | £4.41                                       |
| Q21 Flood Defence and Land Drainage Consents            | SR       | Discretionary              | £6.30                                       | £6.45                                       |
| Q22 Common Land and Town or Village Green               | SR       | Discretionary              | £12.50                                      | £12.81                                      |
| <b><u>Additional Enquiries</u></b>                      |          |                            |   |   |
| Additional Parcels of land                              | SR       | Discretionary              | £17.15                                      | £17.58                                      |
| Q24 Typed Enquiries                                     | SR       | Discretionary              | £8.55                                       | £8.76                                       |

## EAST CAMBRIDGESHIRE DISTRICT COUNCIL

## FEES AND CHARGES SCHEDULE 2026/27

| Description  | VAT code | Discretionary or Statutory | Charge for 2025/26 | Charge for 2026/27 |
|--|----------|----------------------------|--------------------|--------------------|
| <b>CON29 ENQUIRIES</b>   |          |                            |                    |                    |
| 1.1a-i Planning and Building Decisions and Pending Applications        |          |                            | £11.80             | £12.10             |
| 1.1 j-l Planning and Building Decisions and Pending Applications       |          |                            | £5.00              | £5.13              |
| 1.2 Planning designations and proposals                                |          |                            | £1.15              | £1.18              |
| 2.1 to 2.5 Roadways and footpaths                                      |          |                            | HIGHWAYS           | HIGHWAYS           |
| 3.1 Other Matters - Is the property included in land required for      | SR       | Discretionary              | £4.65              | £4.77              |
| 3.2 Other Matters - Is the property included in land required for road | SR       | Discretionary              | HIGHWAYS           | HIGHWAYS           |
| 3.3 Drainage Matters   | SR       |                            | £3.50              | £3.59              |
| 3.4 Nearby Road Schemes  | SR       |                            | HIGHWAYS           | HIGHWAYS           |
| 3.5 Nearby Railway Schemes   | SR       |                            | HIGHWAYS           | HIGHWAYS           |
| 3.6 Traffic Schemes  | SR       |                            | HIGHWAYS           | HIGHWAYS           |
| 3.7 Outstanding Notices (a) (b) (c) (d) & (f) only                     | SR       |                            | £7.60              | £7.79              |
| 3.8 Contravention of Building Regulations                              | SR       |                            | £3.25              | £3.33              |
| 3.9 Notices, Orders, Direction and Proceedings under Planning Acts     | SR       |                            | £5.60              | £5.74              |
| 3.10 Community Infrastructure Levy (CIL)                               | SR       |                            | £9.35              | £9.58              |
| 3.11 Conservation Area   | SR       |                            | £4.90              | £5.02              |
| 3.12 Compulsory Purchase   | SR       |                            | £4.90              | £5.02              |
| 3.13 Contaminated Land   | SR       |                            | £1.15              | £1.18              |
| 3.14 Radon Gas   | SR       |                            | £2.35              | £2.41              |
| 3.15 Assets of Community Value   | SR       |                            | £6.30              | £6.45              |
| <b>REGISTER OF ELECTORS</b>  |          |                            |                    |                    |
| <b>Sale of Copies of Register of Electors</b>                          |          |                            |                    |                    |
| Data Form per 1000 electors or part of                                 | OS       | Statutory                  | £20.00 plus £1.50  | £20.00 plus £1.50  |
| Printed Form per 1000 electors or part of                              | OS       | Statutory                  | £10.00 plus £5.00  | £10.00 plus £5.00  |
| <b>List of Overseas Electors</b>                                       |          |                            |                    |                    |
| Data Form per 1000 electors or part of                                 | OS       | Statutory                  | £20.00 plus £1.50  | £20.00 plus £1.50  |
| Printed Form per 1000 electors or part of                              | OS       | Statutory                  | £10.00 plus £5.00  | £10.00 plus £5.00  |

## EAST CAMBRIDGESHIRE DISTRICT COUNCIL

## FEES AND CHARGES SCHEDULE 2026/27

| Description   | VAT code | Discretionary or Statutory | Charge for 2025/26        | Charge for 2026/27        |
|---|----------|----------------------------|---------------------------|---------------------------|
| <b>LEGAL WORK</b>   |          |                            |                           |                           |
| <b>Section 106 Agreements &amp; Variations</b>  |          |                            |                           |                           |
| <b>Hourly rates ***</b>   |          |                            |                           |                           |
| Director Legal Services   | OS       | Discretionary              | £187.45                   | £192.14                   |
| Legal Assistant   | OS       | Discretionary              | £153.00                   | £156.83                   |
| Senior Legal Assistant  | OS       | Discretionary              | £164.55                   | £168.66                   |
| Land Charges Officer & Paralegal/Paralegal  | OS       | Discretionary              | £61.85                    | £63.40                    |
| Information Officer   | OS       | Discretionary              | £67.60                    | £69.29                    |
| Simple S106 - Standard Charge   | OS       | Discretionary              | £1,335.15                 | £1,368.53                 |
| <b>Easements (e.g. Car parking verges etc)</b>  |          |                            |                           |                           |
| Simple  | OS       | Discretionary              | £838.40                   | £859.36                   |
| Complex   | OS       | Discretionary              | See hourly rates above*** | See hourly rates above*** |
| <b>Conveyancing (e.g. POS, small parcels of land, small leases &amp; Licences, etc)</b> |          |                            |                           |                           |
| Simple  | OS       | Discretionary              | £838.40                   | £858.52                   |
| Complex   | OS       | Discretionary              | See hourly rates above*** | See hourly rates above*** |
| <b>Release of restrictive covenant</b>  |          |                            |                           |                           |
| Simple  | OS       | Discretionary              | £838.40                   | £858.52                   |
| Complex   | OS       | Discretionary              | See hourly rates above*** | See hourly rates above*** |
| <b>Miscellaneous Deeds</b>  |          |                            |                           |                           |
| Simple  | OS       | Discretionary              | £838.40                   | £858.52                   |
| Complex   | OS       | Discretionary              | See hourly rates above*** | See hourly rates above*** |

## EAST CAMBRIDGESHIRE DISTRICT COUNCIL

## FEES AND CHARGES SCHEDULE 2026/27

| Description   | VAT code | Discretionary or Statutory | Charge for 2025/26  | Charge for 2026/27  |
|---|----------|----------------------------|---|---|
| <b>Prosecutions</b>   |          |                            |   |   |
| Car Parking   | OS       | Discretionary              | £125.75 plus Legal Officer presentation time at court and disbursements – i.e. if have to travel to Court | £128.89 plus Legal Officer presentation time at court and disbursements – i.e. if have to travel to Court |
| Licence - Garage at St John's Road  | OS       | Discretionary              | £136.25   | £139.66   |
| All prosecutions  | OS       | Discretionary              | See hourly rates above***   |   |
| Miscellaneous removal of charge from property                             | OS       | Discretionary              | £136.25   | £139.66   |
| <b>Civil Cases</b>  | OS       | Discretionary              | See hourly rates above***   |   |
| <b><u>COUNCIL TAX</u></b>   | OS       | Discretionary              | £70.00  |   |
| Civil Fine for incorrect reporting of information relating to Council Tax |          |                            |   |   |

| <b>PARISH</b>                        | <b>COUNCIL<br/>TAX BASE</b> | <b>PRECEPT</b>               |
|--------------------------------------|-----------------------------|------------------------------|
|                                      | <b>Band D Equivalent</b>    | <b>£</b>                     |
| Ashley                               | 247.1                       | 21,900.00                    |
| Bottisham                            | 901.1                       | 73,602.00                    |
| Brinkley                             | 155.3                       | 11,556.00                    |
| Burrough Green                       | 145.5                       | 14,759.50                    |
| Burwell                              | 2,475.4                     | 290,000.00                   |
| Cheveley                             | 943.7                       | 80,000.00                    |
| Chippingham                          | 228.0                       | 16,338.00                    |
| Coveney                              | 190.5                       | 20,900.00                    |
| Dullingham                           | 351.8                       | 33,124.48                    |
| Ely, City of                         | 7,714.0                     | 847,235.00                   |
| Fordham                              | 1,307.0                     | 111,400.00                   |
| Haddenham                            | 1,355.4                     | 173,137.00                   |
| Isleham                              | 988.7                       | 135,526.00                   |
| Kennett                              | 160.7                       | 12,750.00                    |
| Kirtling and Upend                   | 204.9                       |                              |
| Little Downham                       | 985.0                       | 123,813.00                   |
| Little Thetford                      | 289.4                       | 35,037.92                    |
| Littleport                           | 3,322.9                     |                              |
| Lode                                 | 377.6                       | 25,418.00                    |
| Mepal                                | 392.5                       | 62,945.00                    |
| Reach                                | 146.5                       |                              |
| Snailwell                            | 83.7                        | 10,860.00                    |
| Soham                                | 3,993.2                     | 486,570.00                   |
| Stetchworth                          | 283.3                       |                              |
| Stretham                             | 739.5                       | 99,393.38                    |
| Sutton                               | 1,425.7                     | 200,000.00                   |
| Swaffham Bulbeck                     | 375.6                       | 41,836.00                    |
| Swaffham Prior                       | 369.0                       | 19,000.00                    |
| Wentworth                            | 68.8                        | 13,000.00                    |
| Westley Waterless                    | 87.1                        |                              |
| Wicken                               | 371.6                       | 40,000.00                    |
| Wilburton                            | 540.1                       | 64,918.00                    |
| Witcham                              | 195.0                       |                              |
| Witchford                            | 1,187.8                     | 100,159.00                   |
| Wooditton                            | 789.4                       | 8,750.00                     |
| <b>Whole Area/Average Tax Charge</b> |                             | <b>33,392.8 3,173,928.28</b> |



**Title: Finance Report**

Committee: Finance & Assets Committee

Date: 29 January 2026

Author: Director, Finance

Report No: AA135

Contact Officer: Jude Antony Director, Finance Tel: (01353) 616470  
E-mail: [jude.antony@eastcambs.gov.uk](mailto:jude.antony@eastcambs.gov.uk) Room 104. The Grange, Ely

**1.0 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.

**2.0 Recommendations**

2.1 Members are requested to note:

- This Committee has a projected year-end underspend of £762,162 when compared to its approved revenue budget of £7,969,054.
- that overall, the Council has a projected year-end underspend of £1,154,162 when compared to its approved revenue budget of £19,249,383.
- that the overall position for the Council on Capital is a projected outturn of £18,168,081, which is an overspend of £1,200,000 when compared to the revised budget.
- the Treasury Management update report in Appendix 5.

**3.0 Budget Monitoring**

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 third report for the 2025/26 financial year and details actual expenditure incurred, and income received as of 31<sup>st</sup> December 2025 and projections as to the yearend position at this time.

**Revenue**

3.3 Appendix 1 details the overall revenue position for both this Committee and the Council overall. In Appendix 1, the budget lines under the stewardship of this Committee and the funding lines are shown in detail, with the Operational Services Committee position shown in summary.

3.4 The detailed revenue position for the Operational Services Committee is shown in Appendix 2. There are currently four forecast yearend variances, that being for Licencing and relates to additional income due to work in relation to Restricted Private Hire Licences, and the increased income for this last nine months for Planning, an overspend on building Control due to less income in the first three quarters of 2025/26, and a saving on staff in the Customer Services Team.

3.5 With regard to the Finance & Assets Committee, the significant variances of actual spend compared to profiled budgeted spend at the end of December 2025, where no variance is forecast at year-end, are detailed in the table below:

| Service                                       | Variance   | Explanation  |
|---|------------|--|
| Asset Management                              | £56,773    | Budgets allocations will be reconciled at year-end.  |
| Closed Churchyards                            | £10,752    |  |
| Climate Change                                | (£54,568)  | Grant income from the Combined Authority for biodiversity studies has been received in advance of expenditure and will be rolled forward into 2026/27 if not spent.                      |
| Corporate Management Policy Research / Review | (£204,673) | Accruals for external audit fees for 2022/23 to 2024/25 remain outstanding at Quarter 3, including the related government grant. The position will be reviewed and adjusted at year-end. |
| Cost of other Elections                       | £59,101    | Expenditure in relation to external elections will be recovered in the year. Work has been done during Q2 to reconcile the elections.  |
| Economic Development                          | £121,669   | Grants have been given for Digital Inclusion in 2025/26. We are awaiting the funding from CPC.   |
| Land Charges Admin                            | (£28,419)  | Roll forward of MHCLG grant into 2025/26 – ring-fenced expenditure rules apply.  |
| Local Elections                               | (£78,472)  | Roll forward of MHCLG grant will be utilised in this financial year.   |
| Strategic Plans                               | (£152,138) | The Government Grant to support the development of Neighbourhood Plans (previously referred to as Local Plans) has been rolled forward for use in the current financial year.            |
| Management Team                               | £44,169    | Due to changes in staff within this team, the level of recharges to ECTC/SS will be lower this year. This will be offset by savings from one vacant post in the final quarter.           |

|                          |            |  |
|--------------------------|------------|--|
| Office Accommodation     | £12,592    | Recharge for Premises Asset Management will be done at the end of financial year.  |
| IT                       | (£87,446)  | The renewals of the bulk of our licences are paid in the first nine months of the year causing this profile distortion. This also includes 26/27 expenditure which will be rolled forward. |
| Parking of Vehicles      | (£83,272)  | There has been an increase in income at Angel Drove car park which has offset the increase in the business rates paid this year.   |
| Parks & Gardens          | (£112,858) | Recharges will be processed in Quarter 4 of this financial year. Section 106 costs will be recharged at year-end.  |
| Registration of Electors | (£13,455)  | Roll forward of grant income for election from 2024/25 will be used to fund work in the current year.  |
| Reprographics            | £16,331    | Journal recharges due to be posted in January 2026 to move costs from other depts into Reprographics.  |
| Sport & Recreation       | (£17,481)  | Roll forward of unspent grants for Healthy You and Older Adults exercise programme.  |

3.6 The total forecast year-end underspend for the Committee and the funding lines is £762,162. This covers a number of service areas, explanations for which are detailed in the table below:

| Service                           | Variance   | Explanation  |
|-----------------------------------|------------|--|
| Crematorium                       | £11,439    | Crematorium Revenue Costs for 2025/26.   |
| General Gang                      | (£29,000)  | Savings from a staff vacancy in the first 9 months of the year.  |
| Housing Benefits                  | (£46,000)  | The budget was built on 2024/25 figures (the most recently available at the time), the revised forecast is now based on 2025/26 expenditure forecasts done in August 2025.                         |
| Housing Strategic                 | (£32,000)  | There were staff vacancies in the Housing Strategic team in the first half of the year.  |
| Interest & Financial Transactions | (£471,279) | Interest income has exceeded the budgeted amount due to efficient treasury management and investments by the finance team, combined with interest rates remaining higher for longer than expected. |

|                            |            |  |
|----------------------------|------------|--|
| Legal Services             | (£65,000)  | Savings from staff vacancies in the first nine months of the year.   |
| Miscellaneous Finance      | (£100,322) | At the time of budget setting, capital expenditure was forecast to be higher; however, actual spend was lower than anticipated.  |
| Member & Committee Support | (£60,000)  | Vacancies within the team in the first nine months of the year has resulted in an underspend.  |
| Payroll                    | £16,000    | The budget assumptions were based on the continuation of a partially managed service. As this option is no longer available and has been replaced by a fully managed service, costs have consequently increased.   |
| Public Conveniences        | £14,000    | Increased cost of cleaning cover for staff holiday and sickness at public toilets in the district  |
| Business Rates             | (£117,000) | The rules with regards to Renewable Energy receipts are that any over collection in year is credited to the accounts in the following year. The underspend being recorded reflects additional receipts in 2024/25  |
| Internal Drainage Boards   | (£163,000) | The Internal Drainage Boards prepare their budgets at the same time as the Council, so assumptions are made as to the actual levy to be charged. The forecast reflects the payments due, but more significantly, additional Government Grant received to meet the sharp increase in levy costs. (The grant announcement was only made in July 2025 and only a selected few councils are allocated funding, so while budget provision was built into the budget a prudent approach was taken to the value of our contribution.) |

### **Capital**

3.7 The Council's revised capital budget for 2025/26 stands at £6,968,081, which includes £1,553,906 of slippage carried forward from 2024/25 and an additional £2,197,397 for the Crematorium, reflecting the revised figures approved by Council on 22 May 2025.

3.8 The Council's outturn position is forecast to be £18,168,081 an overspend of £1,200,000. This forecast relates to East Cambs Trading Company (ECTC) borrowing, where ECTC's latest cashflow forecast details that they will require to borrow £2.7 million in this financial year as opposed to the revised budget of £1.5 million.

## **4.0 Treasury Management**

4.1 Under revised Treasury Management requirements as first introduced in 2023/24 and detailed in the CIPFA (Chartered Institute of Public Finance and Accountancy)

Code of Practice for Treasury Management 2021, councils are required to report their treasury management activity on a quarterly basis. While the Strategy, mid-year review and year-end reports need to go to Full Council for approval, the reports at the end of quarter one and three only need to go to the Committee for noting. These reports will therefore be included as part of this Finance Report at the end of these quarters.

4.2 The treasury management update report is included as Appendix 5, which details that the Council had cash holdings of £37,716,954 at the end of December 2025 and had received interest on its cash investments during the third quarter of £1,170,825. This is higher than the amount forecast in the budget.

To note, the economic update in the report reflects the position at the end of December 2025.

## 5.0 Arguments/Conclusions

5.1 The current forecast net revenue expenditure for the Council is a £1,271,162 underspend compared to the approved budget.

## 6.0 Additional Implications Assessment

6.1 In the table below, please put Yes or No in each box:

| Financial Implications<br>Yes             | Legal Implications<br>No                | Human Resources (HR)<br>Implications<br>No        |
|---|---|---|
| Equality Impact<br>Assessment (EIA)<br>No | Carbon Impact<br>Assessment (CIA)<br>No | Data Protection Impact<br>Assessment (DPIA)<br>No |

## 6.2 Financial Implications

The forecast underspend reported in this report will be added to the Council's Surplus Savings Reserve and will become available to balance the budget in future years.

## 7.0 Appendices

- Appendix 1 – Summary Budget Monitoring Report – 31 December 2025
- Appendix 2 – Operational Services Budget Monitoring Report – 31 December 2025
- Appendix 3 – Capital Budget Monitoring Report – 31 December 2025
- Appendix 4 – Reserve Balances – 31 December 2025
- Appendix 5 – Treasury Management update – 31 December 2025

## 8.0 Background Documents

Council Budget approved by Full Council on 25 February 2025



| Finance & Assets Committee - Budget Monitoring Report - 31st December 2025 |                      |                                |                       |           |                  | Appendix 1  |   |
|--|----------------------|--------------------------------|-----------------------|-----------|------------------|---|---|
| Revenue  | Total Budget 2025-26 | Profiled Budget to 31 Dec 2025 | Actual to 31 Dec 2025 | Variance  | Forecast Outturn | Variance between Total Budget & Projected Outturn | Variance between Total Budget & Projected Outturn Sept 2025 |
|  |                      |                                |                       |           |                  | £   | £   |
| Asset Management   | 153,442              | -.-                            | 56,773                | 56,773    | 153,442          |   |   |
| Award Ditches  | 11,468               | 8,601                          | 8,890                 | 289       | 11,468           |   |   |
| Civic Relations  | 18,721               | 14,044                         | 7,281                 | (6,763)   | 18,721           |   |   |
| Climate Change   | 100,000              | 73,483                         | 18,915                | (54,568)  | 100,000          |   |   |
| Closed Churchyards   | 37,777               | 28,333                         | 39,085                | 10,752    | 37,777           |   |   |
| Community Safety   | -.-                  | -.-                            | 1,000                 | 1,000     | -.-              |   |   |
| Community Transport  | 15,000               | -.-                            | -.-                   | -.-       | 15,000           |   |   |
| Corp.Man.Policy Research / Review  | 245,497              | 47,914                         | (156,759)             | (204,673) | 245,497          |   |   |
| Cost of Other Elections  | -.-                  | -.-                            | 59,101                | 59,101    | -.-              |   |   |
| Council Tax Collection costs   | 614,713              | 460,579                        | 456,571               | (4,008)   | 614,713          |   |   |
| Crematorium  |                      | -.-                            | 11,439                | 11,439    | 11,439           | 11,439  |   |
| Data Management  | 175,648              | 131,763                        | 137,633               | 5,870     | 175,648          |   |   |
| Depot  | (76,499)             | (41,484)                       | (41,484)              | -.-       | (76,499)         |   |   |
| Economic Development   | 32,486               | 85,706                         | 207,375               | 121,669   | 32,486           |   |   |
| Enterprise Zone Business Rates   | 610,816              | -.-                            | -.-                   | -.-       | 610,816          |   |   |
| Finance  | 359,950              | 239,090                        | 243,393               | 4,303     | 359,950          |   |   |
| General Gang   | 99,947               | 75,212                         | 47,489                | (27,723)  | 70,947           | (29,000)  | (20,000)  |
| Health & Safety (Work)   | 28,784               | 21,588                         | 21,965                | 377       | 28,784           |   |   |
| Housing Benefits   | 518,819              | 389,114                        | 940,306               | 551,192   | 472,819          | (46,000)  | (24,000)  |
| Housing Strategic  | 207,243              | 75,131                         | 494,373               | 419,242   | 175,243          | (32,000)  | (32,000)  |
| Human Resources (including Training)                                       | 287,498              | 239,926                        | 240,231               | 305       | 287,498          |   |   |
| Information Technology   | 1,136,674            | 1,069,993                      | 982,547               | (87,446)  | 1,136,674        |   |   |
| Interest & Financial Transactions  | (994,055)            | (693,960)                      | (1,168,159)           | (474,199) | (1,465,334)      | (471,279)   | (200,000)   |
| Internal Audit   | 88,568               | 45,022                         | 43,507                | (1,515)   | 88,568           |   |   |
| Land Charges Admin   | (29,917)             | (32,550)                       | (60,969)              | (28,419)  | (29,917)         |   |   |
| Legal Services   | 189,832              | 142,374                        | 80,819                | (61,555)  | 124,832          | (65,000)  | (46,000)  |
| Local Elections  | 25,000               | 18,750                         | (59,722)              | (78,472)  | 25,000           |   |   |
| Strategic Plans  | 229,069              | 163,852                        | 11,714                | (152,138) | 229,069          |   |   |
| Management Team  | 725,349              | 572,744                        | 616,913               | 44,169    | 725,349          |   |   |
| Ely Markets  | -.-                  | (48,149)                       | (48,149)              | -.-       | -.-              |   |   |
| Member & Committee Support   | 711,686              | 533,817                        | 468,060               | (65,757)  | 651,686          | (60,000)  | (30,000)  |
| Miscellaneous Properties   | (47,367)             | (23,387)                       | (31,807)              | (8,420)   | (47,367)         |   |   |
| Misc Finance   | 556,098              | 607,457                        | (163,435)             | (770,892) | 455,776          | (100,322)   | 149   |

|  |                      |                                |                       |                    |                     | Appendix 1  |   |
|--|----------------------|--------------------------------|-----------------------|--------------------|---------------------|---|---|
| Finance & Assets Committee - Budget Monitoring Report - 31st December 2025 |                      |                                |                       |                    |                     |   |   |
| Revenue  | Total Budget 2025-26 | Profiled Budget to 31 Dec 2025 | Actual to 31 Dec 2025 | Variance           | Forecast Outturn    | Variance between Total Budget & Projected Outturn | Variance between Total Budget & Projected Outturn Sept 2025 |
|  |                      |                                |                       |                    |                     |   |   |
|  | £                    | £                              | £                     | £                  | £                   |   | £   |
| NNDR Collection Costs  | 61,973               | 123,323                        | 121,029               | (2,294)            | 61,973              |   |   |
| Office Accommodation   | 618,884              | 532,753                        | 545,345               | 12,592             | 618,884             |   |   |
| Out Of Hours call out Service  | 14,000               | 10,500                         | 6,827                 | (3,673)            | 14,000              |   |   |
| Parking Of Vehicles  | 47,544               | 70,306                         | (12,966)              | (83,272)           | 47,544              |   |   |
| Parks And Gardens Team   | 509,711              | 612,527                        | 499,669               | (112,858)          | 509,711             |   |   |
| Payroll  | 133,939              | 104,287                        | 128,686               | 24,399             | 149,939             | 16,000  | 16,000  |
| Public Conveniences  | 213,197              | 159,495                        | 183,435               | 23,940             | 227,197             | 14,000  | 14,000  |
| Refuse Collection  | -.-                  | 4,886                          | 4,886                 | -.-                | -.-                 |   |   |
| Registration of Electors   | 50,644               | 33,483                         | 20,028                | (13,455)           | 50,644              |   |   |
| Reprographics  | 159,263              | 119,497                        | 135,828               | 16,331             | 159,263             |   |   |
| Sport & Recreation Admin   | 127,652              | 73,706                         | 56,225                | (17,481)           | 127,652             |   |   |
| <b>Finance &amp; Assets Committee Total</b>                                | <b>7,969,054</b>     | <b>6,049,726</b>               | <b>5,153,888</b>      | <b>(895,838)</b>   | <b>7,206,892</b>    | <b>(762,162)</b>                                  | <b>(322,000)</b>  |
| <b>Operational Services Committee</b>                                      | <b>6,842,567</b>     | <b>5,149,450</b>               | <b>1,346,710</b>      | <b>(3,802,740)</b> | <b>6,613,567</b>    | <b>(229,000)</b>                                  | <b>(382,000)</b>  |
| <b>Other Spend</b>   |                      |                                |                       |                    |                     |   |   |
| Parish Precepts  | 3,596,232            | 3,596,232                      | 3,586,232             | (10,000)           | 3,596,232           |   | (10,000)  |
| Internal Drainage Boards   | 801,368              | 601,026                        | 629,361               | 28,335             | 638,368             | (163,000)   | (163,000)   |
| Movement in Corporate Reserves   | 40,162               | -.-                            | -.-                   | -.-                | 40,162              |   |   |
| <b>Revenue Budget Total</b>  | <b>19,249,383</b>    | <b>15,396,434</b>              | <b>10,716,191</b>     | <b>(4,680,243)</b> | <b>18,095,221</b>   | <b>(1,154,162)</b>                                | <b>(877,000)</b>  |
| <b>Funding</b>   |                      |                                |                       |                    |                     |   |   |
| Council Tax  | (8,310,874)          | (4,155,437)                    | -.-                   | 4,155,437          | (8,310,874)         |   | 10,000  |
| Revenue Support Grant  | (125,690)            | (94,268)                       | (84,212)              | 10,056             | (125,690)           | -.-   | -.-   |
| Business Rates   | (7,647,071)          | (3,976,239)                    | -.-                   | 3,976,239          | (7,764,071)         | (117,000)   | (117,000)   |
| Other Government Grants (NHB / RSG etc)                                    | (1,352,853)          | (1,014,640)                    | (1,014,640)           | -.-                | (1,352,853)         | -.-   | -.-   |
| Budgeted draw from Surplus Savings Res                                     | (1,812,895)          | (906,447)                      | -.-                   | 906,447            | (1,812,895)         | -.-   | -.-   |
|  | <b>(19,249,383)</b>  | <b>(10,147,031)</b>            | <b>(1,098,852)</b>    | <b>9,048,179</b>   | <b>(19,366,383)</b> | <b>(117,000)</b>                                  | <b>(107,000)</b>  |
| <b>Revenue Total</b>   | <b>-.-</b>           | <b>5,249,403</b>               | <b>9,617,339</b>      | <b>4,367,936</b>   | <b>(1,271,162)</b>  | <b>(1,271,162)</b>                                | <b>(984,000)</b>  |

|  |                   |                                |                       |                    |                  |   |   | Appendix 2 |
|--|-------------------|--------------------------------|-----------------------|--------------------|------------------|---|---|------------|
| Operational Services Committee - Budget Monitoring Report - 31 December 2025 |                   |                                |                       |                    |                  |   |   |            |
| Revenue  | Total Budget 2025 | Profiled Budget to 31 Dec 2025 | Actual to 31 Dec 2025 | Variance           | Forecast Outturn | Variance between Total Budget & Projected | Variance between Total Budget & Projected |            |
|  | £                 | £                              | £                     |                    |                  |   | £   |            |
| Building Regulations   | 36,436            | 10,771                         | 78,237                | 67,466             | 126,436          | 90,000                                    | 50,000                                    |            |
| CIL  | -.-               | -.-                            | (3,321,434)           | (3,321,434)        | -.-              |   |   |            |
| Community Projects & Grants  | 206,095           | 90,790                         | 160,775               | 69,985             | 206,095          |   |   |            |
| Community Safety   | 64,358            | 86,504                         | 86,203                | (301)              | 64,358           |   |   |            |
| Cons. Area & Listed Buildings  | 74,808            | 56,106                         | 60,611                | 4,505              | 74,808           |   |   |            |
| Crematorium  | -.-               | -.-                            | -.-                   |                    | -.-              |   |   |            |
| Customer Services  | 665,279           | 522,379                        | 484,782               | (37,597)           | 640,279          | (25,000)                                  |   |            |
| Dog Warden Scheme  | 50,553            | 37,984                         | 26,861                | (11,123)           | 50,553           |   |   |            |
| Emergency Planning   | 32,148            | 25,640                         | 31,601                | 5,961              | 32,148           |   |   |            |
| Environmental  | 52,087            | 39,065                         | 38,549                | (516)              | 52,087           |   |   |            |
| Environmental Health   | 620,980           | 467,171                        | 433,883               | (33,288)           | 620,980          |   |   |            |
| Care & Repair  | (98,842)          | (107,611)                      | 146,480               | 254,091            | (98,842)         |   |   |            |
| Homelessness   | 326,611           | (8,943)                        | 13,742                | 22,685             | 326,611          |   |   |            |
| Leisure Centre   | (502,043)         | 11,000                         | 12,150                | 1,150              | (502,043)        |   |   |            |
| Licencing  | 26,040            | 19,530                         | (360,165)             | (379,695)          | (123,960)        | (150,000)                                 | (100,000)                                 |            |
| Marketing & Grants   | 34,266            | 18,708                         | (4,617)               | (23,325)           | 34,266           |   |   |            |
| Parish Forums  | 1,561             | 1,171                          | -.-                   | (1,171)            | 1,561            |   |   |            |
| Nuisances  | 115,533           | 86,650                         | 84,333                | (2,317)            | 115,533          |   |   |            |
| Pest Control   | -.-               | -.-                            | -.-                   | -.-                | -.-              |   |   |            |
| Planning   | 395,659           | 243,038                        | (13,793)              | (256,831)          | 251,659          | (144,000)                                 | (332,000)                                 |            |
| Public Relations   | 124,682           | 93,512                         | 93,891                | 379                | 124,682          |   |   |            |
| Recycling  | 1,649,812         | 1,209,580                      | 1,177,583             | (31,997)           | 1,649,812        |   |   |            |
| Refuse Collection  | 1,850,473         | 1,387,855                      | 1,278,315             | (109,540)          | 1,850,473        |   |   |            |
| Street Cleansing   | 1,082,792         | 812,094                        | 812,479               | 385                | 1,082,792        |   |   |            |
| Street Naming & Numbering  | 33,279            | 19,996                         | 10,221                | (9,775)            | 33,279           |   |   |            |
| Travellers Sites   | -.-               | 26,460                         | 16,023                | (10,437)           | -.-              |   |   |            |
|  |                   |                                | -.-                   |                    |                  |   |   |            |
| <b>Revenue Total</b>   | <b>6,842,567</b>  | <b>5,149,450</b>               | <b>1,346,710</b>      | <b>(3,802,740)</b> | <b>6,613,567</b> | <b>(229,000)</b>                          | <b>(382,000)</b>                          |            |



## Capital Monitoring 2025/26

| Capital  | Published Budget 2025-26 £ | Slippage from 2024-25 £ | Additions £      | Revised Budget 2025-26 £ | Actual at 31 Dec 2025 £ | Forecast Outturn £ | Variance between Revised Budget & Forecast Outturn £ |
|--|----------------------------|-------------------------|------------------|--------------------------|-------------------------|--------------------|--|
| <b><u>OPERATIONAL SERVICES</u></b>                                   |                            |                         |                  |                          |                         |                    |  |
| Conservation Area Schemes - 2nd round                                |                            | 27,506                  |                  | <b>27,506</b>            |                         | 27,506             | 0  |
| Refuse & Cleansing Vehicles  | 1,964,000                  | 623,620                 |                  | <b>2,587,620</b>         | 424,521                 | 2,587,620          | 0  |
| Waste - Wheeled Bins   | 1,040,000                  |                         |                  | <b>1,040,000</b>         | 54,336                  | 1,040,000          | 0  |
| Food Waste Caddies   | 280,256                    |                         |                  | <b>280,256</b>           |                         | 280,256            | 0  |
| Mandatory Disabled Facilities Grants                                 | 697,299                    | 520,505                 |                  | <b>1,217,804</b>         | 632,564                 | 1,217,804          | 0  |
| Empty Properties, Discretionary DFGs, Minor Works, Home Repair Asst. | 75,000                     |                         |                  | <b>75,000</b>            | 29,725                  | 75,000             | 0  |
| Vehicle Etc. Replacements  | 100,000                    |                         |                  | <b>100,000</b>           | 100,000                 | 100,000            | 0  |
| Bereavement Centre   | 7,560,223                  | 1,342                   | 2,197,397        | <b>9,758,962</b>         | 2,599,175               | 9,758,962          | 0  |
| Leisure Centre   |                            |                         |                  | <b>0</b>                 |                         |                    | 0  |
| <b>Operational Services Total</b>                                    | <b>11,716,778</b>          | <b>1,172,973</b>        | <b>2,197,397</b> | <b>15,087,148</b>        | <b>3,840,321</b>        | <b>15,087,148</b>  |  |
| <b><u>FINANCE &amp; ASSETS</u></b>                                   |                            |                         |                  |                          |                         |                    |  |
| Solar Panels on Council Buildings                                    |                            | 100,100                 |                  | <b>100,100</b>           |                         | 100,100            | 0  |
| Depot  |                            | 280,833                 |                  | <b>280,833</b>           |                         | 280,833            | 0  |
| New Loan Agreement with ECTC   | 1,500,000                  |                         |                  | <b>1,500,000</b>         | 2,575,000               | 2,700,000          | 1,200,000  |
| <b>Finance &amp; Assets Total</b>                                    | <b>1,500,000</b>           | <b>380,933</b>          | <b>0</b>         | <b>1,880,933</b>         | <b>2,575,000</b>        | <b>3,080,933</b>   | <b>1,200,000</b>                                     |
| <b>Total</b>   | <b>13,216,778</b>          | <b>1,553,906</b>        | <b>2,197,397</b> | <b>16,968,081</b>        | <b>6,415,321</b>        | <b>18,168,081</b>  | <b>1,200,000</b>                                     |
|  |                            |                         |                  |                          |                         |                    |  |

| SOURCES OF FINANCING              | Published Budget 2025-26 £ | Slippage from 2024-25 £ | Additions £      | Revised Budget 2025-26 £ |
|-----------------------------------|----------------------------|-------------------------|------------------|--------------------------|
| <b>Operational Services</b>       |                            |                         |                  |                          |
| Government Grants (DFG)           | 602,678                    | 520,505                 |                  | 1,123,183                |
| Government Grants (Food Waste)    | 894,056                    | 0                       |                  | 894,056                  |
| Capital Receipts                  | 209,621                    | 27,506                  |                  | 237,127                  |
| Borrowing                         | 1,850,200                  | 623,620                 |                  | 2,473,820                |
| Section 106 / CIL                 | 8,160,223                  | 1,342                   | 2,197,397        | 10,358,962               |
| <b>Operational Services Total</b> | <b>11,716,778</b>          | <b>1,172,973</b>        | <b>2,197,397</b> | <b>15,087,148</b>        |
| <b>Finance &amp; Assets</b>       |                            |                         |                  |                          |
| Revenue Contributions             | 0                          | 0                       |                  | 0                        |
| Capital Receipts                  | 0                          | 100,100                 |                  | 100,100                  |
| Borrowing                         | 1,500,000                  | 280,833                 |                  | 1,780,833                |
| <b>Finance &amp; Assets Total</b> | <b>1,500,000</b>           | <b>380,933</b>          | <b>0</b>         | <b>1,880,933</b>         |
| <b>Capital Funding Total</b>      | <b>13,216,778</b>          | <b>1,553,906</b>        | <b>2,197,397</b> | <b>16,968,081</b>        |

| Forecast Outturn £ | Variances £      |
|--------------------|------------------|
| 1,123,183          |                  |
| 894,056            |                  |
| 237,127            |                  |
| 2,473,820          |                  |
| 10,358,962         |                  |
| <b>15,087,148</b>  | <b>0</b>         |
| 0                  |                  |
| 100,100            |                  |
| 2,980,833          | 1,200,000        |
| <b>3,080,933</b>   | <b>1,200,000</b> |
| <b>18,168,081</b>  | <b>1,200,000</b> |

| Capital Resources Forecast              | Published Budget 2025-26 £ | Slippage from 2024-25 £ | Additions £ | Revised Budget 2025-26 £ |
|---|----------------------------|-------------------------|-------------|--------------------------|
| Balance Brought Forward                 | 1,498,475                  | 260,173                 |             | 1,758,648                |
| Add receipts from Sales of Assets       | 50,000                     |                         |             | 50,000                   |
| Less Capital Receipts Applied           | (209,621)                  | (127,606)               |             | (337,227)                |
| <b>Capital Reserves Carried Forward</b> | <b>1,338,854</b>           | <b>132,567</b>          | <b>0</b>    | <b>1,471,421</b>         |

| Forecast Outturn £ | Variances £ |
|--------------------|-------------|
| 1,758,648          |             |
| 50,000             |             |
| (337,227)          | 0           |
| <b>1,471,421</b>   | <b>0</b>    |

| Borrowing                        | Published Budget 2025-26 £ | Slippage from 2024-25 £ | Additions £    | Revised Budget 2025-26 £ |
|----------------------------------|----------------------------|-------------------------|----------------|--------------------------|
| Balance Brought Forward          | 10,276,638                 | (79,453)                |                | 10,197,185               |
| Less MRP Applied                 | (685,622)                  |                         |                | (585,300)                |
| Repayment from ECTC              | (1,900,000)                |                         |                | (1,900,000)              |
| Add additional Borrowing Applied | 3,350,200                  | 904,453                 |                | 4,254,653                |
| <b>Borrowing Carried Forward</b> | <b>11,041,216</b>          | <b>825,000</b>          | <b>100,322</b> | <b>11,966,538</b>        |

| Forecast Outturn £ | Variances £    |
|--------------------|----------------|
| 10,197,185         |                |
| (585,300)          |                |
| (1,900,000)        | (705,000)      |
| 4,254,653          | 1,200,000      |
| <b>12,461,538</b>  | <b>495,000</b> |

**Reserve Accounts**

| <b>Description</b>                       | <b>2025/26</b>                 |                             |                                   |                                  |
|--|--------------------------------|-----------------------------|-----------------------------------|----------------------------------|
|  | <b>Opening Balance 1 April</b> | <b>Transfers to Reserve</b> | <b>Contributions from Reserve</b> | <b>Forecast Balance 31 March</b> |
|  | £                              | £                           | £                                 | £                                |
| District Elections                       | 50,397                         | 25,000                      |                                   | 75,397                           |
| Housing Conditions Survey                | 35,000                         | 5,000                       |                                   | 40,000                           |
| Change Management                        | 0                              |                             |                                   | 0                                |
| Major Project Development                | 100,000                        |                             |                                   | 100,000                          |
| Surplus Savings Reserve                  | 10,229,244                     | 1,271,162                   | (1,812,895)                       | 9,687,511                        |
| Vehicle Replacements                     | 74,240                         |                             |                                   | 74,240                           |
| Sports Facilities Funding Reserve        | 58,000                         |                             |                                   | 58,000                           |
| IT                                       | 160,000                        | 60,000                      | (73,345)                          | 146,655                          |
| CIL Admin                                | 206,621                        | 70,000                      | (100,000)                         | 176,621                          |
| Asset Management                         | 96,441                         |                             |                                   | 96,441                           |
| Community Fund Reserves                  | 18,207                         |                             |                                   | 18,207                           |
| Housing                                  | 69,926                         |                             |                                   | 69,926                           |
| Historical Homelessness Grant            | 742,431                        |                             | (143,268)                         | 599,163                          |
| Affordable Housing                       | 97,526                         |                             |                                   | 97,526                           |
| General Fund Balance                     | 1,385,852                      | 40,162                      |                                   | 1,426,014                        |
| Commercial Invest to Save                | 20,000                         |                             |                                   | 20,000                           |
| CLT Grant Applications                   | 20,000                         |                             |                                   | 20,000                           |
| Travellers' Sites                        | 0                              | 35,722                      |                                   | 35,722                           |
| Enterprise Zone NNDR                     | 1,234,540                      | 305,408                     | (83,249)                          | 1,456,699                        |
| Growth and Infrastructure Fund           | 2,522,015                      |                             |                                   | 2,522,015                        |
| Exceptional Hardship Fund                | 6,939                          |                             |                                   | 6,939                            |
| Community Transport                      | 125,281                        |                             |                                   | 125,281                          |
| Climate Change                           | 88,229                         |                             |                                   | 88,229                           |
| Other                                    |                                |                             |                                   |                                  |
| CIL                                      | 12,947,370                     | 400,000                     | (9,758,962)                       | 3,588,408                        |
| Section 106 Agreements                   | 4,722,039                      |                             | (500,000)                         | 4,222,039                        |
| Internal Borrowing                       | (10,197,185)                   | (5,454,653)                 | 3,190,300                         | (12,461,538)                     |
| <b>Total Reserves</b>                    | <b>24,813,113</b>              | <b>(3,242,199)</b>          | <b>(9,281,419)</b>                | <b>12,289,495</b>                |
| Total Reserves                           | 17,340,889                     | 1,812,454                   | (2,212,757)                       | 16,940,586                       |
| General Fund                             | 1,385,852                      | 40,162                      | 0                                 | 1,426,014                        |
| Earmarked Reserves                       | 15,955,037                     | 1,772,292                   | (2,212,757)                       | 15,514,572                       |
| CIL treated as Reserve for SoA           | 12,947,370                     | 400,000                     | (9,758,962)                       | 3,588,408                        |
| Reserve for SoA                          | 30,288,259                     | 2,212,454                   | (11,971,719)                      | 20,528,994                       |
| <b>Increase / (decrease) in Reserves</b> |                                |                             | <b>(9,759,265)</b>                |                                  |



# Treasury Management Update

## Quarterly Report

**31<sup>ST</sup> DECEMBER 2025**

# Contents

---

|  |           |
|--|-----------|
| 1. Economics update.....   | 3         |
| 2. Interest rate forecasts .....   | 5         |
| 3. Annual Investment Strategy.....   | 7         |
| 4. Borrowing .....   | 9         |
| 5. Compliance with Treasury and Prudential Limits .....  | 9         |
| <b>APPENDIX 1: Prudential and Treasury Indicators for 2025-26 as of 31<sup>st</sup><br/>December 2025.....</b> | <b>10</b> |

# Treasury Management Update

---

## Quarter Ended 31<sup>st</sup> December 2025

The CIPFA (Chartered Institute of Public Finance and Accountancy) Code of Practice for Treasury Management 2021 recommends that members be updated on treasury management activities at least quarterly. This report, therefore, ensures this Council is implementing best practice in accordance with the Code.

### 1. Economics update

- The third quarter of 2025/26 saw:
  - A -0.1% m/m change in real GDP in October, leaving the economy no bigger than at the start of April.
  - The 3m<sup>yy</sup> rate of average earnings growth excluding bonuses fall to 4.6% in October, having been as high as 5.5% earlier in the financial year.
  - CPI inflation fall sharply from 3.6% to 3.2% in November, with core CPI inflation easing to 3.2%.
  - The Bank of England cut interest rates from 4.00% to 3.75% in December, after holding in November.
  - The 10-year gilt yield fluctuate between 4.4% and 4.7%, ending the quarter at 4.5%.
- From a GDP perspective, the financial year got off to a bumpy start with the 0.3% m/m fall in real GDP in April as front-running of US tariffs in Q1 (when GDP grew 0.7% on the quarter) weighed on activity. Despite the underlying reasons for the drop, it was still the first fall since October 2024 and the largest fall since October 2023. However, the economy surprised to the upside in May and June so that quarterly growth ended up 0.3% q/q (subsequently revised down to 0.2% q/q). Nonetheless, the 0.0% m/m change in real GDP in July, followed by a 0.1% m/m increase in August and a 0.1% decrease in September will have caused some concern (0.1% q/q). October's disappointing -0.1% m/m change in real GDP suggests that growth slowed to around 1.4% in 2025 as a whole.
- Sticking with future economic sentiment, the composite Purchasing Manager Index (PMI) for the UK rose from 51.2 in November to 52.1 in December, suggesting the economy may be benefitting somewhat from pre-Budget uncertainty fading. This may also reflect a diminishing drag from weak overseas demand. While the services PMI rose from 51.3 to 52.1, the improvement in the manufacturing output balance from 50.3 to 51.8 was larger. Indeed, the manufacturing sector has been more exposed to the recent weakness of external demand and has lagged the services sector since the end of last year.
- Turning to retail sales volumes, and the 1.5% year-on-year rise in September, accelerating from a 0.7% increase in August, marked the highest gain since April. Nonetheless, the 0.1% m/m fall in retail sales volumes in November built on the 0.9% m/m drop in October, suggesting the longer-lasting effects of weak employment and slowing wage growth are impacting. Moreover, the decline in the GfK measure of consumer confidence from -17 in October to -19 in November suggests that consumers are not that optimistic at present.
- Prior to the November Budget, the public finances position looked weak. The £20.2 billion borrowed in September was slightly above the £20.1 billion forecast by the OBR. For the year to date, the £99.8 billion borrowed is the second highest for the April to September period since records began in 1993, surpassed only by borrowing during the COVID-19 pandemic. The main drivers of the increased borrowing were higher debt interest costs, rising government running costs, and increased inflation-linked benefit payments, which outweighed the rise in tax and National Insurance contributions.
- Following the 26 November Budget, the Office for Budget Responsibility (OBR) calculated the net tightening in fiscal policy as £11.7bn (0.3% of GDP) in 2029/30, smaller than the consensus forecast of £25bn. It did downgrade productivity growth by 0.3%, from 1.3% to 1.0%, but a lot of that influence was offset by upgrades to its near-term wage and inflation forecasts. Accordingly, the OBR judged the Chancellor was going to achieve her objectives with £4.2bn to spare. The Chancellor then chose to expand that headroom to £21.7bn, up from £9.9bn previously.

- Moreover, the Chancellor also chose to raise spending by a net £11.3bn in 2029/30. To pay for that and the increase in her headroom, she raised taxes by £26.1bn in 2029/30. The biggest revenue-raisers were the freeze in income tax thresholds from 2028/29 (+£7.8bn) and the rise in NICs on salary-sacrifice pension contributions (+£4.8bn). The increase in council tax for properties worth more than £2.0m will generate £0.4bn.
- After the Budget, public net sector borrowing of £11.7bn in November was comfortably below last November's figure of £13.6bn and was the lowest November borrowing figure since 2021, mainly due to tax receipts being £5.4bn higher, largely because of the hike in employer NICs in April 2025. Cumulative borrowing in the first eight months of 2025/26 was still £10bn above last year's total. However, lower inflation and a disposal of assets ahead of the Budget should mean borrowing in 2025/26 comes in below last year's total.
- The weakening in the jobs market looked clear in the spring. May's 109,000 m/m fall in the PAYE measure of employment was the largest decline (barring the pandemic) since the data began and the seventh in as many months. The monthly change was revised lower in five of the previous seven months too, with April's 33,000 fall revised down to a 55,000 drop. More recently, the 38,000 fall in payroll employment in November was the tenth monthly decline in the past 13 months, causing the annual growth rate to slow further, from -0.5% to -0.6%. The number of job vacancies in the three months to November 2025 stood at 729,000 (the peak was 1.3 million in spring 2022) but the less reliable Labour Force Survey data showed that employment fell by 16,000 in the three months to October, with the unemployment rate rising further, from 5.0% to 5.1%. All this suggests the labour market continues to loosen, albeit at a slow pace.
- A looser labour market is driving softer wage pressures. The 3mmy growth rate of average earnings including bonuses eased from 4.9% in September to 4.7% in October. And excluding bonuses, the 3myy rate slowed from 4.7% to 4.6%. Regular private sector pay growth continued to slow from 4.2% to 3.9%. That left it broadly on track to meet the Bank's end of December prediction of 3.5%.
- CPI inflation fell sharply in November, easing from 3.6% in October to 3.2%. This was the third consecutive softer-than-expected inflation outturn and suggests that disinflation is well underway. There was a widespread easing in price pressures with inflation slowing in 10 of the 12 main categories. Core inflation fell from 3.4% to 3.2% and services inflation dipped from 4.5% to 4.4%. However, a great deal will depend on the adjustments to regulated and indexed prices scheduled for next April. Capital Economics forecast CPI inflation to drop from 3.2% in March to 2.0% in April, thereby leaving inflation on track to settle at the 2.0% target, or below, by the end of 2026.
- An ever-present issue throughout recent months has been the pressure being exerted on medium and longer dated gilt yields. The yield on the 10-year gilt moved sideways in the second quarter of 2025, rising from 4.4% in early April to a high of c4.8%, before ending June at 4.50%,
- More recently, the yield on the 10-year gilt rose from 4.46% to 4.60% in early July as rolled-back spending cuts and uncertainty over Chancellor Reeves' future raised fiscal concerns. Although the spike proved short lived, it highlighted the UK's fragile fiscal position. In an era of high debt, high interest rates and low GDP growth, the markets are now more sensitive to fiscal risks than before the pandemic. During August, long-dated gilts underwent a particularly pronounced sell-off, climbing 22 basis points and reaching a 27-year high of 5.6% by the end of the month. While yields have since eased back, the market sell-off was driven by investor concerns over growing supply-demand imbalances, stemming from unease over the lack of fiscal consolidation and reduced demand from traditional long-dated bond purchasers like pension funds. For 10-year gilts, by late September, sticky inflation, resilient activity data and a hawkish Bank of England kept yields elevated over 4.70% although, subsequently, gilt yields fell back after the Budget, supported by a tighter fiscal plan, fewer tax hikes required following a smaller-than-expected downgrade to the OBR's fiscal forecast, and a favourable shift in bond issuance away from long-dated debt. Gilt yields hovered around 4.5% at the end of the quarter.
- The FTSE 100 fell sharply following the "Liberation Day" tariff announcement, dropping by more than 10% in the first week of April - from 8,634 on 1 April to 7,702 on 7 April. However, the de-escalation of the trade war coupled with strong corporate earnings led to a rapid rebound starting in late April. As a result, the FTSE 100 ended June at 8,761, around 2% higher than its value at the end of March and more than 7% above its level at the start of 2025. Since then, the FTSE 100 has enjoyed a further significant jump in value. The stock market hit new record highs above 9,900 in Mid-November, driven by a global rebound on hopes of a US government-shutdown resolution, expectations of a December

rate-cut, and strong corporate earnings. Despite some jitters around Budget time, the FTSE 100 closed Q4 at 9,931, 5% higher than at the end of September and 22% higher since the start of 2025.

#### **MPC meetings: 8 May, 19 June, 7 August, 18 September, 6 November, 18 December 2025**

- There were six Monetary Policy Committee (MPC) meetings held between April and December. In May, the Committee cut Bank Rate from 4.50% to 4.25%, while in June policy was left unchanged. In June's vote, three MPC members (Dhingra, Ramsden and Taylor) voted for an immediate cut to 4.00%, citing loosening labour market conditions. The other six members were more cautious, as they highlighted the need to monitor for "signs of weak demand", "supply-side constraints" and higher "inflation expectations", mainly from rising food prices. By repeating the well-used phrase "gradual and careful", the MPC continued to suggest that rates would be reduced further.
- In August, a further rate cut was implemented. However, a 5-4 split vote for a rate cut to 4% laid bare the different views within the Monetary Policy Committee, with the accompanying commentary noting the decision was "finely balanced" and reiterating that future rate cuts would be undertaken "gradually and carefully". Ultimately, Governor Bailey was the casting vote for a rate cut but with the CPI measure of inflation expected to reach at least 4% later this year, the MPC was wary of making any further rate cuts until inflation begins its slow downwards trajectory back towards 2%.
- With wages still rising by just below 5%, it was no surprise that the September meeting saw the MPC vote 7-2 for keeping rates at 4% (Dhingra and Taylor voted for a further 25bps reduction). Moreover, the Bank also took the opportunity to announce that they would only shrink its balance sheet by £70bn over the next 12 months, rather than £100bn. The repetition of the phrase that "a gradual and careful" approach to rate cuts is appropriate suggested the Bank still thought interest rates will fall further.
- At the 6 November meeting, Governor Bailey was once again the deciding vote, keeping Bank Rate at 4% but hinting strongly that a further rate cut was imminent if data supported such a move. By 18 December, with November CPI inflation having fallen to 3.2%, and with Q2 GDP revised down from 0.3% q/q to only 0.2% q/q, and Q3 GDP stalling at 0.1%, the MPC voted by 5-4 to cut rates further to 3.75%. However, Governor Bailey made it clear that any further reductions would require strong supporting data, and the pace of any further decreases would be slow compared to recent months. The markets expect Bank Rate to next be cut in April.

## **2. Interest rate forecasts**

The Council has appointed MUFG Corporate Markets as its treasury advisor and part of their service is to assist the Council to formulate a view on interest rates. MUFG Corporate Markets provided the following forecasts and commentary on 22 December 2025. These are forecasts for Bank Rate, average earnings and PWLB certainty rates, gilt yields plus 80 bps.

| MUFG Corporate Markets Interest Rate View 22.12.25 |        |        |        |        |        |        |        |        |        |        |        |        |        |
|--|--------|--------|--------|--------|--------|--------|--------|--------|--------|--------|--------|--------|--------|
|  | Mar-26 | Jun-26 | Sep-26 | Dec-26 | Mar-27 | Jun-27 | Sep-27 | Dec-27 | Mar-28 | Jun-28 | Sep-28 | Dec-28 | Mar-29 |
| <b>BANK RATE</b>                                   | 3.75   | 3.50   | 3.50   | 3.25   | 3.25   | 3.25   | 3.25   | 3.25   | 3.25   | 3.25   | 3.25   | 3.25   | 3.25   |
| <b>3 month ave earnings</b>                        | 3.80   | 3.50   | 3.50   | 3.30   | 3.30   | 3.30   | 3.30   | 3.30   | 3.30   | 3.30   | 3.30   | 3.30   | 3.30   |
| <b>6 month ave earnings</b>                        | 3.80   | 3.50   | 3.50   | 3.40   | 3.30   | 3.30   | 3.30   | 3.40   | 3.40   | 3.40   | 3.40   | 3.40   | 3.40   |
| <b>12 month ave earnings</b>                       | 3.90   | 3.60   | 3.60   | 3.50   | 3.40   | 3.50   | 3.50   | 3.50   | 3.50   | 3.50   | 3.60   | 3.60   | 3.60   |
| <b>5 yr PWLB</b>                                   | 4.60   | 4.50   | 4.30   | 4.20   | 4.10   | 4.10   | 4.10   | 4.10   | 4.10   | 4.10   | 4.10   | 4.10   | 4.10   |
| <b>10 yr PWLB</b>                                  | 5.20   | 5.00   | 4.90   | 4.80   | 4.80   | 4.70   | 4.70   | 4.70   | 4.70   | 4.60   | 4.60   | 4.60   | 4.70   |
| <b>25 yr PWLB</b>                                  | 5.80   | 5.70   | 5.60   | 5.50   | 5.50   | 5.40   | 5.30   | 5.30   | 5.20   | 5.20   | 5.20   | 5.20   | 5.20   |
| <b>50 yr PWLB</b>                                  | 5.60   | 5.50   | 5.40   | 5.30   | 5.30   | 5.20   | 5.10   | 5.10   | 5.10   | 5.00   | 5.10   | 5.00   | 5.00   |

- Our last interest rate forecast update was undertaken on 11 August. Since then, a combination of tepid growth (0.2% q/q GDP for Q2 and 0.1% q/q GDP for Q3), falling inflation (currently CPI is 3.2%), and a November Budget that will place more pressure on the majority of households' income, has provided an opportunity for the Bank of England's Monetary Policy Committee to further reduce Bank Rate from 4% to 3.75% on 18 December.
- Surprisingly, to most market commentators, the recent steep fall in CPI inflation in one month from 3.6% to 3.2% did not persuade most "dissenters" from the November vote (Lombardelli, Greene, Mann and Pill) to switch to the rate-cutting side of the Committee. Instead, it was left to Bank Governor, Andrew Bailey, to use his deciding vote to force a rate cut through by the slimmest of margins, 5-4.

- Given the wafer-thin majority for a rate cut it was not unexpected to hear that although rates would continue on a “gradual downward path”, suggesting a further rate cut or cuts in the offing, MPC members want to assess incoming evidence on labour market activity and wage growth. Indeed, with annual wage growth still over 4.5%, the MPC reiterated that the case for further rate cuts would be “a closer call”, and Governor Bailey observed there is “limited space as Bank Rate approaches a neutral level”.
- Accordingly, the MUFG Corporate Markets forecast has been revised to price in a rate cut in Q2 2026 to 3.5%, likely to take place in the wake of a significant fall in the CPI inflation reading from 3% in March to 2% in April (as forecast by Capital Economics), followed by a short lull through the summer whilst more data is garnered, and then a further rate cut to 3.25% in Q4.
- As in August, nonetheless, threats to that central scenario abound. What if wage increases remain stubbornly high? There are, after all, several sectors of the domestic economy, including social care provision and the building/construction industries, where staff shortages remain severe. Moreover, by May 2026, following the local elections, we will have a better handle on whether or not the Starmer/Reeves team is going to see out the current Parliament or whether they face a Leadership challenge from within their own party. If so, how will gilt markets react to these variables...and will there be additional geo-political factors to also bake in, particularly the Fed’s monetary policy decisions in 2026 and the ongoing battle to lower rates whilst inflation remains close to 3%.
- Accordingly, our updated central forecast is made with several hefty caveats. We are confident, as we have been for some time, that our forecast for Bank Rate and the 5-year PWLB Certainty Rate is robust, and we have marginally brought forward the timing of the next rate cut(s). But for the 10-, 25- and 50-years part of the curve, the level of gilt issuance, and the timing of its placement, will be integral to achieving a benign trading environment. That is not a “given”, and additionally, the inflation outlook and political factors domestically and, crucially, in the US, are also likely to hold sway. Matters should be clearer by June in the UK, but the US mid-term elections are scheduled for November.
- Our revised PWLB rate forecasts are based on the Certainty Rate (the standard rate minus 20 bps) which has been accessible to most authorities since 1 November 2012. Please note, the lower Housing Revenue Account (HRA) PWLB rate started on 15 June 2023 for those authorities with an HRA (standard rate minus 60 bps) and is set to prevail until at least the end of March 2026. Hopefully, there will be a further extension to this discounted rate announced in January.
- Money market yield forecasts are based on expected average earnings by local authorities for 3 to 12 months.

### Gilt yields and PWLB rates

The overall longer-run trend is for gilt yields and PWLB rates to fall back over the timeline of our forecasts, but the risks to our forecasts are generally to the upsides. Our target borrowing rates are set **two years forward** (as we expect rates to fall back) and the current PWLB (certainty) borrowing rates are set out below: -

| PWLB borrowing | Current borrowing rates as at 22.12.25 p.m.<br>% | Target borrowing rate now (end of Q4 2027)<br>% | Target borrowing rate previous (end of Q4 2027)<br>% |
|----------------|--|---|--|
| 5 years        | 4.81   | 4.10  | 4.20   |
| 10 years       | 5.39   | 4.70  | 4.70   |
| 25 years       | 6.01   | 5.30  | 5.30   |
| 50 years       | 5.78   | 5.10  | 5.10   |

**Borrowing advice:** Our long-term (beyond 10 years) forecast for the neutral level of Bank Rate remains at 3.5%. As all PWLB certainty rates are still above this level, borrowing strategies will need to be reviewed in that context. Overall, better value can be obtained at the shorter end of the curve (<5 years PWLB maturity/<10 years PWLB EIP) and short-dated fixed LA to LA monies should also be considered. Temporary borrowing rates will, generally, fall in line with Bank Rate cuts.

Our suggested **budgeted earnings rates for investments** up to about three months' duration in each financial year are set out below.

| Average earnings in each year | Now  | Previously |
|-------------------------------|------|------------|
|                               | %    | %          |
| <b>2025/26 (residual)</b>     | 3.80 | 3.90       |
| <b>2026/27</b>                | 3.40 | 3.60       |
| <b>2027/28</b>                | 3.30 | 3.30       |
| <b>2028/29</b>                | 3.30 | 3.50       |
| <b>2029/30</b>                | 3.50 | 3.50       |
| <b>Years 6-10</b>             | 3.50 | 3.50       |
| <b>Years 10+</b>              | 3.50 | 3.50       |

We will continue to monitor economic and market developments as they unfold. Typically, we formally review our forecasts following the quarterly release of the Bank of England's Monetary Policy Report but will consider our position on an ad-hoc basis as required.

Our interest rate forecast for Bank Rate is in steps of 25 bps, whereas PWLB forecasts have been rounded to the nearest 10 bps and are central forecasts within bands of + / - 25 bps. Naturally, we continue to monitor events and will update our forecasts as and when appropriate.

### 3. Annual Investment Strategy

The Treasury Management Strategy Statement (TMSS) for 2025/26, which includes the Annual Investment Strategy, was approved by the Council on 25<sup>th</sup> February 2025. In accordance with the CIPFA Treasury Management Code of Practice, it sets out the Council's investment priorities as being:

- Security of capital
- Liquidity
- Yield

The Council will aim to achieve the optimum return (yield) on its investments commensurate with proper levels of security and liquidity, aligned with the Council's risk appetite. In the current economic climate, over and above keeping investments short-term to cover cash flow needs, there is a benefit to seeking out value available in periods up to 12 months with high credit rated financial institutions, using the MUFG Corporate Markets suggested creditworthiness approach, including a minimum sovereign credit rating and Credit Default Swap (CDS) overlay information.

As shown by the charts below and the interest rate forecasts in section 2, investment rates have started to taper downwards during the final quarter of 2025 and are expected to fall back further if inflation falls through 2026 and the MPC loosens monetary policy further.

#### Creditworthiness.

There have been few changes to credit ratings over the quarter under review. However, officers continue to closely monitor these, and other measures of creditworthiness to ensure that only appropriate counterparties are considered for investment purposes.

#### Investment counterparty criteria

The current investment counterparty criteria selection approved in the TMSS is meeting the requirement of the treasury management function OR *insert any changes to the criteria you wish to make, with supporting criteria.*

#### CDS prices

For UK and international banks, these have remained low, and prices are not misaligned with other creditworthiness indicators, such as credit ratings. Nevertheless, it remains important to undertake continual monitoring of all aspects of risk and return.

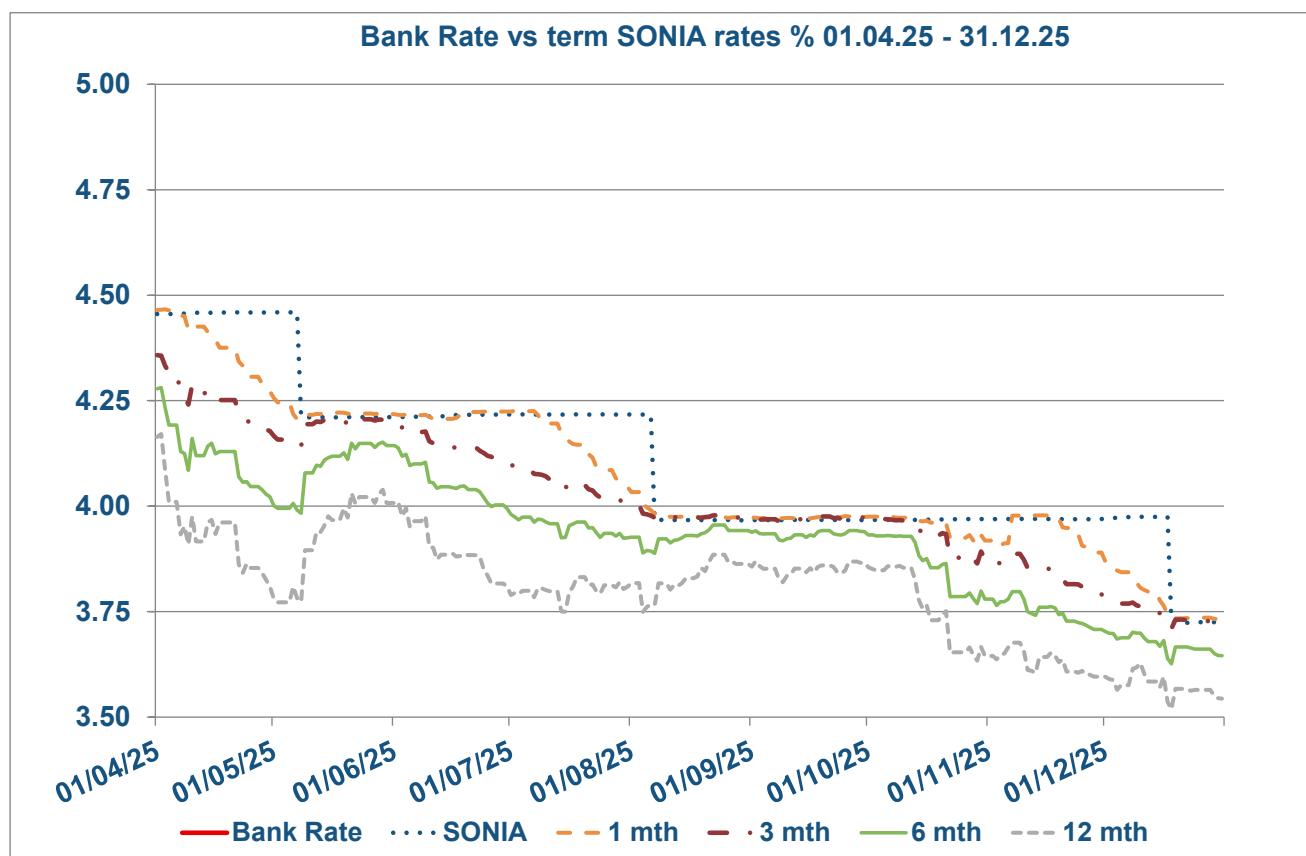
## Investment balances

The average level of funds available for investment purposes varied during the quarter/year. These funds were available on a temporary basis, and the level of funds available was mainly dependent on the timing of Council Tax and Business rate receipts, precept payments, receipt of grants and progress on the capital programme.

*As highlighted previously, we are now using the Sterling Overnight Index Averages. There is a choice of using the forward looking (term) benchmarks and the backward-looking benchmarks.*

*The forward-looking benchmark reflects where the market has moved to over time, whereas the backward-looking benchmark reflects where the market was positioned when investments were placed.*

## Investment performance 01.04.25 to 31.12.25



## FINANCIAL YEAR TO QUARTER ENDED 31.12.25

|                  | SONIA      | 1 mth      | 3 mth      | 6 mth      | 12 mth     |
|------------------|------------|------------|------------|------------|------------|
| <b>High</b>      | 4.46       | 4.47       | 4.36       | 4.28       | 4.17       |
| <b>High Date</b> | 07/05/2025 | 03/04/2025 | 01/04/2025 | 02/04/2025 | 02/04/2025 |
| <b>Low</b>       | 3.72       | 3.73       | 3.71       | 3.63       | 3.52       |
| <b>Low Date</b>  | 22/12/2025 | 29/12/2025 | 18/12/2025 | 18/12/2025 | 18/12/2025 |
| <b>Average</b>   | 4.10       | 4.07       | 4.01       | 3.93       | 3.80       |
| <b>Spread</b>    | 0.74       | 0.73       | 0.65       | 0.66       | 0.65       |

The Council's budgeted investment return for 2025/26 is £0.929 million, and performance for the year to date is £1.284 million above budget. We therefore now forecasting a yearend surplus on Treasury Investment of £471,279. The main reasons are efficient treasury management and interest rates staying higher for longer than prudently forecast.

### Approved limits

Officers can confirm that the approved limits within the Annual Investment Strategy were not breached during the quarter ended 31<sup>st</sup> December 2025.

| Investments              | Amount             | Interest Rate % |
|--------------------------|--------------------|-----------------|
| MMF Aberdeen             | £5,000,000         | 3.91            |
| MMF Insight              | £5,000,000         | 3.89            |
| LGIM                     | £4,450,000         | 3.88            |
| Standard Chartered       | £6,000,000         | 3.96            |
| Lloyds Bank              | £5,000,000         | 4.25            |
| National Bank Kuwait PLC | £6,000,000         | 4.02            |
| SMBC                     | £6,000,000         | 4.10            |
| NatWest (RFB)            | £266,954           | 2.75            |
| <b>Total</b>             | <b>£37,716,954</b> |                 |

\* National Bank of Kuwait is a UK domicile bank.

## 4. Borrowing

No external borrowing has been undertaken during the first three quarters of 2025/26 and further, it is anticipated that no external borrowing will be undertaken during the remainder of the financial year.

## 5. Compliance with Treasury and Prudential Limits

The prudential and treasury Indicators are shown in Appendix 1.

It is a statutory duty for the Council to determine and keep under review the affordable borrowing limits. During the *quarter ended* 31<sup>st</sup> December 2025, the Council has operated within the treasury and prudential indicators set out in the Council's Treasury Management Strategy Statement for 2025/26. The Director of Finance reports that no difficulties are envisaged for the current or future years in complying with these indicators.

All treasury management operations have also been conducted in full compliance with the Council's Treasury Management Practices. *Alternatively provide details if there have been any breaches of indicators, other limits or procedures as specified in the TMPs.*

## PPENDIX 1: Prudential and Treasury Indicators for 2025-26 as of 31<sup>st</sup> December 2025

---

| Treasury Indicators                    | Actual<br>31 <sup>st</sup> March 2025<br>£'000 | Actual<br>31 <sup>st</sup> December 2025<br>£'000 |
|--|--|---|
| Authorised limit for external debt     | 10,000   | 8,000   |
| Operational boundary for external debt | 0  | 0   |
| Gross external debt                    | 0  | 0   |
| Investments                            | 32,288   | 37,727  |
| Net borrowing                          | 32,288   | 37,727  |

| Prudential Indicators                                   | Budget<br>2025/26<br>£'000 | Yearend Forecast<br>as at 31.12.2025<br>£'000 |
|---|----------------------------|---|
| Capital Financing Requirement (CFR) - Brought Forward   | 10,277                     | 10,197  |
| Capital Expenditure Funded by borrowing                 | 3,350                      | 5,455   |
| Minimum Revenue Provision & Repayment of Loan from ECTC | -2,586                     | -3,190  |
| Net movement in CFR                                     | 764                        | 2,265   |
| Capital Financing Requirement (CFR)- Carried Forward    | 11,041                     | 12,462  |

---

**TITLE: The Hive Leisure Centre Contract**

Committee: Finance and Assets Committee

Date: 29 January 2026

Author: Director Community

Report number: AA136

Contact officer: Sally Bonnett, Director Community, [sally.bonnett@eastcambs.gov.uk](mailto:sally.bonnett@eastcambs.gov.uk), 01353 616451, room 105, The Grange, Ely

**1.0 Issue**

- 1.1. To consider exercising the contract extension clause in the Leisure Management Agreement for The Hive Leisure Centre.

**2.0 Recommendations**

- 2.1. Members are requested to:
  - i) Approve the extension of the Leisure Management Agreement for The Hive Leisure Centre.
  - ii) Instruct the Director Community and Director Legal to amend the contract end date to 1 May 2035.

**3.0 Background/Options**

- 3.1. In June 2016 Council appointed GLL as the operator to manage the Hive District Leisure Centre, following a competitive tender process.
- 3.2. The length of the contract awarded, which commenced in May 2018, was 12 years with an optional extension of up to 5 years.
- 3.3. GLL have requested that the contract be extended by 5 years and that the end date be amended to 1 May 2035.

**4.0 Arguments/Conclusions**

- 4.1. There are both advantages and disadvantages to extending the current leisure management contract at this stage, rather than waiting until closer to the contract expiry. However, on balance, an early extension is considered to offer the most strategic and operational benefits.
- 4.2. While extending the contract now means forgoing the opportunity to test the market for potentially improved management fees or alternative service offers, doing so will ensure continuity and stability for the Council and the operator and guarantee uninterrupted service delivery users of The Hive Leisure Centre.
- 4.3. The proposed extension secures a guaranteed income for the Council for a further five years. When the existing contract was awarded, market conditions were

favourable, resulting in a higher than average management fee. Since then, the leisure market has become more challenging due to a rise in low-cost, 24 hour gyms, bootcamps and other alternative leisure provision, and the ongoing cost of living crisis. Additionally, the Hive will be a 12 year old facility and is therefore less likely to command the same level of management fee when the Council re-tender the contract. Details of the management fee can be found in EXEMPT appendix 1.

- 4.4. Officers have sought an independent assessment of the future management fee and this can be found in EXEMPT appendix 2.
- 4.5. GLL has demonstrated a strong track record of performance, with consistently high levels of customer satisfaction and a positive working relationship with the Council. This is evidenced in their recent Quest Report overall score of Very Good.
- 4.6. Quest is an accreditation and continuous improvement tool for leisure facilities, developed by Sport England and delivered by Right Directions. The Quest assessment provides a framework that evaluates the management, operations and programming of Leisure centres are assessed on their operational excellence across various areas like health and safety, customer service, and facility maintenance, with the aim of achieving nationally recognized quality standards. Achieving Quest accreditation demonstrates a commitment to quality and provides a detailed report on the facility's performance. The Hive Quest report summary can be found at EXEMPT Appendix 3.
- 4.7. GLL are also proactive in developing programming and supporting local clubs, physical activity providers and health development programmes. Performance standards and measures are clearly set out in the existing contract, along with appropriate mechanisms to address any issues of underperformance should they arise.
- 4.8. Extending the contract at this stage also avoids the legal and administrative costs associated with a full procurement process and eliminates the risk of being unable to appoint a suitable alternative operator or securing a less favourable financial outcome.
- 4.9. Early extension of the contract provides financial certainty, reduces risk, and supports ongoing service quality for residents and approval is therefore recommended.

## 5.0 Additional Implications Assessment

- 5.1 In the table below, please put Yes or No in each box:

| Financial Implications<br>NO           | Legal Implications<br>YES            | Human Resources (HR) Implications<br>NO        |
|--|--------------------------------------|--|
| Equality Impact Assessment (EIA)<br>NO | Carbon Impact Assessment (CIA)<br>NO | Data Protection Impact Assessment (DPIA)<br>NO |

- 5.2. Legal implications: If the extension is approved, the contract with GLL will need amending.
- 5.3. Carbon Impact Assessment: The building is managed and operated by GLL, therefore any emissions arising from the building are accounted for by GLL, not the council.

## **6.0 Appendices**

Appendix 1: EXEMPT The Hive Management Fee Profile

Appendix 2: EXEMPT Independent Assessment of Management Fee

Appendix 3: EXEMPT The Hive Quest Report Summary September 2025

## **7.0 Background documents**

Minutes of Full Council meeting held 28 June 2016



**TITLE:** **Outside Bodies Update**

Committee: Finance & Assets Committee

Date: 29 January 2026

Author: Democratic Services and Elections Manager & Deputy Monitoring Officer

Report No: AA137

Contact officer: Jane Webb, Democratic Services and Elections Manager & Deputy Monitoring Officer

[jane.webb@eastcambs.gov.uk](mailto:jane.webb@eastcambs.gov.uk), 01353 616278, Room No. 214B, The Grange, Ely

## **1.0 ISSUES**

- 1.1. To appoint a representative to the Waterbeach Internal Drainage Board following the resignation of the ECDC representative, Mr David Chaplin.

## **2.0 RECOMMENDATION**

- 2.1. That the appointment of Cllr Lucius Vellacott or Cllr Lee Denney as the new representative for the Waterbeach Internal Drainage Board for the remainder of the current term, May 2027, be noted.

## **3.0 BACKGROUND**

- 3.1. East Cambridgeshire District Council maintains crucial representation on various IDBs, including the Waterbeach Level IDB, to ensure effective water management and flood prevention within the district.
- 3.2. David Chaplin has served continuously as the ECDC representative for the Waterbeach Level IDB for an extensive period, contributing significant institutional knowledge and expertise.

- He previously held the ECDC representative role in 2022 and was formally re-appointed at the Finance & Assets Committee meeting held on June 23, 2022.
- His most recent appointment was confirmed at the Finance & Assets Committee meeting on January 25, 2024, covering the current term.

- 3.3. David Chaplin has formally notified the Council of his intention to stand down from this representative role effective from 1 January 2026. The Council wishes to express its gratitude for his long-standing service to both the Council and the Waterbeach Level IDB.

- 3.4. This creates a vacancy that requires immediate attention to ensure ECDC maintains its vital representation on the Board.

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

| Financial Implications           | Legal Implications             | Human Resources (HR) Implications        |
|----------------------------------|--------------------------------|--|
| None                             | None                           | None                                     |
| Equality Impact Assessment (EIA) | Carbon Impact Assessment (CIA) | Data Protection Impact Assessment (DPIA) |
| Not required                     | Not required                   | Not required                             |

## 5.0 APPENDICES

None

## 6.0 BACKGROUND DOCUMENTS

[Finance & Assets Committee - Decision List - 23 June 2022](#)

[Finance & Assets Committee - Decision List - 30 January 2024](#)

**LEAD OFFICER: Sally Bonnett, Director Community Democratic Services and Elections Manager & Deputy Monitoring Officer: Jane Webb**

| <b>Thurs 26 March 2026</b>  | <b>4:30pm</b>                     |
|---|-----------------------------------|
| Chair's Announcements   | Chair                             |
| Service Delivery Plans 2026/27  | Service Leads                     |
| Write-Off of Unrecoverable Debt (if any)                                | Director Finance and S151 Officer |
| Assets Update   | Open Spaces & Facilities Manager  |
| Assets Management Plan 2026/27  | Open Spaces & Facilities Manager  |
| Annual Review RIPA Policies   | Director Legal                    |
| ECTC Annual Business Plan 2026/27                                       | ECTC Finance Manager              |
| ECTC Management Accounts  | ECTC Finance Manager              |
| Actions Taken by the Chief Executive on the grounds of Urgency (if any) | DSO                               |
| Forward Agenda Plan   | DSO                               |

**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.

