Classification: Part 1 – Public
Key Decision: No

Gravesham Borough Council

Report to:	Finance and Audit Committee
Date:	14 November 2018
Reporting officer:	Stuart Bobby – Director (Corporate Services)
Subject:	Treasury Management Mid-Year Review 2018/19

PURPOSE AND SUMMARY OF REPORT:

To provide a mid-year review update report to Members of the Finance and Audit Committee on treasury management activity undertaken during the period April to September 2018.

RECOMMENDATIONS

1) The Finance and Audit Committee note the report.

2) The Finance and Audit Committee recommends to Full Council that the revised estimates against the prudential and treasury indicators are endorsed.

1. INTRODUCTION

1.1 This report has been written in accordance with the requirements of the Chartered Institute of Public Finance and Accountancy (CIPFA) Code of Practice on Treasury Management (revised 2017).

1.2 The primary requirements of the Code are as follows:

- Creation and maintenance of a Treasury Management Policy Statement which sets out the policies and objectives of the Council's treasury management activities.

- Creation and maintenance of Treasury Management Practices which set out the manner in which the Council will seek to achieve those policies and objectives.

- Receipt by the Full Council of an annual Treasury Management Strategy Statement - including the Annual Investment Strategy and Minimum Revenue Provision Policy - for the year ahead, a **Mid-year Review Report** and an Annual Report (stewardship report) covering activities during the previous year.

- Delegation by the Council of responsibilities for implementing and monitoring treasury management policies and practices and for the execution and administration of treasury management decisions.

- Delegation by the Council of the role of scrutiny of treasury management strategy and policies to a specific named body. For this Council the delegated body is the Finance and Audit Committee.

1.3 This mid-year report has been prepared in compliance with CIPFA's Code of Practice on Treasury Management, and covers the following:

- An economic update for the first half of the 2018/19 financial year;
- A review of the Treasury Management Strategy Statement and Annual Investment Strategy;
- The Council's capital expenditure (prudential indicators);
- A review of the Council's investment portfolio for 2018/19;
- A review of the Council's borrowing strategy for 2018/19;
- A review of any debt rescheduling undertaken during 2018/19;
- A review of compliance with Treasury and Prudential Limits for 2018/19.

2. NEW CODES AND GUIDANCE

2.1 In December 2017, the Chartered Institute of Public Finance and Accountancy, (CIPFA), issued revised Prudential and Treasury Management Codes. The previous Codes were updated some eight years ago and heavily focused on investments with financial institutions. Changes to the economic and regulatory landscape have resulted in local authority's considering different and more innovative investment options; as a result the prudential framework, including the codes to support the framework, has been updated.

2.2 As from 2019/20, all local authorities will be required to prepare a Capital Strategy which is intended to provide the following:-

- a high-level 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

2.3 A report setting out the Capital Strategy will be taken to Finance and Audit Committee alongside the Treasury Management Strategy Statement for 2019/20 and then onto full council for formal adoption.

2.4 The Treasury Management Strategy Statement for 2019/20 will reflect the requirements of CIPFA's Code of Practice on Treasury Management 2017 which includes changes to the Prudential Indicators and updated MRP guidance.

3. ECONOMIC BACKGROUND

3.1 The following economic performance update has been provided by Capita Asset Services – Treasury Solutions.

3.2 The UK economic growth in the first half of 2018/19 has been modest but sufficiently robust for the Monetary Policy Committee, (MPC), to unanimously (9-0) vote to increase **Bank Rate** on 2 August from 0.5% to 0.75%. Although growth looks as if it will only be modest at around 1.5% in 2018, the Bank of England's August Quarterly Inflation Report forecast that growth will pick up to 1.8% in 2019, albeit there were several caveats – mainly related to whether or not the UK achieves an orderly withdrawal from the European Union in March 2019.

3.3 Some MPC members have expressed concerns about a build-up of **inflationary pressures**, particularly with the pound falling in value again against both the US dollar and the Euro. The Consumer Price Index (CPI) measure of inflation rose unexpectedly from 2.4% in June to 2.7% in August due to increases in volatile components, but is expected to fall back to the 2% inflation target over the next two years given a scenario of minimal increases in Bank Rate. The MPC has indicated Bank Rate would need to be in the region of 1.5% by March 2021 for inflation to stay on track. Financial markets are currently pricing in the next increase in Bank Rate for the second half of 2019.

3.4 Unemployment has continued at a 43 year low of 4% on the Independent Labour Organisation measure. A combination of job vacancies hitting an all-time high in July, together with negligible growth in total employment numbers, indicates that employers are now having major difficulties filling job vacancies with suitable staff. It was therefore unsurprising that wage inflation picked up to 2.9%, (3 month average regular pay, excluding bonuses) and to a one month figure in July of 3.1%. This meant that in real terms, (i.e. wage rates higher than CPI inflation), earnings grew by about 0.4%, near to the joint high of 0.5% since 2009. Given the UK economy is very much services sector driven, an increase in household spending power is likely to feed through into providing some support to the overall rate of economic growth in the coming months. This tends to confirm that the MPC were right to start on a cautious increase in Bank Rate in August as it views wage inflation in excess of 3% as increasing inflationary pressures within the UK economy. However, the MPC will need to tread cautiously before increasing Bank Rate again, especially given all the uncertainties around Brexit.

3.5 There is a risk that the current Conservative minority government may be unable to muster a majority in the Commons over Brexit. However, our central position is that Prime Minister May's government will endure, despite various setbacks, along the route to Brexit in March 2019. If, however, the UK faces a general election in the next 12 months, this could result in a potential loosening of monetary policy and therefore medium to longer dated gilt yields could rise on the expectation of a weak pound and concerns around inflation picking up.

4. INTEREST RATE FORECASTS

4.1 The Council's treasury advisor, Link Asset Services, has provided the following interest rate forecast:

Link Asset Services Interest Rate View											
	Sep-18	Dec-18	Mar-19	Jun-19	Sep-19	Dec-19	Mar-20	Jun-20	Sep-20	Dec-20	Mar-21
Bank Rate View	0.75%	0.75%	0.75%	0.75%	1.00%	1.00%	1.00%	1.25%	1.25%	1.50%	1.50%
3 Month LIBID	0.75%	0.80%	0.80%	0.90%	1.10%	1.10%	1.20%	1.40%	1.50%	1.60%	1.60%
6 Month LIBID	0.85%	0.90%	0.90%	1.00%	1.20%	1.20%	1.30%	1.50%	1.60%	1.70%	1.70%
12 Month LIBID	1.00%	1.00%	1.00%	1.10%	1.30%	1.30%	1.40%	1.60%	1.70%	1.80%	1.80%
5yr PWLB Rate	2.00%	2.00%	2.10%	2.20%	2.20%	2.30%	2.30%	2.40%	2.50%	2.50%	2.60%
10yr PWLB Rate	2.40%	2.50%	2.50%	2.60%	2.70%	2.70%	2.80%	2.90%	2.90%	3.00%	3.10%
25yr PWLB Rate	2.80%	2.90%	3.00%	3.10%	3.10%	3.20%	3.30%	3.30%	3.40%	3.50%	3.50%
50yr PWLB Rate	2.60%	2.70%	2.80%	2.90%	2.90%	3.00%	3.10%	3.10%	3.20%	3.30%	3.30%

4.2 The flow of generally positive economic statistics after 30 June meant that it came as no surprise that the MPC increased Bank Rate above 0.5% since the financial crash, to 0.75% in August. However, the MPC emphasised again, that future Bank

Rate increases would be gradual and would rise to a much lower equilibrium rate, (where monetary policy is neither expansionary of contractionary), than before the crash; indeed they gave a figure for this of around 2.5% in ten years' time but they declined to give a medium term forecast. It is thought that the MPC will not increase Bank Rate in February 2019, ahead of the deadline in March for Brexit. It is also thought that the MPC is more likely to wait until August 2019, than May 2019, before the next increase, to be followed by further increases of 0.25% in May and November 2020 to reach 1.5%. However, the cautious pace of even these limited increases is dependent on a reasonably orderly Brexit.

4.3 The overall balance of risks to economic recovery in the UK is probably neutral.

4.4 Downside risks to current forecasts for UK gilt yields and PWLB rates currently include:

- Bank of England monetary policy takes action too quickly over the next three years to raise Bank Rate and causes the UK economic growth, and increases in inflation, to be weaker than currently anticipated.
- A resurgence of the Eurozone sovereign debt crises.
- Austria, the Czech Republic and Hungary now form a strong anti-immigration bloc within the EU and Italy has recently elected a strong anti-immigration government. The rise of anti-immigration parties in Germany and Sweden as well all potentially put considerable pressure on the cohesion of the EU and could spill over into impacting the euro, EU financial policy and financial markets.
- The imposition of trade tariffs by the US could negatively impact world growth.
- Weal capitalisation of some European banks.
- Rising interest rates in the US could negatively impact emerging countries which have borrowed heavily in dollar denominated debt.
- Geopolitical risks, especially North Korea but also in Europe and the Middle East, which could lead to increasing safe haven flows.

4.5 The potential for upside risks to current forecasts for UK gilt yields and PWLB rates,:-

- The US fiscal plans to stimulate economic expansion causing a significant increase in inflation in the US and causing further sell offs of government bonds in major western countries.
- The Fed causing a sudden shock in financial markets through misjudging pace and strength of increases in the pace and strength of reversal of QE.
- The Bank of England is too slow in its pace and strength of increases in Bank Rate and, therefore, allows inflation pressures to build up too strongly within the UK economy, which then necessitates a later rapid series of increases in Bank Rate faster than we currently expect.
- UK inflation, whether domestically generated or imported, returning to sustained significantly higher levels causing an increase in the inflation premium inherent to gilt yields.

5. TREASURY MANAGEMENT STRATEGY STATEMENT AND ANNUAL INVESTMENT STRATEGY UPDATE

5.1 The Treasury Management Strategy Statement (TMSS) and Annual Investment Strategy (AIS) for 2018/19 were approved by Council on 6 March 2018. There are no policy changes to the TMSS; the details in this report update the position in the light of the updated economic position and budgetary changes already approved.

6. THE COUNCIL'S CAPITAL POSITION (PRUDENTIAL INDICATORS)

6.1 This part of the report is structured to update:

- The Council's capital expenditure plans;
- How these plans are being financed
- The impact of changes in the capital expenditure plans on the prudential indicators and the underlying need to borrow; and
- Compliance with the limits in place for borrowing activity.

Prudential Indicator for Capital Expenditure - The table below shows the revised estimates for capital expenditure and the changes since the capital programme was agreed by Council as part of the budget. This increase is attributable to the rolled forward allocations from 2017/18, as presented to Cabinet in September 2018 and new schemes for 2018/19.

Capital Expenditure	2018/19 Original Estimate £m	2018/19 Current Position £m	2018/19 Revised Estimated £m
Non HRA	8.054	9.645	22.052
HRA	13.152	9.137	13.383
Total	21.206	18.782	35.435

6.2 The general fund capital programme for 2018/19 totals £31.814m. However, this includes £14.243m for the Heritage Quarter – St George's Centre development. The figures in the table above assume that only £3.1m of this will be spent in 2018/19 with the remaining £11.143m being spent in 2019/20 and 2020/21.

6.3 **Prudential Indicator for the Financing of the Capital Programme** - The table below draws together the main strategy elements of the capital expenditure plans (above), highlighting the original supported and unsupported elements of the capital programme, and the expected financing arrangements of this capital expenditure. The borrowing element of the table increased the underlying indebtedness of the Council by way of the Capital Financing Requirement (CFR), although this will be reduced in part by revenue charges for the repayment of debt (Minimum Revenue Provision). This direct borrowing need may also be supplemented by maturing debt and other treasury requirements.

Capital Expenditure	2018/19 Original Estimate £m	2018/19 Current Position £m	2018/19 Revised Estimated £m
Total	21.206	18.782	35.435
Financed by:			
Capital Receipts	0.830	0.036	4.081
Grants	1.079	0.749	2.006
Capital Reserves	5.652	2.128	5.823
Revenue	0.000	0.000	0.000
Major Repairs Reserve	7.145	7.145	7.285
Total Financing	14.706	10.058	19.195
Borrowing Need	6.500	8.724	16.240

6.4 The borrowing need for 2018/19 currently stands at £16.240m. At this stage it is intended to fund capital expenditure in relation to the Property Acquisition Programme, Land Acquisition Programme and Brookvale Accommodation from internal cash balances as opposed to taking on additional external borrowing.

6.5 **Prudential Indicator for the Capital Financing Requirement (CFR)** - The table below shows the CFR, which is the underlying external need to borrowing for a capital purpose ie the amount of capital spending that has not been financed by capital receipts, capital grants or contributions from revenue.

Capital Financing Requirement	2018/19 Original Estimate £m	2018/19 Revised Estimated £m
CFR – General Fund	28.935	36.039
CFR – HRA	84.564	84.564
Total CFR	113.499	120.603
Net Movement in CFR	1.848	11.771

6.6 **Prudential Indicator for External Debt and the Operational Boundary –** The table below shows the current level of debt against the expected debt position over the financial year.

External Debt and Operational Boundary	External Debt	Operational Boundary	
	Current Debt Position £m	2018/19 Original Estimated £m	2018/19 Revised Estimate £m
Borrowing	98.042	125.000	125.000
Other long term liabilities	--	1.500	1.500
Total debt 31 March	98.042	126.500	126.500

6.7 The operational boundary is the maximum amount of borrowing which the council is permitted to undertake on a day to day basis and must not be breached other than for temporary cash flow demand purposes. This level has not been breached during the first six months of 2018/19. There is also no requirement to increase the operational boundary at this stage.

6.8 **Prudential Indicator for Limits to Borrowing Activity** - The first key control over the treasury activity is a prudential indicator to ensure that over the medium term, net borrowing (borrowings less investments) will only be for a capital purpose. Gross external borrowing should not, except in the short term, exceed the total CFR in the preceding year plus the estimates of any additional CFR for 2018/19 and next two financial years. This allows some flexibility for limited early borrowing for future years. The Council has approved a policy for borrowing in advance of need which will be adhered to if this proves prudent.

Borrowing Activity	2018/19 Original Estimate £m	2018/19 Current Position £m	2018/19 Revised Estimated £m
Debt as at 1 April	98.093	98.083	98.093
Debt repayment	4.182	0.045	4.182
New Loan	0.000	0.000	0.000
Gross Debt	93.911	98.038	93.911
CFR (year-end position)	113.499	120.603	113.499

6.9 The Director (Corporate Services) reports that no difficulties are envisaged for the current or future years in complying with this prudential indicator.

6.10 **Prudential Indicator for the Authorised Limit** - A further prudential indicator controls the overall level of borrowing. This is the Authorised Limit which represents the limit beyond which borrowing is prohibited, and needs to be set and revised by Members. It reflects the level of borrowing which, while not desired, could be afforded in the short term, but is not sustainable in the longer term. It is the expected maximum borrowing need with some headroom for unexpected movements. This is the statutory limit determined under section 3 (1) of the Local Government Act 2003.

Authorised limit for External Debt	2018/19 Original Estimate £m	2018/19 Current Position £m	2018/19 Revised Estimated £m
Borrowing	126.500	126.500	126.500
Other long term liabilities	1.600	1.600	1.600
Total	128.100	128.100	128.100

7. INVESTMENT PORTFOLIO 2018/19

7.1 In accordance with the Treasury Management Code, it is the Council's priority to ensure security of capital and liquidity, and to obtain an appropriate level of return which is consistent with the Council's risk appetite. As set out in Section 3, it is a very difficult investment market in terms of earning the level of interest returns commonly seen in previous decades as rates are very low and in line with the current 0.75% Bank Rate. The continuing potential for a re-emergence of a Eurozone sovereign debt crisis and its impact on banks, prompts a low risk strategy. Given this risk environment, and the fact that increases in Bank Rate are likely to be gradual and unlikely to return to the levels seen in previous decades, investment returns are likely to remain low.

7.2 The Council held £34.891m of market investments and £20.364m in pooled investment funds (ie Property Funds and Multi Asset Funds) as at 30 September 2018 (£11.019m and £20.081m respectively as at 31 March 2018). The increase in investment balances is largely due to the monies received in relation to the Heritage Quarter – St George's Centre. The internally managed investment portfolio yield for the first six months of the year is 0.453% against the 3 month LIBID benchmark of 0.21%. Appendix 2 provides a pictorial representation of investment balances and returns for the first six months of this year as well as the yield generated.

7.3 Appendix 3 provides full list of investments held as at 30 September 2018.

7.4 The Director (Corporate Services) confirms that the approved limits within the Annual Investment Strategy were not breached during the first six months of 2018/19.

7.5 As per the Quarter 2 Budget Monitoring Report, currently there is a favourable forecast income from investments of £70k. This is as a result of the increase in base rate from 0.50% to 0.75% in August combined with the projected returns from Property Funds, Multi Asset Funds and other traditional investments.

8. PROPERTY FUNDS AND DIVERSIFIED INCOME FUNDS

8.1 In the 2016/17 £10m was placed in three Externally Managed Property Funds. In 2017/18 a further £10m was placed in three Multi Asset Funds.

8.2 The table shows the Net Asset Value (NAV) for each of the Property Funds and Multi Asset Funds as at end of September compared to the Purchase Price, along with the average gross return on investment to date.

	Purchase Price	Sept NAV	% Change NAV	Average Gross Return on Investment
Property Funds				
CCLA	£1,873,528	£1,927,023	2.86%	4.90%
Lothbury	£4,949,648	£5,369,771	8.49%	4.00%
Hermes	£2,883,821	£3,274,880	13.56%	3.68%
Multi Asset Funds				
JP Morgan	£5,000,000	£4,896,907	-2.06%	4.77%
Jupiter	£3,000,000	£2,937,271	-2.09%	7.03%
Aberdeen	£2,000,000	£1,957,764	-2.11%	5.34%
Total	£19,706,997	£20,363,616	3.33%	-

Note 1 – The average gross return is based on the 12 months to 30 September. However, information from Hermes is available 6 weeks after the end of the quarter, and therefore the Hermes average gross return is based on the period July 17 – June 18.

Note 2 – The average gross return for the Multi asset funds are based on the dividend payments received to date. The average gross return for JP Morgan is based on two quarterly dividends, for Aberdeen it is based on eight monthly returns but due to the payment dates operated by Jupiter this is based on only one quarter's dividend payment.

8.3 We continue to monitor the performance as well as the suitability of the Property Funds and Multi Asset Funds on a regular basis.

8.4 The NAV on the Property Funds dropped after the initial investment but recent valuations have resulted in total capital growth of 8.9%.

8.5 The average gross return of 4.06% against the September NAV is above the 4% that is included in the budget.

8.6 Following the investment in Multi Asset Funds, there has been a fall in the NAV across each of the funds as at end of September. These funds continue to be volatile and officers are closely monitoring the current position.

8.7 It must be remembered that investment in Property Funds and Multi Asset Funds need to be viewed as a long term investments and that values can go up as well as down. This is particularly relevant with the introduction of International Financial Reporting Standard 9 (IFRS9) which applies from 1 April 2018. More information on IFRS9 is included in this report at section 13.

9. CASHFLOW

9.1 A cashflow forecast is regularly presented to Members of the Finance and Audit Committee.

9.2 An updated version of the graph is included in Appendix 4 and 5 to this report. The cashflow reflects the receipt of monies in relation to the Heritage Quarter – St George's Centre along with the expenditure profiles provided by Reef.

10. BORROWING

10.1 The Council's Capital Financing Requirement (CFR) for 2018/19 is £120.603m. The CFR denotes the Council's underlying need to borrow for capital purposes. If the CFR is positive the Council may borrow from the PWLB or the market (external borrowing) or from internal balances on a temporary basis (internal borrowing). The balance of external and internal borrowing is generally driven by market conditions. Para 5.7 shows the Council has borrowings of £98.038m and has utilised £8.724m of cashflow funds in lieu of borrowing. This is a prudent and cost effective approach in the current economic climate but will require ongoing monitoring in the event that upside risk to gilt yields prevails.

11. DEBT RESCHEDULING

11.1 Debt rescheduling opportunities have been very limited in the current economic climate given the consequent structure of interest rates, and following the increase in the margin added to the gilt yields which has impacted PWLB rates since October 2010. No debt rescheduling was undertaken during the first six months of 2018/19.

12. IFRS 9

12.1 This accounting standard came into effect from 1 April 2018. It means that the category of investments valued under the available for sale category will be removed and any potential fluctuations in market valuations may impact onto the Surplus or Deficit on the Provision of Services, rather than being held on the balance sheet. This change is unlikely to materially affect the commonly used types of treasury management investments but more specialist types of investments, (e.g. pooled funds, third party loans, commercial investments), are likely to be impacted. The impact on this authority will be monitored over the next few months as valuations on pooled investments fluctuate.

12.2 The Ministry of Housing, Communities and Local Government (MHCLG), are recently conducted a consultation for a temporary override to allow English local authorities time to adjust their portfolio of investments. Members will be updated when the result of this consultation is known.

13. MIFID II

13.1 On 3 January 2018 the EU introduced regulations under MIFID II. These regulations govern the relationship that financial institutions conducting lending and borrowing transactions have with local authorities. Under the regulations all Local Authorities are treated as Retail Clients, however, the legislation allows for Authorities to opt up to become a Professional Client. Remaining as Retail Clients can restrict the investment options and institutions available to the Authority to use and therefore the Authority has opted up to Professional Client status. In order to achieve Professional status forms were completed for each institution we deal with.

13.2 Whilst there is no formal requirement to resubmit forms on a regular basis, there is a requirement for Local Authorities to inform financial institutions if they no longer meet the requirements allowing them to be classified as a Professional Client. The Director (Corporate Services) confirms that there has be no change to the value or volume of investment transactions or the staff involved with such transactions that would result in the Council no longer to be able to act as a Professional Client.

14. OTHER

14.1 In February 2015 the Authority became a shareholder in the Municipal Bonds Agency (MBA), with an investment of £20,000. The MBA was established by the

Local Government Association (LGA) in the belief that it would provide councils with the opportunity to raise funds at significantly lower rates that those offered by the Public Works Loan Board (PWLB).

14.2 The MBA have not yet issued any loans as there are still some legal issues around joint and several guarantee which requires all local authorities borrowing from the MBA to guarantee the money owed by the Agency to those who have lent it funds to finance its loans. Officers will continue to monitor progress of the MBA and will provide updates to Members accordingly.

14.3 On 29 October, the Chancellor of the Exchequer announced in the Budget to abolish the Housing Revenue Account borrowing cap with immediate effect. The intention being to encourage local authorities to increase council house building unhindered. The Council's new build programme for 2018/19 is within the existing HRA borrowing cap and therefore there is no requirement to amend the TMSS 2018/19 at this stage, it will however be taken into account when setting the TMSS for 2019/20.

14.4 The European Commission have stated that from 21 January 2019 fund managers can no longer offer Constant Net Asset Value MMF's (CNAV). All fund managers have confirmed that they will be converting their funds to Low Volatility Net Asset Value MMF's (LVNAV) or Variable Net Asset Value MMF's (VNAV) over the coming months. To date four of the five MMF's we use have confirmed they are moving to LVNAV funds and we are currently awaiting confirmation about the remaining fund. Within the TMSS we do not specify the type of MMF that can be used and therefore this change does not require any amendment to the TMSS for 2018/19. However we will continue to assess the suitability of each of the MMF's we operate.

15. BACKGROUND PAPERS

15.1 There are no Background Papers pertaining to this Report.

<table>
<tr><td colspan="2">IMPLICATIONS APPENDIX 1</td></tr>
<tr><td>Legal</td><td>As per Section 1.13B.67 of the Council's constitution, the Chief Finance Officer has delegated responsibility from Cabinet

"in respect of borrowing and investments to arrange such loans as are legally permitted to meet the Council's borrowing requirements".</td></tr>
<tr><td>Finance and Value for Money</td><td>Due to the nature of the report, the financial implications are contained within the report.

In order to achieve a balanced budget, the authority relies upon generating maximum interest from its investments whilst minimising and managing the exposure to risk. In order to achieve this, investments are only placed with institutions which meet the criteria set out within the TMSS.

Where the authority is required to borrow to meet the needs of the authority, officers will seek advice from Capita Asset Services on timings and options in order to ensure the best deal for the authority.</td></tr>
<tr><td>Risk Assessment</td><td>A summary of the perceived risks associated with Treasury Management were identified in the Treasury Management Strategy approved by Council on 6 March 2018. Officers continue to monitor the risks on a day to day basis and identify mitigating actions to minimise risks.</td></tr>
<tr><td rowspan="5">Equality Impact Assessment</td><td>Screening for Equality Impacts</td></tr>
<tr><td>Question</td></tr>
<tr><td>a. Does the decision being made or recommended through this paper have potential to cause adverse impact or discriminate against different groups in the community? If yes, please explain answer.
No</td></tr>
<tr><td>b. Does the decision being made or recommended through this paper make a positive contribution to promoting equality? If yes, please explain answer.
No</td></tr>
<tr><td>In submitting this report, the Chief Officer doing so is confirming that they have given due regard to the equality impacts of the decision being considered, as noted in the table above</td></tr>
<tr><td>Corporate Plan</td><td>Corporate Plan Objective 4 - Sound and Self Sufficient Council</td></tr>
<tr><td>Crime and Disorder</td><td>N/A</td></tr>
<tr><td>Digital and website implications</td><td>No direct implications.</td></tr>
</table>

Safeguarding children and vulnerable adults	**N/A**