



RESOURCES AND SERVICES OVERVIEW AND SCRUTINY COMMITTEE

DATE: Thursday, 29 November 2018
TIME: 7.00 pm
VENUE: Council Chamber, Council Offices,
Thorpe Road, Weeley, CO16 9AJ

MEMBERSHIP:

Councillor Stephenson (Chairman)	Councillor Everett
Councillor Alexander (Vice-Chairman)	Councillor Miles
Councillor Amos	Councillor Newton
Councillor Baker	Councillor Scott
Councillor Broderick	Councillor Steady
Councillor M Brown	

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For further details and general enquiries about this meeting, contact Ian Ford on 01255 686584.

DATE OF PUBLICATION: Wednesday, 21 November, 2018

AGENDA

1 Apologies for Absence and Substitutions

The Committee is asked to note any apologies for absence and substitutions received from Members.

2 Minutes of the Last Meeting (Pages 1 - 4)

To confirm and sign as a correct record, the minutes of the last meeting of the Committee, held on Monday 5 November 2018.

3 Declarations of Interest

Councillors are invited to declare any Disclosable Pecuniary Interests or Personal Interest, and the nature of it, in relation to any item on the agenda.

4 Questions on Notice pursuant to Council Procedure Rule 37

Subject to providing two working days' notice, a Member of the Committee may ask the Chairman of the Committee a question on any matter in relation to which the Council has powers or duties which affect the Tendring District and which falls within the terms of reference of the Committee.

5 Tourism Strategy

Pursuant to the provisions of Overview and Scrutiny Procedure Rule 13 and the decision taken by the Committee at its meeting held on 17 September 2018, the Committee will scrutinise the emerging Tourism Strategy with a view to submitting its comments and/or recommendations to the Cabinet. Cabinet will then agree a draft Strategy which will go out for further consultation.

The Corporate Director (Operational Services) will give a presentation at the meeting on the emerging Strategy.

6 Report of Head of Performance, People and Projects - A.1 - Recycling - Final Report of Task and Finish Working Group (Pages 5 - 36)

The Committee will consider the final report of the Task and Finish Working Group following its review of Recycling with a view to submitting its comments and/or recommendations to the Cabinet.

7 Report of the Deputy Chief Executive - A.2 - Financial Performance Report - In-Year Performance against the Budget at end of September 2018 and Long Term Financial Forecast Update (Pages 37 - 92)

To provide an overview of the Council's financial position against the budget as at the end of September 2018 and to present an updated forecast on an on-going basis as part of developing the budget for 2019/20 and beyond.

Date of the Next Scheduled Meeting

The next scheduled meeting of the Resources and Services Overview and Scrutiny Committee is to be held in the Connaught Room at 9.30 am on Monday, 17 December 2018.

Information for Visitors

FIRE EVACUATION PROCEDURE

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**MINUTES OF THE MEETING OF THE RESOURCES AND SERVICES OVERVIEW
AND SCRUTINY COMMITTEE,
HELD ON MONDAY, 5TH NOVEMBER, 2018 AT 7.30 PM
IN THE COUNCIL CHAMBER - COUNCIL CHAMBER**

Present:	Councillors Stephenson (Chairman), Alexander (Vice-Chairman), Amos, Baker, Everett, Miles, Newton, Scott and Steady
In Attendance:	Martyn Knappett (Deputy Chief Executive (Corporate Services)), Lisa Hastings (Head of Governance and Legal Services), Ian Ford (Committee Services Manager) and Katie Wilkins (Human Resources and Business Manager)(except items 37 – 39)

32. APOLOGIES FOR ABSENCE AND SUBSTITUTIONS

Apologies for absence were submitted on behalf of Councillors Broderick and M Brown. There were no substitutions.

33. MINUTES OF THE LAST MEETING

The Minutes of the meeting of the Committee held on 17 September 2018 were approved as a correct record and signed by the Chairman.

34. DECLARATIONS OF INTEREST

There were none made at this time.

35. QUESTIONS ON NOTICE PURSUANT TO COUNCIL PROCEDURE RULE 37

There were no such questions on this occasion.

36. REPORT OF THE DEPUTY CHIEF EXECUTIVE - A.1 - PERFORMANCE REPORT 2018/19 SECOND QUARTER

The Committee had before it a report of the Deputy Chief Executive which presented the Performance Report for Quarter Two (July to September 2018), including the Corporate Plan and Priorities and Projects 2018/19.

The Deputy Chief Executive (Martyn Knappett) outlined the purpose of the Performance Report as a 'snapshot' performance management tool i.e. it helped the Council's senior management and Members see if the Council was delivering what it had set out to deliver.

Appendix A to that report contained details of the 18 indicators and projects where performance was measured. Of those, 15 (84%) were on, or above, their expected target and 3 (16%) were not currently in line with the expected performance.

Members were informed that the Performance Report for Quarter Two would be presented to Cabinet on 9 November 2018. Any feedback from the Committee would be presented to a future meeting of the Cabinet as a separate reference report.

The Council's Human Resources & Business Manager (Katie Wilkins) gave the Committee an update in respect of the indicators and projects.

Officers responded to questions raised by Members on various topics and where an answer was not immediately available, the Human Resources and Business Manager undertook to respond to Members as soon as possible after the meeting.

In addition, the Deputy Chief Executive gave the Committee an update in respect of the "Transforming the Way We Work" Project and he responded to questions raised by Members. Where an answer was not immediately available, the Deputy Chief Executive undertook to respond to Members as soon as possible after the meeting. Matters that the Deputy Chief Executive touched on included:-

- (1) Ongoing works at Pier Avenue and Northbourne Depot;
- (2) Barnes House Extension and Link – Tender Awarded;
- (3) Westleigh House – Timetable for demolition;
- (4) Town Hall works – Planning permission granted;
- (5) Firmstep: new customer portal;
- (6) Learning Zone – new e-learning platform; and
- (7) New HR Policies – Flexi Working and Remote Working.

In response to a question that had been submitted prior to the commencement of the meeting by Councillor Miles, the Deputy Chief Executive gave an update on the Council's regeneration plans for land at Mill Lane, Walton-on-the-Naze which included the old Fire Station building which was now the subject of a petition. He then answered Members' questions on this subject.

It was moved by Councillor Everett, seconded by Councillor Baker and:-

RESOLVED that this Committee recommends to Cabinet that –

- (a) in the light of recent events, an in-year review of the milestones for the Garden Community project and the Local Plan be carried out with a view to establishing new, more realistic targets and milestones for these projects; and
- (b) an in-year review of the impact of the new National Planning Policy Framework's definitions of 'major and 'minor' applications on the Handling of Planning Applications speed of process figures be also carried out.

37. REVIEW OF THE IMPLEMENTATION OF THE NEW OVERVIEW AND SCRUTINY ARRANGEMENTS

The Committee discussed its experience of the new Overview and Scrutiny arrangements since their implementation in May 2018 with a view to submitting its comments and/or recommendations to the Finance and Corporate Resources Portfolio Holder's Constitution Review Working Party who would be conducting a review of the new committee structure also introduced in May 2018.

Following those discussions it was:-

RESOLVED that the following comments be submitted to the Portfolio Holder's Constitution Review Working Party namely that –

- (1) the terms of reference of the Resources and Services and Community Leadership Overview and Scrutiny Committees should be looked at with a view to making them 'more equal' in workload. A suggestion is that leisure and tourism matters could be reallocated to the Community Leadership Committee;
- (2) there should be a sharper focus on the remit, scope, responsibilities and expected outcomes of Task and Finish Working Groups. A suggestion is that guidance in the form of an Overview and Scrutiny handbook should be produced;
- (3) better attendance of Members at All Member Briefings should be encouraged; and
- (4) the Committee reiterates the importance of providing training on overview and scrutiny matters to those Members who have been appointed to serve on an overview and scrutiny committees immediately after the Annual Meeting of the Council in May 2019.

38. COUNCILLORS' CALL TO ACTION

The Chairman informed the Committee that this item had been withdrawn by Councillor Everett prior to the commencement of the meeting.

The Committee's current work programme had been circulated to Members in anticipation of this item being discussed at the meeting.

Members discussed the following three items that were due to be considered at its next meeting on 29 November 2018:-

- Corporate Budget Monitoring 2018/19 Second Quarter (including update on Financial Forecast)
- Recycling - Task & Finish Group's Final Report
- Tourism Strategy

It was moved by Councillor Scott and seconded by Councillor Amos that the Tourism Strategy be removed from the Committee's work programme and instead be made the subject of an All Members' Briefing, which vote on being put to the vote was declared **LOST**.

It was then:-

RESOLVED that the meeting of the Committee due to be held on Thursday 29 November 2018 will now commence at 7.00 p.m. and not 7.30 p.m. as previously scheduled.

39. SCRUTINY OF PROPOSED DECISIONS

Pursuant to the provisions of Overview and Scrutiny Procedure Rule 13, the Committee reviewed any new and/or amended published forthcoming decisions relevant to its terms of reference with a view to deciding whether it wished to enquire into any such decision before it was taken. The relevant forthcoming decisions were before the Committee.

The Committee noted the submitted list of published forthcoming decisions.

It was then moved by Councillor Baker, seconded by Councillor Everett and:-

RESOLVED that, pursuant to the provisions of Overview and Scrutiny Procedure Rule 13, the Committee wishes to enquire into the following forthcoming decision before Cabinet takes a final decision on the matter:-

Adoption of a Draft Housing Strategy and Action Plan.

The meeting was declared closed at 10.05 pm

Chairman

RESOURCES AND SERVICES OVERVIEW AND SCRUTINY

29 NOVEMBER 2018

REPORT OF THE HEAD OF PEOPLE, PERFORMANCE AND PROJECTS

A.1 **TASK AND FINISH – INCREASING RECYCLING**

(Report prepared by the Task and Finish Group)

PART 1 – KEY INFORMATION

PURPOSE OF THE REPORT

To allow the Committee to consider and agree the report prepared by the Task and Finish Group on Recycling for submission to Cabinet.

EXECUTIVE SUMMARY

At the meeting of the Committee on 30 July 2018 a brief was agreed for a task and finish Group to undertake a review of recycling, to increase recycling within the District. The Group consisted of three members of the Committee together with a Committee Chairman.

The Group has now completed its review and their report is attached at Appendix A. The whole Committee is now asked to consider and agree the final report for submission to Cabinet.

RECOMMENDATION(S)

It is recommended that:-

The Resources and Services Overview and Scrutiny Committee consider and determine whether it wishes the report to be considered by Cabinet and/or the relevant Portfolio Holder

PART 2 – SUPPORTING INFORMATION

BACKGROUND PAPERS FOR THE DECISION

None.

APPENDICES

Appendix A – Resources and Services Task and Finish Group Increasing Recycling.

TENDRING DISTRICT COUNCIL
RESOURCES AND SERVICES, TASK AND FINISH GROUP
INCREASING RECYCLING
5 NOVEMBER 2018

1.0 INTRODUCTION

At Council on 23rd January 2018, it was agreed that from May 2018 there would be two Overview and Scrutiny Committees of which the Resources and Services Committee would be one. Resources and Services Committee was formed from the merger of the previous Corporate Management Committee and Service Development and Delivery Overview and Scrutiny Committees.

It was agreed on the 30th July 2018 at Resources and Services Overview and Scrutiny Committee that a Task and Finish group would be established to look at increasing recycling across Tendring.

2.0 SCOPE OF THE REVIEW

The programme for this Task and Finish Review was agreed at the Resources and Services Overview and Scrutiny Committee on 30th July 2018.

RESOURCES AND SERVICES OVERVIEW AND SCRUTINY COMMITTEE Task and Finish Review

Review Topic: INCREASING RECYCLING
How does the topic fit with the Committee's Terms of Reference: Refuse collection is probably the most widespread and frequent public facing service provided by the Council.
What question is the review aiming to answer: What steps can the Council take to ensure that the maximum possible increase in recycling levels is achieved?
Aim / Objectives: To identify measures which the Resources and Services Overview and Scrutiny Committee can recommend to Cabinet for implementation to maximise recycling (and recycling credits paid to TDC).
Scope: <ul style="list-style-type: none">• Review current measures / activities and their effectiveness• Consider successful initiatives by other Authorities / good practice• Consider communications / events / initiatives etc.• Identify most appropriate proposals for Tendring to complement the roll out of new working arrangements.• Identify a proposed activity timeline if appropriate.• Conclude with recommendations to the Resources and Services Overview and Scrutiny Committee in a form they can adopt and refer on to Cabinet for consideration.
Membership (including officer support): Councillors Everett (Chairman), Alexander, Broderick and Scott Officer Support – Jonathan Hamlet

Timescale:

Identify proposals for consideration by the Resources and Services Committee by November 2018.

The group recognises that in the time allocated that they were unable to address all of the scope as well as they would have wished; however, it believes that essentially most of the scope has been achieved. In particular the following comments are apposite:

- Review current measures / activities and their effectiveness
 - This was achieved with the help of interviewing Officers and the Portfolio Holder. Research comparing the performance of Tendring District Council against other councils on a national scene was undertaken. Comparison to local data in overview and scrutiny committees past and present was made.
- Consider successful initiatives by other Authorities / good practice
 - The evidence for this was predominantly provided by members of the public in their evidence to us on the public consultation events and individual research by officers and members of the Task and Finish group - reported to the group.
- Consider communications / events / initiatives etc.
 - Events were undertaken consulting the public which gave a considerable insight into the public's attitudes to the issue. It also identified, however, that considerable more work would be required over an extended period of time to fully unpack the issue.
- Identify most appropriate proposals for Tendring to complement the roll out of new working arrangements.
 - Individual inputs from Officers, Portfolio Holder and the public gave a heavy steer towards Education of being considerable value this is something that came through clearly in the vast majority of opinions whether from the Public, Portfolio Holder or Officers.
- Identify a proposed activity timeline, if appropriate.
 - This was limited because of the nature of timescales required for the reporting back of the group however what was done was of high value but could be improved by further research and consultation over a more extended period.
- Conclude with recommendations to the Resources and Services Overview and Scrutiny Committee in a form they can adopt and refer on to Cabinet for consideration.
 - This report makes conclusions and makes major recommendations The first is that the Council is not doing enough to address recycling in either the task and finish groups view and more importantly the public's view. Secondly is that Tendring District Council should take steps to address this including taking action on Recycling Education and possible changes to the service provided.

3.0 EVIDENCE GATHERING

The Task and Finish Group held four meetings on 22nd August, 7th September, 4th October and 1st November 2018.

Attendees who provided evidence for the review included:

Cllr Michael Talbot, Portfolio Holder, Cabinet Member for the Environment Damian Williams, Head of Building and Engineering Services, Tendring District Council
Jonathan Hamlet, Street Scene Officer, Tendring District Council.

Written evidence was also provided by:

Jonathan Hamlet, Street Scene Officer (Appendix E).

Public opinion was also considered through interviews at three local events. A total of 91 interviews were undertaken over three combined locations.

4.0 CONSULTATION PROCESS

Surveys of public opinion were undertaken on 23rd, 24th and 26th of October at Christmas Island in Clacton, Morrisons in Harwich, and Tescos in Clacton respectively. The locations were chosen so as to try to get a good cross section of people across the District from both rural and town locations. This distribution was successful with respondents locations ranging right across the district from Brightlingsea, Clacton-on-Sea, Dovercourt, Frinton-on-sea, Great Clacton, Great Holland, Great Oakley, Harwich, Holland-on-Sea, Jaywick, Kirby Cross, Kirby-le-Soken, Little Bromley, Little Clacton, Little Oakley, Mistley, Old Harwich, Parkestone, Point Clear, St Osyth, Thorpe-le-Soken, Thorrington, Walton-on-the-Naze, Weeley and Wix.

A total of 91 interviews were undertaken over the three combined locations.

5.0 THE RESULTS OF THE RESEARCH AND CONSULTATION

Out of the 91 interviews, 97.8% of those surveyed said that they recycled and even more impressively the average rating given by those interviewees was that on a scale from 1 to 10 an average importance of 8.93 was achieved. This is a very impressive figure for the importance given by people to recycling and is particularly surprising even though it comes hard on the heels of TV programmes such as the Panorama programme and the Blue Planet series. Clearly in Tendring this is a very important issue in the public's minds.

Of those surveyed the highest recycling percentages of 96.7% were unsurprisingly for paper/card and plastic/cans with many people even commenting on which colour box that they had to go in! This knowledge was underlined with sizeable numbers citing the green caddies for food waste and the brown bin for garden waste. Garden waste scored reasonably (67.03%) for recycling but not necessarily by use of the brown bin service (many citing their own recycling in composting etc). Glass recycling scored reasonably highly (83.52%) but with a few respondents suggesting that it should be collected at the kerbside. Of all of the recycling effort identified the smallest recycling percentage was recorded for food of 45.05% with some people complaining that it wasn't collected for them and others complaining that it was repellent and so it all went in the black bags. Textiles and clothing (82.42%) were generally taken by those interviewed to charity shops or clothing banks.

On the question of plastics recycling this is where there was clearly a lot of frustration in the public's mind. A sizeable minority, roughly 30%, did not know what exactly could and could not be recycled but the majority did and were frustrated that the council did not recycle more plastic. On the issue of plastic bottles there was some minor confusion relating to whether the caps should be recycled or not. During the survey all interviewers used the opportunity to educate people that caps were to be recycled now and this was met with pleasure by the large majority of respondents. However an overwhelming majority of people clearly expressed the opinion that more plastic should be recycled and that only recycling bottles was insufficient in their view. These statements were often expressed not only at the point in the questionnaire that plastic was mentioned but often by respondents right up front in the conversation when asked whether they were prepared to be interviewed about recycling.

When asked by researchers on the rating to be given on the recycling provision given by the council answers ranged from 1 to 10. The average rating across all the respondents was a score of 6.34. That said it was clear that the range of these answers tended to be either very low or very high. In any future more detailed analysis it is suggested that correlation statistics will need to be unpacked more extensively to get a fuller picture.

The research then looked a little more deeply into suggestions that could be made to improve this rating and this uncovered a huge swell of opinion about plastic recycling. The most popular suggestion by far to improve the service was to collect more plastic than we currently do – this was expressed in many different ways by the overwhelming majority of respondents but the message was really very clear indeed. The next most popular suggestion was regarding glass recycling in that a sizeable minority were suggesting that kerbside recycling of glass should be undertaken.

In addition to what the service actually collected there was another sizeable majority in favour of education sometimes expressed as encouragement and often as a need for clearer information (labelling/stickers) some (a fairly sizeable minority) extending that as far as enforcement and 'policing'. Another notable comment here was many individuals suggesting that other local authorities were better than Tendring.

Another perhaps surprising statistic is that a clear majority of respondents, some 67.06%, were prepared to pay extra for a more comprehensive recycling service. Many of those qualified that immediately saying a small amount and also citing that this was specifically for a better recycling service. Even those that were not prepared to pay more acknowledged that the recycling service needed improvement.

Thanks

Thanks should be extended to the Tendring District Council Officers and Councillors for designing, organising and undertaking the research, with members of the public, who were: Paul Price, Damian Williams, Jonathan Hamlet, Rebecca Duff-Cole, Gary Scott, Joy Broderick, Maurice Alexander and Richard Everett.

6.0 CONCLUSIONS

The task and finish group has investigated the issue of recycling as robustly as it can in the short time allocated to it and has come to some definite conclusions as a result of its deliberations. It is clear to the group that, in the past, recycling has not received the attention that it should have done and that this is exemplified by the complete lack of accountability afforded to poor performance against very low targets set by the council. As one contributor to the task group commented "Recycling has very low standards and yet consistently fails to meet them".

The data supporting this statement is articulated in the monthly performance report where for instance in 11 months out of 12 last year the low target was not met. Currently, recycling is now on target and the task and finish group are pleased that the target has now been achieved. The research undertaken by the group was clear in identifying where and how the council could improve its performance. Surprisingly the research even offered a general opinion that because of the importance accorded to recycling the public would in many cases be prepared to pay more for a better service. This was particularly focussed around the issue of plastics recycling where the public quite clearly said that all plastics need to be collected not just the bottles currently collected. The details of the research offer some other insights that we would suggest might need attention or at least further analysis.

The Task and Finish Group also acknowledged that recycling is likely to improve following the introduction of the new wheelie bin system across Tendring.

It should be noted that at least in one way the public did have one area where, when explained by Officers, the council fared well. That is the area of what happens to recyclates after collection. Appendix K provides full details.

The Task Group believe that this issue is much more important in the public's mind than we had originally thought. The data indicates it is a major issue at the forefront of resident's minds and we feel that to ignore that groundswell of opinion identified in our research would be unwise. We recommend that Cabinet, Portfolio Holder and Officers seriously consider changes to the way the council delivers its recycling service to address the concerns identified by the public in the report.

General observations discussed at meetings of the group, included the following (based on evidence indicated *in italics*) :

External actions:

1. Approach supermarkets to establish if they would consider having a deposit recycling scheme in store. – *Public suggestion from consultation.*
2. Lobby government to do more about British coastlines and provide support with the removal of plastics and discarded waste – *Task and Finish Group member creativity exercise.*
3. Arrange a meeting with Tesco (and other supermarkets) to consider working together across the District on combined recycling initiatives – *Task and Finish Group member creativity exercise, Tesco employee suggestion.*

Education:

4. Demonstrate culture change – clear signage for all types of recycling e.g. bottles, paper so that residents are clear about expectations for recycling – *Task and Finish Group member creativity exercise, Public suggestion from consultation.*
5. An Education programme to be provided to explain to residents the importance of recycling and current waste and plastic issues, especially along the coastline. – *Task and Finish Group member creativity exercise.*

6. Education initiatives - recycling ideas for alternative usage of plastics e.g. seed pots made from yogurt pots, pots for alternative uses storage. Innovative ideas to increase the recycling of plastics. – *Public suggestion from consultation.*
7. Practical ideas people can do to support recycling, collate ideas and publicise. – *Task and Finish Group member creativity exercise, Public suggestion from consultation.*

Further Research:

8. Research and Review other authorities charges and provisions for recycling. – *Task and Finish Group member creativity exercise.*
9. Undertake a review of what happens to printer cartridges, batteries and other disposables across the Council. – *Task and Finish Group member creativity exercise.*
10. Research the possibility of Incentives for resident recycling e.g. money off/discounts. – *Task and Finish Group member creativity exercise.*
11. Research to be undertaken to analyse both manufacturers and government responsibilities for recycling – *Task and Finish Group member creativity exercise.*
12. Research government initiatives and grants to support District recycling initiatives. – *Task and Finish Group member creativity exercise.*
13. Research the Marine Conservation Society and Rural England deposit recycling scheme and whether Tendring could pilot this scheme in supermarkets and across the District. – *Task and Finish Group member creativity exercise, Public suggestion from consultation.*

Policy/Strategy

14. A Council champion to be nominated lead and take responsibility for recycling and reducing plastics. – *Task and Finish Group member creativity exercise.*
15. A Career Track group or a similar group of Officers to meet once a month to consider initiatives to improve recycling .A small budget to be allocated to this group. – *Task and Finish Group member creativity exercise.*
16. Review internal Council processes and procurement decisions, in light of recycling and the reduction of plastics e.g. cartons of milk , sugar sachets, plastic cups, brochures. The Council should demonstrate community leadership and lead by example in relation to recycling and reducing the use of plastics. – *Task and Finish Group member creativity exercise.*
17. Consider increased staffing capacity for recycling. Including the possibility of internships, volunteer services, probation services and community services to support recycling initiatives across the District – *Task and Finish Group member creativity exercise.*
18. The Council to consider an on-going task and finish group to oversee recycling initiatives – *Task and Finish Group member creativity exercise.*
19. Any Council contracts e.g. housing to include an expectation regarding recycling an expectation regarding recycling. – *Task and Finish Group member creativity exercise.*

20. Consider whether Tetrapaks can be recycled across Tendring. – *Task and Finish Group member creativity exercise, Public suggestion from consultation.*
21. The Council to consider replacing any park benches, with benches made of recycled plastic. New benches on Holland seafront to be made of recycled plastics (University of Essex benches made of 2000 plastic bottles) – *Task and Finish Group member creativity exercise.*
22. Bins to be made available for recycling on new Holland on Sea beaches – *Task and Finish Group member creativity exercise.*
23. Consideration be given to all elected members going paperless and agendas, minutes be made available only through digital means – *Task and Finish Group member creativity exercise.*
24. A mechanism to be put in place for all agendas and other papers to be collected after meetings and recycled. – *Task and Finish Group member creativity exercise.*
25. Increase the number of recycling bins across the Council, especially in meeting rooms (to deposit used Council agendas) – *Task and Finish Group member creativity exercise.*

The above issues and ideas, informed the Task and Finish Group recommendations, which are set out below.

6.1 Recommendations from the Task and Finish group following public engagement

Targets:

1. The council should review its targets for recycling considering whether it wishes to change the methodology as well as the targets themselves. It is recommended that over time more aspirational targets are set.
2. When the targets are set they should be performance reviewed on a monthly basis – with action plans identified to rectify the position if for any reason they are not met.

The service:

1. The council should consider changes to the contract, providing a service that collects all plastics.
2. The council should consider how it might educate the public better in what can and cannot be recycled and why. The report has a few suggestions but more work will need to be done on this.
3. Continuation of the current position of positive use of recyclates rather than sending recyclates to landfill.

Further Research:

1. The Resources and Services Overview and Scrutiny Committee should consider whether it would be worthwhile carrying on further research into this area. The Task Group considers that it has only scratched the surface of this highly complicated and nuanced topic and recommends that further work be done to do justice to the subject.

Education:

1. Long term approach working with primary school children agenda regarding recycling. Programme being established with schools.

6.2 Conclusion

The research was therefore unequivocally clear that, in particular, plastic recycling is currently not reaching its full potential in Tendring. It gave a clear steer that the service needs to include collection of all plastics and that education is an important factor too in delivering a service that will be used by residents. It also appeared that people generally are willing to pay a small extra amount for that service – but specifically for recycling not any other related or unrelated waste agendas.

7.0 ADDITIONAL OBSERVATIONS OF THE TASK AND FINISH (RECYCLING) GROUP

It is clear from the task group's investigation into in the Tendring District Recycling strategy that we feel that there is a lack of ambition related to recycling particularly, and questions about the addressing of concerns raised over performance in the last year. This is exemplified by regularly missed targets. For example last year there were 11 out of 12 months where the council missed its target for recycling. Currently recycling is on target. The public's faith in a council actions can only be upheld when it meets its targets and addresses concerns otherwise there is a perceived public lack of accountability.

On the specific subject of recycling performance and its monitoring it has become clear in our investigations that the metrics used to measure performance may well be inappropriate as well. This subject is difficult because the system used is one that is used all over Europe employing a standard methodology. That said it has a shortcoming in that it measures the amount of recycling undertaken (in a comparable way to other local authorities), but does not measure the efficiency in terms of cost against that activity). That said the council performs extremely poorly against other councils both locally and nationally in terms of recycling performance.

The task group has considered a number of suggestions in relation to plastic recycling itself (a focus we chose to focus on) and to performance generally and the recommendations are listed below. It is clear from our surveying of the public that there is considerable frustration locally in what can or cannot be recycled and that this contributes to people not recycling at all. One member of the public said "I can't be bothered to recycle it's too confusing everything goes into the general waste in our house".

The lack of recycling in the district combined with public comments may indicate the need for the council to devise an education plan to address this issue. It could also indicate that a simpler system is needed, such as the one used in East Surrey. Here there are only two bins one for recyclable one for general rubbish, and this has resulted in a much higher recycling rate. This two bin strategy contributes to them achieving a recycling rate in the top 10 in the country having looked at a co-mingled bin this would create an additional cost of £800,000, which would equate to an additional £45 per year, per household across Tendring, if introduced.

It is also clear from Officers, and Portfolio Holder evidence as well as the general public comments alike that recycling is a considerable concern especially in the light of recent focus by the press and media following the Blue Planet programmes focussing on plastics in our oceans. This 'big picture' issue is one that belies the sheer complexity of the issue. While it is recognised

that TDC cannot, and indeed should not, try to address the entire problem, it can and should do its bit to address the areas where we can make a difference. That is clearly something that we are currently not achieving. In short we need to do better.

8.0 Special Thanks

Thanks should be extended to the Tendring District Council Officers and Councillors for undertaking the evidence gathering at meetings of the group, and consultation sessions who were: Damian Williams, Jonathan Hamlet, Rebecca Duff-Cole, Michael Talbot, Gary Scott, Joy Broderick, Maurice Alexander and Richard Everett.

Very special thanks should be given to Anastasia Simpson who variously encouraged, cajoled and administered the workings of the Task and Finish Group with great skill and alacrity.

9.0 Sign off

We the undersigned commend this report to the Resources and Services Overview and Scrutiny Committee and recommend that it should be passed to the Cabinet for its consideration.

Signed:

Councillor Maurice Alexander

Councillor Joy Broderick

Councillor Richard Everett

Councillor Gary Scott

APPENDIX A

RESOURCES AND SERVICES – OVERVIEW AND SCRUTINY COMMITTEE TASK AND FINISH GROUP – RECYCLING

MEETING SCHEDULE

Meeting	Date	Time	Venue	Activity
1	22 August 18	2.00pm	Town Hall	<ul style="list-style-type: none">• Group Introductions• Review of Tasks – who is going to do what?• Questions for the Portfolio Holder/Officer• What is the group aiming to achieve?• Format of the public session
2	7 September 18	2.00pm	Town Hall	Questions for Portfolio Holder/Officer
3	September/October 18			Public Events at supermarkets in Clacton and Harwich and Christmas Tree Island (Clacton)
4	4 October 18	2.00pm	Town Hall	Draft of report for Resources and Services O&S
5	4 October 18 – November 18			Internal reporting processes – Management Team, Publishing of O&S agenda and reports
6	1 November 18	2.00pm	Town Hall	Preparation - presentation of findings to the Resources and Services O&S Committee on 29 th November
7	29 November 18	7.30pm	Weeley	Final presentation of findings at the Resources and Services O&S Committee

APPENDIX B

Meeting	Date	Activity	Attendance
1	22 August 18	<ul style="list-style-type: none"> • Group Introductions • Review of Tasks – who is going to do what? • Questions for the Portfolio Holder/Officer • What is the group aiming to achieve? • Format of the public session 	<p>Cllr R Everett Cllr M Alexander Cllr J Broderick</p> <p>Anastasia Simpson, Head of People , Performance and Projects</p> <p>(Apologies Cllr Scott)</p>
2	7 September 18	Questions for Portfolio Holder/Officer	<p>Cllr R Everett Cllr M Alexander Cllr M Stephenson (Observer) Cllr M Talbot</p> <p>Damian Williams, Head of Building and Engineering</p> <p>Jonathon Hamlet, Street Scene Manager</p> <p>Anastasia Simpson, Head of People, Performance and Projects</p>
3	September/October 18	Public Events at supermarkets in Clacton and Harwich and Christmas Tree Island, Clacton	<p><u>Christmas Tree Island (Clacton)</u></p> <p>Cllr G Scott Cllr R Everett Jon Hamlet Rebecca Duff-Cole</p> <p><u>Morrisons (Harwich)</u></p> <p>Jon Hamlet Rebecca Duff -Cole Cllr G Scott Cllr R Everett</p> <p><u>Tesco's (Clacton)</u></p> <p>Rebecca Duff-Cole Jon Hamlet</p>

			<p>Cllr J Broderick Cllr G Scott Cllr R Everett Damian Williams</p>
4	4 October 18	Draft of report for Resources and Services O&S	<p>Cllr R Everett Cllr M Alexander Cllr G Scott Cllr M Stephenson (Observer)</p> <p>Anastasia Simpson, Head of People, Performance and Projects</p> <p>(Apologies Cllr Broderick)</p>
5	4 October 18 – 5 November 18	Internal reporting processes – Management Team, Publishing of O&S agenda and reports	N/A
6	1 November 18	Preparation - presentation of findings to the Resources and Services O&S Committee on 5th November	<p>Cllr R Everett Cllr M Alexander Cllr M Stephenson (observer)</p> <p>Anastasia Simpson, Head of People, Performance and Projects</p> <p>Apologies Cllr Broderick</p> <p>Cllr G Scott – non attendance</p>
7	29 November 18	Final presentation of findings at the Resources and Services O&S Committee	

APPENDIX C

QUESTIONS ASKED AT MEETING WITH THE PORTFOLIO HOLDER AND OFFICERS

Priorities and projects
Recycling rate pg 20 Outturn

1. How long have you been the Portfolio-holder with responsibility for Recycling?
2. Prior to 2017-18 what was the historic recycling performance outturn previously? What story was this portraying of our local authority?
3. How was the target for 2016/17 and subsequently 2017/18 derived? What was it?
4. Performance measured March 2017 29% target 27.7 achieved – what did you suggest at that time should be done to improve performance. June? September? **, since?
5. What is the trend described by this data and what are your future projections for performance?
6. How confident are you that you can achieve the projected recycling rates in the future?
7. Are they too challenging? Not challenging enough?
8. In terms of other authorities locally and nationally how do you rate this performance? (1) 65.4, (350) 14.1 (327) 26.8, Maldon 58%, Essex 52.9, Uttlesford 51.5, Braintree 49.7, Colchester 45.8, Tendring 26.8?
9. Other stakeholders in this overall picture might have different views about this performance – what would you say that those stakeholders opinion would be on this performance? Disposal partners, Collection partners, Public.
10. How often do stakeholders meet to challenge this data? What is missing in this picture? How can you rectify that?
11. Are there opportunities for the future to improve the recycling performance?
12. Our performance on recycling has been rated by public and others as unsatisfactory, disappointing, drifting and inadequate. What do you think that good would look like?
13. Hitherto we have concentrated on performance against targets – but I acknowledge that that does not necessarily tell the whole story. Social Value and Cost are equally

important here. As portfolio holder have you undertaken a cost benefit analysis (CBA) or Social Return on Investment (SROI) on recycling by Tendring District Council? If so what conclusions did it/they come to?

14. Data is crucial to allow performance to be measured. The latest performance report has no data entered for April May June July and August. What have you done to pressure Essex County Council to produce this data?
15. If you had one action that you could do to improve our recycling performance what would that be?
16. How will we know that it is working?
17. Will it work fast enough?
18. Does it balance reactive and/or proactive strategies?
19. How will it be communicated to stakeholders?
20. What contingency measures will need to be put in place?
21. What other priorities would be affected and how would you manage that?
22. Do you have anything else you would like to add?

APPENDIX D

Resources and Services

Task and Finish Group – 7th September 2018

Key Points Raised:

- 1) Recycling target 29% - review how this target was determined.
- 1) Officers confident that the introduction of wheelie bins will increase recycling figures, based on evidence from other authorities across Essex.
- 2) Cost benefit analysis undertaken and many options were considered? Officers looked at cost and achievement, looked at all service possibilities. Co –mingled costs and recycling credits calculated to see what the best cost pressure benefit.
- 3) Other KPIs regarding waste and recycling, including missed bins etc. other key performance indicators, need to look at the whole remit of waste and recycling.
- 4) Query regarding whether the correct questions via the performance report. Do the metrics need to be changed? Participation in recycling – possibly a good measure.
- 5) If the Council opted for a completely co- mingled waste (paper, all plastics, bottles) provision costs increased by £820K (Over £5m over the five years contract)
- 6) Review of barriers to recycling – plans in place to promote recycling include a detailed leaflet for residents, various advertising (side of vans, working with schools) other possibilities include advertising on petrol pumps, cinemas, schools producing a video.
- 7) Many international factors impacting on recycling -E.g. China not accepting low grade plastics, rapid price changes in the industry.
- 8) Working with manufacturers to reduce plastics at source including alternative packaging.
- 9) Culture change – working with children in primary schools, positive campaign introduced as the same time as Key Stage 1 free lunches introduced. Children scrapped plates into recycling bins, behaviour change.
- 10) Litter picking in schools, tie in with OFSTED aims, supporting the community.
- 11) Council to use internal resources and expertise to support the changes to waste next year.
- 12) Introduce a Youth Award for recycling.
- 13) Maximise opportunities with Veolia to sponsor Council recycling initiatives.
- 14) Education and promotion – key objectives.

APPENDIX E



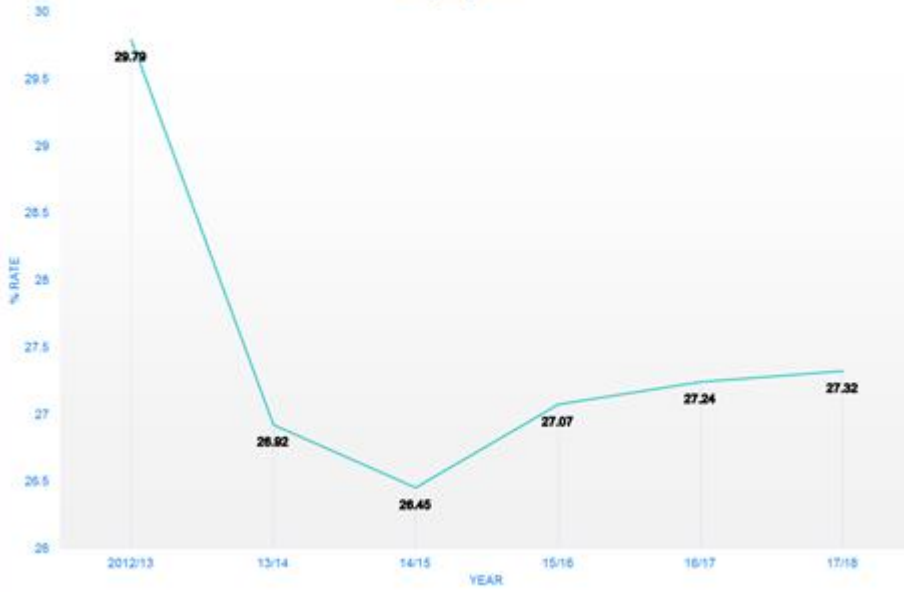
Recycling rates credits & collection costs

Jon Hamlet
Street Scene Officer

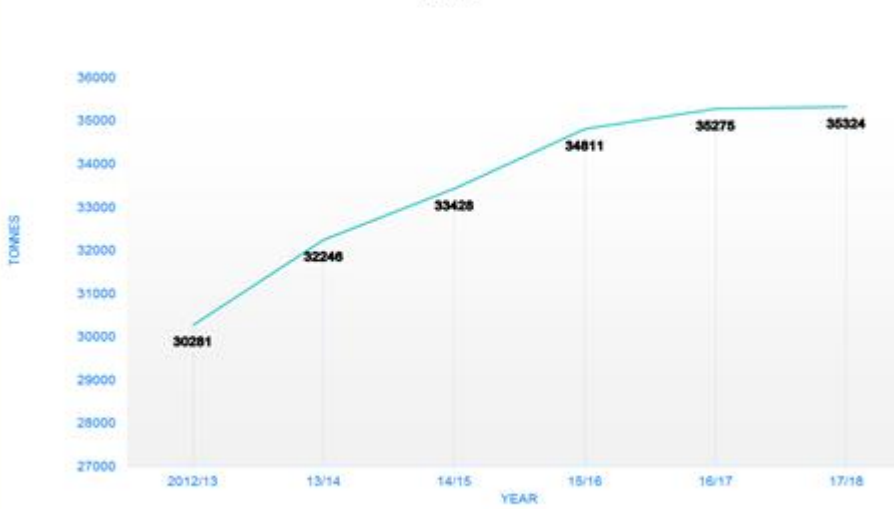
2nd July 2018



Recycling Rate

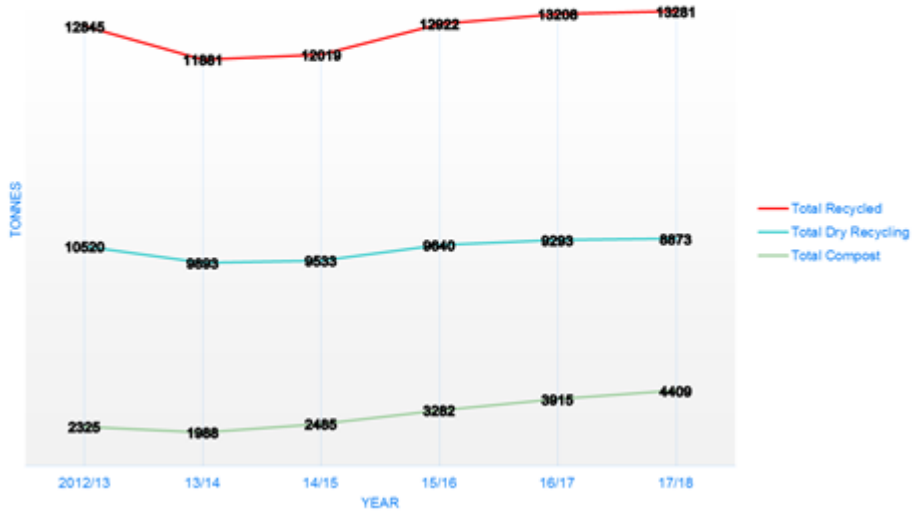


Refuse

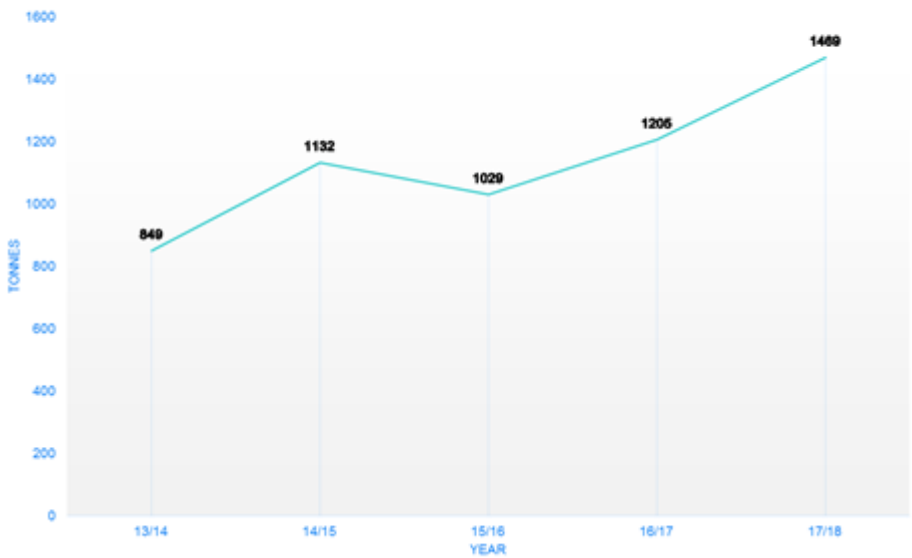




Total Recycling Tonnage

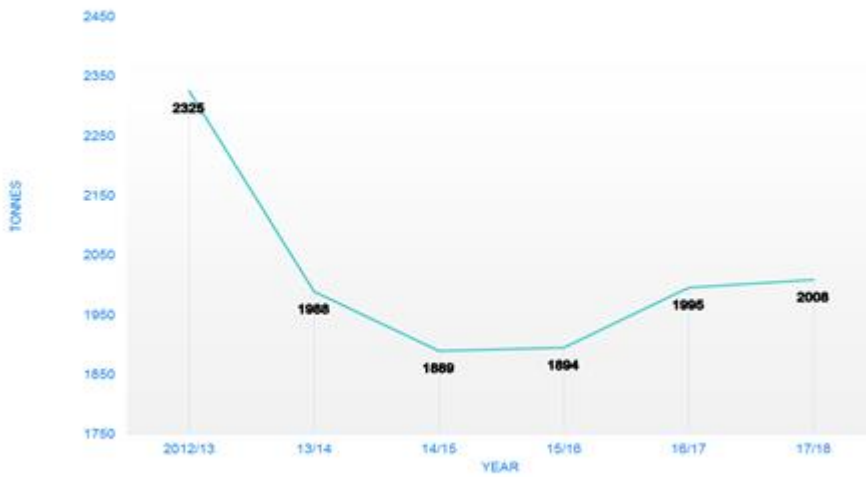


Plastic & Cans

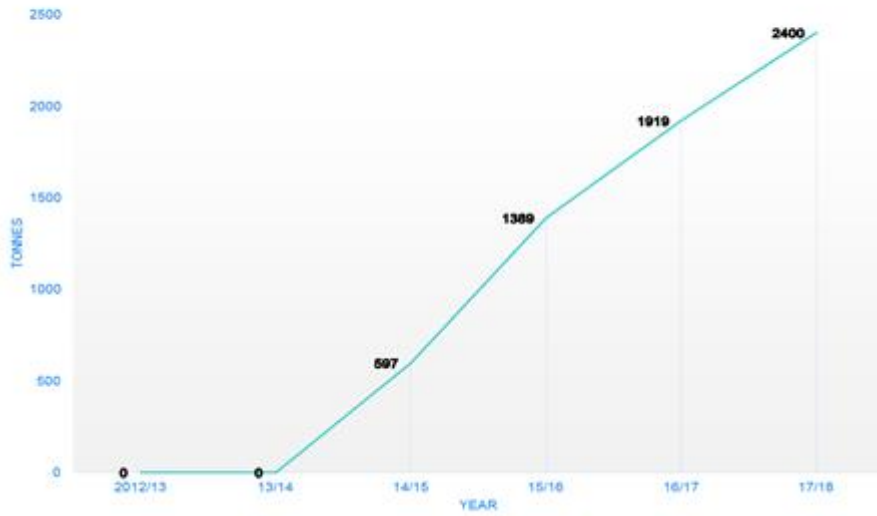


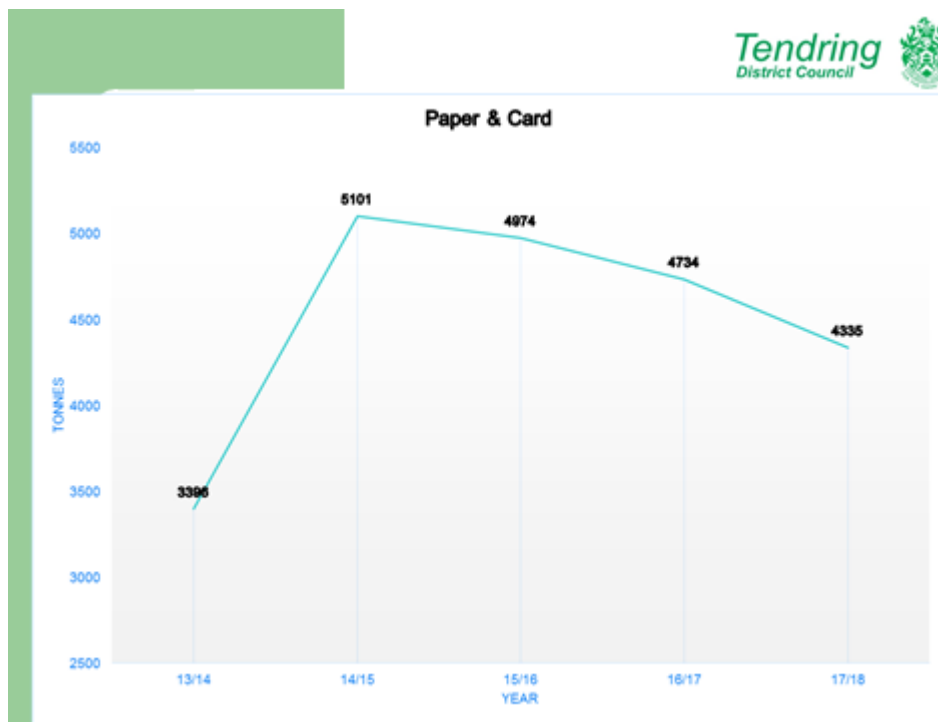


Food waste



Garden Waste





APPENDIX F

Turn Trash into Cash

Our recycling scheme at the school allows us to earn money through recycling waste that would ordinarily be thrown in the rubbish. We encourage all children, their families and friends to take part and would just like to take this opportunity to remind you of the items that you could collect in order to help the environment and help the children raise money.

How it works

- Pop the recycling in a bag or box and give it to your child to take into class.
- The teacher will award house points every time recycling is taken in.
- The children are then asked to take the recycling to the atrium.
- They are asked to leave their recycling bag or box in the big green collection bin in the atrium. We ask them NOT to attempt to sort it into the other specific waste stream recycling bins.
- We volunteers sort the recycling into the various waste streams and place it in the individual boxes in the entrance hall.
- When we have the required amounts we box up the rubbish and send it for recycling. The school linked charity is then awarded money in return.

We are a public drop off point so please encourage friends, family, neighbours and the local community to join in.

Community Effort

We earn typically 2p per wrapper / item (except for electronic items which earn more), and this scheme has helped us raise well over £1000 by recycling waste and helping the environment.

The school is a public drop off point so anyone can get involved. Recycling can be left near the front entrance to school if house points are not wanted.

If you work in an office or can convince any local business to help us, we can provide collection boxes. Think cafes, cleaners, Hairdressers, beauticians, offices, estate agents etc.

We Recycle Your Rubbish

Save it from landfill and earn money for Tendring Primary School in the process.

Teach your children the importance of caring for our planet and help us earn money to enhance their school experience too

WE RECYCLE THE FOLLOWING :

Any brand of biscuit wrapper, cracker wrapper, or cake wrapper including the sleeve and individuals wrappers from multipacks and nibble packs. This includes Go Ahead bars and similar, Mini cheddars etc We get 2p for each wrapper.



Any old pens, (metal or plastic) with or without lids , or lids without pens including biros, highlighters markers and felt tips. We can also recycle mechanical pencils, old tipex pots or rollers. We earn 2p for each item.



Items from home care and air freshener products including Plastic bottle caps, lids, pumps or trigger heads used for products such as kitchen /bathroom cleaner sprays and washing up liquid. Flexible wipe packaging (used for home cleaning products). All brands and sizes of plastic air fresheners, air freshener cartridges and any plastic packaging. This programme does not collect glass cartridges. We earn 2p per item



Ellas Kitchen Stage 1, Stage 2, Stage 3, Baby Brekkie, pasta sauce and Smoothie Fruit pouches including the caps, and all snack wrappers. You can also send in any other brand of baby food pouches. We earn 2p per item.



And there's more... see page 2 for details.

Plastic waste from personal care and hair care products, including tubs, tubes, lids, caps, pump heads, sprays, and wipes packets. Including waste from hair care & colouring, sun protection and aftercare, personal care, skin care and deodorants We earn 2p for each item.



Plastic containers typically used for takeaway food. These are reused by a lady who provides free meals to families, children or elderly people in the local community in Clacton.



Milk Bottle Tops - These are sent to a local church who collect to recycle and raise funds on behalf of the local air ambulance.



Tech - Old Laptops, Tablets and mobile phones. Any Age and any condition. The amount we raise from this varies on the condition of the item, but all items gratefully received



COMING SOON

We hope in December to be able to join the scheme to recycle empty crisp packets.

We will be collecting them from now on in readiness of the launch of the scheme.



More Recycling... And did you know...

- There is a scheme that wants your unwanted bras to help teenage girls in Africa - www.smallsforall.org
- Batteries can be recycled in all supermarkets but we do have a collection box at school if this is more convenient for you.
- We can recycle small used ink cartridges via the school
- Drinks cartons can be recycled at the Tetra Pack recycling station in the Tesco car Park in Clacton. This location also accepts throw away hot drinks cups like those used at Costa or McDonalds.

APPENDIX H

TASK AND FINISH GROUP – RECYCLING

Proposed Questions for Residents

1. In which part of the District do you live?
2. Do you regularly recycle at home?
3. If you don't recycle from home, what would help you to do so?
4. On a scale of 1 to 10, with 1 being the lowest and 10 the highest, how important is recycling to you and your family?
5. What items do you currently recycle and how or where do you recycle (kerbside, bring sites, recycling centres) – (insert grid/table)
 - Glass
 - Food
 - Paper/card
 - Textiles
 - Plastic bottles/cans
 - Garden waste
6. Which types of plastic bottles do you currently recycle?
7. On a scale of 1 to 10 again, with 1 being the lowest and 10 the highest how would you rate the current recycling provisions?
8. What would be your suggestion to improve this rating?
9. Would you be prepared to pay more to fund these suggestions?

APPENDIX I

Date surveyed	23rd, 24th and 26th	
Survey location	Christmas Island, Morrisons Harwich, Tesco's Clacton Brightlingsea, Clacton, Dovercourt, Frinton-on-sea, Great Clacton, Great Holland, Great Oakley, Harwich, Holland-on-Sea, Jaywick, Kirby Cross, Kirby- le-Soken, Little Bromley, Little Clacton, Little Oakley, Mistley, Old Harwich, Parkestone, Point Clear, St Osyth, Thorpe-le-Soken, Thorrington, Walton- on-the-Naze, Weeley and Wix	
Area		
Do you recycle		97.80%
What would help	Better advice, more collections, encouragement, enforcement and incentivisation	
How important Average out of 10		8.93
Glass		83.52%
Food		45.05%
Paper/card		96.70%
Textiles		82.42%
Plastic bottles/cans		96.70%
Garden waste		67.03%
Types of plastic bottles recycled	One respondent said everything plastic went in. Majority all bottles. Many didn't know about caps	
Rate provision		6.34
How improve	All plastics were the huge favourite. Next Glass, then Education/encouragement and bottle return schemes. Sizeable more frequent collection. Number cited other authorities e.g. Rochford, East Surrey, North Yorks, Epping Forest and Colchester Sizeable minority enforcement	
Pay more		67.06%
Comments	Comments ranged widely for instance one respondent questioned whether it costs more to collect old furniture from properties or from the roadside when it is dumped. Another commented that she took all her non- recyclable items to her mothers in Dedham so that it would be recycled by Colchester. Other comments included could we advertise more about how to recycle batteries, another about enforcement against dumping, and another stating we should have 30mph stickers on all bins in built up areas. One child pointed out that Market School in Elmstead had recently done projects on recycling.	

APPENDIX J

Date surveyed	Survey location	Area	Do you recycle	What would you like to see	How important	Glass	Food	Paper/card	Textiles	Plastic bottles/cans	Garden waste	Types of plastic bottles recycled	Rate provision	How improve	Pay more	Comments
26	Tesco Clacton	Great Clacton	yes	Enforcement	7	y	n	y	n	y	n	Milk Water	7	Dont know	n	
26	Tesco Clacton	Great Holland	yes		10	y	y	y	y	y	y	Soft drinks	5	Manufacturers to produce only recyclable packaging	y	
26	Tesco Clacton	Kirby Cross	yes		10	y	y	y	y	y	y	All	4	Plastic trays wrapping to be collected	y	
26	Tesco Clacton	Clacton	yes		10	y	n	y	y	y	y	Milk Coke	3	Regular weekly collection	y	
26	Tesco Clacton	Clacton	yes		10	y	y	y	n	y	y	All	8	All plastics to be recycled	y	
26	Tesco Clacton	Clacton	yes		11	y	y	y	y	y	y	All	2	All plastics to be recycled and garden waste	y	Dumping unacceptable should enforce
26	Tesco Clacton	Kirby Cross	yes		10	y	n	y	y	y	y	Milk Juice	10			
26	Tesco Clacton	Great Clacton	yes		8	y	n	y	y	y	y	All	5	All plastics to be recycled	y	
26	Tesco Clacton	Frinton	yes		10	y	n	y	y	y	y	All	7	All plastics to be recycled	y	Elmstead Market School have done project on recycling
26	Tesco Clacton	Miller Close	yes		10	n	y	y	y	y	y	Milk	7	Dump not taking glass ridiculous	y	
26	Tesco Clacton	Holland Road	yes		1	y	n	y	y	y	y	All	5	All plastics to be recycled	y	
26	Tesco Clacton	Jaywick	yes		10	y	y	y	n	y	y	Juice	6	Enforcement	y	
26	Tesco Clacton	Brightlingsea	yes		9	y	n	y	y	y	y	All	8	More plastics	n	
26	Tesco Clacton	Burrs Estate	yes		10	y	y	y	y	y	y	All	7	Collect glass and more plastics	y	
26	Tesco Clacton	Cann Hall	yes		10	y	y	y	y	y	y	All and caps	5	Should have weekly bin collection of reeling	y	
26	Tesco Clacton	Lt Clacton	yes		7	y	n	y	y	y	y	Milk and caps	7	More regular collection with bigger bins	y	
26	Tesco Clacton	Kirby le Soken	yes		9	y	y	y	y	y	n	Milk Detergent	8	Glass collection	n	
26	Tesco Clacton	Kirby Cross	yes		8	y	n	y	y	y	y	All	5	Look at North Yorkshire	n	
26	Tesco Clacton	St Osyth	yes		9	y	n	y	y	y	y	Milk Pop	5	More plastic Need food collection	y	
26	Tesco Clacton	Brightlingsea	yes		7	y	y	y	y	y	y	Milk Juice and ca	8	Checking of black bags required	y	
26	Tesco Clacton	Clacton	yes		5	n	n	y	y	y	n	All	3	Collect more plastics	y	
26	Tesco Clacton	Walton	yes		9	y	y	y	y	y	y	Milk Drinks Toilet	5	See Epping Forest more plastics	y	Should have 30mph signs on bins
26	Tesco Clacton	Wix	yes		8	n	n	y	y	y	y	Yes and tops	6	Cardboard needs to be recycled mre often	y	
26	Tesco Clacton	Bockings Elm	yes		9	y	y	y	y	y	y	Drinks Milk and c	7	Clearer labelling what can and cant be recycled	y	
26	Tesco Clacton	Clacton	yes		5	n	n	y	n	y	y		5	more collection	n	
26	Tesco Clacton	Clacton	yes	Flat collect	9	y	y	y	y	y	y		5		y	
26	Tesco Clacton	Walton	yes		10	y	n	y	y	y	y	All	5	Smaller brown bins needed	y	
26	Tesco Clacton	Clacton	yes		8	n	n	y	y	y	n	All and caps	9	Bags	y	
26	Tesco Clacton	Thorrington	yes		10								10			Battery recycling need to let people know how
26	Tesco Clacton	Clacton	no	Taller wheelie bins	6	y	n	y	y	n	y	Milk	5	Bigger bins for recycling	n	
26	Tesco Clacton	Clacton	yes		8	y	n	y	y	y	n	Milk Juice Clean	8	More plastic collection	n	
26	Tesco Clacton	Brightlingsea	yes	dont know	8	y	y	y	y	y	y	Milk Water Toilet	6	general plastic reduce packaging garden waste	y	
26	Tesco Clacton	Thorpe	yes	advice	10	y	y	y	y	y	y	All plastic bottles	9	supermarkets packaging	y	
26	Tesco Clacton	T	yes	dont know	7	y	y	y	y	y	y	Drinks Milk sauc	10	Plastic recycling less packaging	y	
26	Tesco Clacton	Point Clear	yes	help the people	10	y	n	y	y	y	y	All plastic bottles	5	improve recycling take more	y	
26	Tesco Clacton	Walton	yes	Collect more	10	y	y	y	y	y	n	Milk Toiletries Al	5	Food with garden waste biodegradable bags collect	y	
26	Tesco Clacton	Mistley	yes	no problem	8	y	y	y	y	y	n	Most drinks bottl	8	Glass collection	n	
26	Tesco Clacton	Great Clacton	yes	recycling en	10	n	n	y	y	y	y	Milk Drinks clean	1	weelie bin for recycling	n	
26	Tesco Clacton	Jaywick	yes	enforcement	10	y	n	y	n	y	n	Milk Drinks	8	glass collection collect more plastic	n	
26	Tesco Clacton	Clacton	yes	collections	6	n	y	y	y	y	y	Water Drinks	3	more collection recycle more plastic and glass	y	
26	Tesco Clacton	Clacton	yes	black bags	9	y	y	y	y	y	y	Water Detergent	5	Take more plastic packaging to recycle	y	
26	Tesco Clacton	Great Clacton	yes	enforcement	10	y	y	y	y	y	y	All plastic bottles	9	Glass collection	y	
26	Tesco Clacton	Holland on Sea	yes	fine them	10	y	n	y	y	y	n	Drinks Milk and h	9	Yoghurt pots plastics	y	
23	Christmas Island Clacton	Wash Lane	yes	Food waste	7	n	y	y	y	y	n	All	7	Information all plastic		
23	Christmas Island Clacton	Peter Bruff ward	yes	take more	10	y	n	y	y	y	n	All	9	General household waste ie garden chairs to be recy	n	
23	Christmas Island Clacton	Holland on Sea	yes	pay to recy	10	y	n	y	y	y	y	All	7	check weelie bins	n	

23	Christmas Island Clacton	Clacton	yes	food waste	8	y	n	y	y	y	All plastic bottles	5	do what people say	n							
23	Christmas Island Clacton	Clacton	yes		10	y	n	n	y	y	n	Drinks Milk	5	food composters and separation							
23	Christmas Island Clacton	Holly Court	yes	In town rec	10	y	n	y	y	y	y	Milk	10	Bottle deposit recycling weelie bin recycling points	y						
23	Christmas Island Clacton	Great Clacton	yes	enforceme	9	y	n	y	y	y	y	Milk cleaning prc	6	take other plastics	n						
23	Christmas Island Clacton	Clacton	yes		7	n	n	y	y	y	y	All	7	Kerbside glass collection	n						
23	Christmas Island Clacton	Lt Clacton	yes	too much h	6	y	n	y	y	y	y	All	8	Dont know	n						
23	Christmas Island Clacton	Great Clacton	yes		8	y	y	y	y	y	y	All	5	Take all	y						
23	Christmas Island Clacton	Jaywick	yes		10	y	y	y	y	y	y	All	7	Call similar time							
23	Christmas Island Clacton	Weeley	no	new boxes	3	n	n	n	y	y	y	Dont	8	More info needed	n						
23	Christmas Island Clacton	Holland on Sea	yes		7	y	n	y	y	y	y	Milk drink cleanir	7	end market	n						
23	Christmas Island Clacton	Harwich	yes		10	y	y	y	y	y	n	Milk Drinks	10	fly tipping dumping communal areas	y						
23	Christmas Island Clacton	Church Road Clacton	yes		10	y	y	y	y	y	y	Milk cleaning prc	10		y						
23	Christmas Island Clacton	Clacton	yes		10	y	n	y	y	y	n	Milk Coke	7	better shops laws etc							
23	Christmas Island Clacton	Alton Park	yes		10	n	y	y	n	y	n	All	7	recycle responsibility bottle return scheme	n						
23	Christmas Island Clacton	Great Clacton	yes		10	y	y	y	y	y	y	Drinks Milk	8	metal trays tin foil oil plastics reuse	y						
23	Christmas Island Clacton	Ellis Road	yes	Bins along	10	y	n	y	n	y	n	Milk Water	5	Deposit bottle return scheme	y						
24	Morrisons Harwich	Dovercourt	yes		10	y	y	y	y	y	y	All	1	All plastics to be recycled	y						
24	Morrisons Harwich	Old Harwich	yes	encourage	10	y	n	y	y	y	n	All plastic bottles	5	Bottle return scheme separate bin collect glass garden	n						
24	Morrisons Harwich	Dovercourt	yes		10	y	y	y	y	y	n	All	1	Accept more plastic	y						
24	Morrisons Harwich	Clacton	yes	encourage	10	y	y	y	y	y	n	Milk cleaning prc	9	better plastic recycling	y						
24	Morrisons Harwich	Dovercourt	yes	glass and b	10	y	y	y	y	y	y	Milk Drinks clean	8	glass weelie bin education and encouragement	y						
24	Morrisons Harwich	St Osyth	yes		10	n	y	y	y	y	y	Milk Juice	10		y						
24	Morrisons Harwich	Lt Oakley	yes		10	y	y	y	n	n	n	All	7	Collection everything, more frequent	y						
24	Morrisons Harwich	Fallowfield	yes	Yes	10	y	n	y	y	y	n	bottles	1	other areas better take everything	y						
24	Morrisons Harwich	Dovercourt	yes	encourage	10	y	y	y	y	y	y	Detergents	8	take larger items for free	n						
24	Morrisons Harwich	Harwich	yes		10	y	n	y	n	y	y	All	5	every week	y						
24	Morrisons Harwich	Gt Oakley	yes		10	y	n	y	y	y	y	All	5	Glass collection Colchester better	y						
24	Morrisons Harwich	Harwich	yes		8	y	n	y	n	y	y	Everything plast	5	take all plastic and collect glass	y						
24	Morrisons Harwich	Harwich	yes	encourasgi	10	y	n	y	n	y	y	All	8	Free glass collection	n						
24	Morrisons Harwich	Harwich	yes	reassuranc	9	y	n	y	y	y	y	Milk Drinks	8	Bins too small	n						
24	Morrisons Harwich	Dovercourt	yes	much as yo	8	y	n	y	y	y	y	Milk Water	6	Take more plastic	y						
24	Morrisons Harwich	Dovercourt	yes	encourage	10	y	y	y	y	y	y	All plastics	7	compulsory	y						
24	Morrisons Harwich	Dovercourt	yes	tell them	8	y	y	y	n	y	y	Do plastic only al	5	Take all plastic	n						
24	Morrisons Harwich	Dovercourt	yes	glass bin	10	n	n	y	y	y	y	Water Detergent	6	No limit on garden waste glass collection	n						
24	Morrisons Harwich	Dovercourt	yes	better colli	10	y	n	y	y	y	n	Everything	3	recycle more	n	Does it cost council more if easier to collect old furniture rather than it being dumped					
24	Morrisons Harwich	Harwich	yes		8	y	n	y	y	y	n	Coke Lemonade	5	bags again rather than boxes	y						
24	Morrisons Harwich	Harwich	yes		10	y	n	y	n	y	n	All	5	More to be recycled need bins and places to take recy	y						
24	Morrisons Harwich	Dovercourt	yes	encourage	10	y	y	y	y	y	y	Any	6	More bins at supermarkets chewing gum	y						
24	Morrisons Harwich	Dovercourt	yes	encourage	8	y	y	y	y	y	y	Acceptable ones	6	Tetra paks follow rochford yoghurt pots butter	y						
24	Morrisons Harwich	Little Bromley	yes		10	y	n	y	y	y	n	Any	9	Improve food waste collection	y	Takes things not recycled by Tendring to Mothers in Dedham					
24	Morrisons Harwich	Dovercourt	yes	education	10	y	n	y	y	y	n	Any	8	Encouragement and education	n						
24	Morrisons Harwich	Dovercourt	yes	try encoura	10	y	y	y	n	y	n	Any	7	People should encourage	y						
24	Morrisons Harwich	Parkston	yes	storage	8	n	n	y	y	y	n	Milk drink cleanir	6	Glass collection Free garden waste	y						
24	Morrisons Harwich	Wix	yes		10	y	y	y	y	y	y	All	3	All plastics Shops should only do recyclable	y	Foil					
24	Morrisons Harwich	Second Ave Harv	yes		10	y	n	y	n	y	n	Milk Drinks aeros	8	yoghurt and margarine tubs Education stickers	n						
					89		8.93407	76	41	88	75	88	61		6.340659341		57				

Recycling and Composting Performance

April 2017 - March 2018

Authority	Household Residual Waste (Tonnes)	Household Waste Reused or Recycled (Tonnes)	Household Waste Composted (Tonnes)	Total Household Waste (Tonnes)	Household Waste Reused or Recycled (%)	Household Waste Composted (%)	Total Recycled or Composted (%)	Number of Households	Total Waste Per Household (Kgs)	Household Residual Waste Per Household (Kgs)
Basildon Borough Council	40,241	18,462	19,085	77,788	23.7%	24.5%	48.3%	77,990	997	516
Braintree District Council	27,968	13,245	15,785	56,998	23.2%	27.7%	50.9%	64,150	889	436
Brentwood Borough Council	16,250	7,081	5,471	28,801	24.6%	19.0%	43.6%	33,140	869	490
Castle Point Borough Council	16,382	8,125	7,797	32,304	25.2%	24.1%	49.3%	38,550	838	425
Chelmsford City Council	32,834	14,695	21,881	69,410	21.2%	31.5%	52.7%	74,740	929	439
Colchester Borough Council	29,232	15,076	14,569	58,877	25.6%	24.7%	50.4%	80,410	732	364
Epping Forest District Council	23,317	14,134	16,435	53,886	26.2%	30.5%	56.7%	55,870	964	417
Harlow Council	14,834	8,156	3,404	26,394	30.9%	12.9%	43.8%	36,980	714	401
Maldon District Council	9,414	6,015	7,492	22,921	26.2%	32.7%	58.9%	27,800	824	339
Rochford District Council	12,510	8,307	12,621	33,437	24.8%	37.7%	62.6%	35,600	939	351

Tendring District Council	35,323	8,921	4,409	48,652	18.3%	9.1%	27.4%	69,740	698	506
Uttlesford District Council	15,453	9,297	6,062	30,812	30.2%	19.7%	49.8%	36,050	855	429
Waste Collection Authority Total	273,755	131,514	135,010	540,279	24.3%	25.0%	49.3%	631,020	856	434
Essex County Council - Waste Disposal Authority Total	50,456	48,473	22,600	121,529	39.9%	18.6%	58.5%	631,020	193	80
Recycling of MBT Residual Waste		15,279								
Essex Waste Partnership Total	308,931	195,267	157,609	661,807	29.5%	23.8%	53.3%	631,020	1,049	490

Note 1: The total residual waste collected by the Essex Waste partnership does not equal the sum of the residual waste collected by Essex County Council and the Waste Collection Authorities, because after collection a proportion of the residual waste has undergone further treatment at the Mechanical and Biological Treatment (MBT) facility to extract recyclate. In 2017/18 the MBT facility extracted a further 15279 tonnes from the residual waste for recycling. This has been removed from the Partnership's residual waste total and added to the recycling totals.

Note 2: Household data <https://www.gov.uk/government/statistics/council-tax-stock-of-properties-2017> (Table CTSOP 1.0 SUP) Household numbers as of September 2017.

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RESOURCES AND SERVICES OVERVIEW AND SCRUTINY COMMITTEE

29 NOVEMBER 2018

REPORT OF THE DEPUTY CHIEF EXECUTIVE

A.2 FINANCIAL PERFORMANCE REPORT – IN-YEAR PERFORMANCE AGAINST THE BUDGET AT END OF SEPTEMBER 2018 AND LONG TERM FINANCIAL FORECAST UPDATE

(Report prepared by Ian Ford)

PURPOSE OF THE REPORT

To provide an overview of the Council's financial position against the budget as at the end of September 2018 and to present an updated forecast on an on-going basis as part of developing the budget for 2019/20 and beyond.

BACKGROUND

On 9 November 2018 Cabinet considered a Financial Performance Report which is attached as **Appendix A**.

As set out within the attached, in a change from previous years, the information provided seeks to bring various strands of financial information together into one report rather than it being reported separately or at different times during the course of the year. This will be reported to Members on a quarterly basis and will encompass all of the information previously reported to members albeit in a different format.

RECOMMENDATION

That the Committee:

- a) **considers the in-year financial position as at the end of September 2018 and determines whether it has any comments or recommendations it wishes to make or put forward to the relevant Portfolio Holder or Cabinet; and**
- b) **considers the updated long term financial forecast update and determines whether it has any comments or recommendations it wishes to make to Cabinet as part of the financial strategy consultation process.**

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Key Decision Required:	Yes	In the Forward Plan:	Yes
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CABINET

9 NOVEMBER 2018

REPORT OF FINANCE AND CORPORATE RESOURCES PORTFOLIO HOLDER

A6. FINANCIAL PERFORMANCE REPORT – IN-YEAR PERFORMANCE AGAINST THE BUDGET AT END OF SEPTEMBER 2018 AND LONG TERM FINANCIAL FORECAST UPDATE

(Report prepared by Richard Barrett)

PART 1 – KEY INFORMATION

PURPOSE OF THE REPORT

To provide an overview of the Council's financial position against the budget as at the end of September 2018 and to present an updated forecast on an on-going basis as part of developing the budget for 2019/20 and beyond.

EXECUTIVE SUMMARY

- As highlighted in the corresponding report at the end of July 2018, in a significant change from previous years, these regular finance reports aim to present the overall financial position of the Council by bringing together information that was previously reported within corporate budget monitoring reports and performance monitoring reports along with timely updates on the development of the long term forecast and budget for 2019/20 and beyond.
- The above approach follows the commitment to provide regular updates on the long term financial forecast as agreed as part of the move to a long term financial sustainability plan last year and to bring the reporting of key financial performance together in one report.
- The report continues to be split over two distinct sections as follows:
 - 1) ***The Council's in-year financial position against the budget at the end of September 2018***
 - 2) ***An updated long term financial forecast and estimated position for 2019/20.***

In respect of the in-year financial position at the end of September 2018:

- The Council's financial position against the approved budget has been prepared for the period to the end of September 2018.
- In respect of the position at the end of September, it is acknowledged that expenditure or income trends may still be emerging. However any significant issues arising to date have been highlighted and comments provided as necessary.
- The position to the end of September 2018, as set out in more detail in the

Executive Summary attached, shows that overall the General Fund Revenue position is behind the profiled budget by **£3.468m**. As has been the case in previous quarters, the variance to date primarily reflects the timing of expenditure and income although as mentioned above, underlying trends may emerge or be confirmed over the remainder of the year.

- In respect of other areas of the budget such as the Housing Revenue Account, capital programme, collection performance and treasury activity, apart from additional details set out later on in this report, there are no major issues that have been identified to date.
- Any emerging issues will be monitored and updates provided in future reports which will include their consideration as part of updating the long term financial forecast.
- As highlighted in the corresponding report at the end of July 2018, these regular finance reports will respond to in-year budget pressures and other changes as they emerge rather than wait until the detailed estimates are prepared in December / January of each year. **Appendix H** therefore sets out a number of changes to in-year budgets with an associated recommendation also included within this report. The net impact of all of the budget adjustments will be moved to or from the Forecast Risk Fund. The long term forecast relies upon **£0.500m** of in-year outturn savings being set aside over the course of the whole year within the Forecast Risk Fund to support the long term plan.
- A half year treasury management review has been carried out with a summary set out later on in this report along with an associated recommendation to temporarily increase the aggregate limit of funds that can be placed overnight with the Council's bankers for the period that the offices will be closed over the Christmas break

In respect of the updated long term financial forecast:

- The forecast has been reviewed as at the end of September 2018 and updated from 2019/20 onwards. The required changes do not expose the Council to any additional risk and although the annual deficit or surplus position for each year of the forecast has been amended, they can still be accommodated within the overall projected financial position supported by an increased Forecast Risk Fund.
- A review of risks associated with the long term approach to the forecast is also subject on-going review and are separately reported within **Appendix J**.
- As mentioned last year, it is important to continue to deliver against the new longer term approach to the budget as it continues to provide a credible alternative to the more traditional short term approach which would require significant savings to be identified over 2019/20 and 2020/21.
- Work remains on-going across the 5 key work strands of:
 - 1) Increases to underlying income
 - 2) Controlling expenditure / inflationary increases
 - 3) The identification of savings / efficiencies
 - 4) Delivering a positive outturn position each year
 - 5) The mitigation of cost pressures wherever possible.

RECOMMENDATION(S)

That in respect of the financial performance against the budget at the end of September 2018, it is recommended that:

- (a) The position be noted;
- (b) the proposed in-year adjustments to the budget as set out in Appendix H be agreed; and
- (c) in respect of the Council's Treasury Management Practices, the aggregate amount of money that can be placed overnight with the Council's bankers be increased temporarily from £1.000m to £1.500m for each day the offices are closed over the Christmas break.

That in respect of the Updated Long Term Forecast revised at the end of September 2018, it is recommended that:

- (a) The updated forecast be agreed; and
- (b) the Resources and Service Overview and Scrutiny Committee are consulted on the updated position.

PART 2 – IMPLICATIONS OF THE DECISION

DELIVERING PRIORITIES

Effective budgetary control is an important tool in ensuring the financial stability of the authority by drawing attention to issues of concern at an early stage so that appropriate action can be taken. Financial stability and awareness plays a key role in delivering the Council's corporate and community aims and priorities.

The forecasting and budget setting process will have direct implications for the Council's ability to deliver on its objectives and priorities. At its heart, the long term approach being taken seeks to establish a sound and sustainable budget year on year through maximising income whilst limiting reductions in services provided to residents, business and visitors.

FINANCE, OTHER RESOURCES AND RISK

Finance and other resources

The financial implications are considered in the body of the report.

Risk

In respect of the position at the end of September 2018, a number of variances will be subject to change as the year progresses although at this stage it is expected that any adverse position can be managed within the overall budgets. The budget position will be monitored and reviewed as part of both the future budget monitoring arrangements and Financial Strategy Processes.

In respect of the long term forecast, there are significant risks associated with forecasting such as cost pressures, inflation and changes to other assumptions that form part of the financial planning process. There are a number of areas that could lead to additional expenditure being incurred, such as: -

- Economic environment / instability;

- Emergence of cost pressures;
- Changes to the local authority funding mechanisms such as the Government's fairer funding review that is proposed;
- New legislation placing unfunded duties on the Council or reducing the level of the Council's core funding;
- Local or national emergency;
- Income is less than that budgeted for, including business rate income retained locally.

However the forecast is based on relatively conservative estimates with no optimistic bias included. **Appendix J** discusses the various risks to the forecast with a Red / Amber/ Green risk assessment approach taken.

As discussed last year, another potentially more important action to manage and mitigate risk is the Council's ability to financially underwrite the forecast. As with any forecast, some elements of income and expenditure will be different to that forecasted. It is fair to say that many may offset each other over the longer term. However, there are two important aspects to how this will be managed.

- 1) Along with additional contributions included within the outturn position for 2017/18, **£1.887m** has already been set aside within the Forecast Risk Fund to support the budget in future years. This is significantly more than the estimated position from last year and excludes the additional contribution of **£0.717m** to fund initiatives aimed at supporting the long term forecast, which is also being held in the reserve. This money is available to be drawn down if the timings within the forecast differ in reality and the net position is unfavourable compared to the forecast in any one year.
- 2) The forecast will remain 'live' and be responsive to changing circumstances and it will be revised on an on-going basis. If unfavourable issues arise that cannot be mitigated via other changes within the forecast then the forecast will be adjusted and mitigating actions taken. Actions to respond will, therefore, need to be considered but can be taken over a longer time period where possible. In such circumstance the Council may need to consider 'topping' up the funding mentioned in 1) above if required in the early years of the forecast. This may impact on the ability to invest money elsewhere but will need to demonstrate that its use is sustainable in the context of the ten year forecast and supports the thinking behind the new approach of protecting Council services wherever possible.

Set against the above foundations, the forecast includes the need to identify on-going savings of **£0.300m** each year. This figure will need to remain flexible and react as a counterbalance to other emerging issues as it is accepted that this figure may need to be revised up or down over the life of the forecast.

It will also be important to deliver against the forecast in the early years to continue to build confidence in the revised approach. This will, therefore, need robust input from members and officers where decisions may be required in the short term or on a cash flow basis.

Another aspect to this approach is the ability to 'flex' the delivery of services rather than cut services. As would be the case with our own personal finances, if we cannot afford something this year because of a change in our income, we can put it off until next year. There is a practical sense behind this approach as we could flex the delivery of a service one year but increase it again when the forecast allows.

In addition to the above it is important to note that the Council has already prudently set aside money for significant risks in the forecast such as **£1.608m** (NDR Resilience Reserve) and **£1.100m** (Benefits Reserve), which can be taken into account during the period of the forecast if necessary. The Council also holds **£4.000m** in uncommitted reserves which supports its core financial position.

To support the forecast, sensitivity testing has been undertaken which is set out in more detail later in this report.

LEGAL

The Local Government Act 2003 makes it a statutory duty that Local Authorities monitor income and expenditure against budget and take appropriate action if variances emerge.

The arrangements for setting and agreeing a budget and for the setting and collection of council tax are defined in the Local Government Finance Act 1992. The previous legislation defining the arrangements for charging, collecting and pooling of Business Rates was contained within the Local Government Finance Act 1988. These have both been amended as appropriate to reflect the introduction of the Local Government Finance Act 2012.

The Local Government Finance Act 2012 provided the legislative framework for the introduction of the Rates Retention Scheme and the Localisation of Council Tax Support.

The Calculation of Council Tax Base Regulations 2012 set out arrangements for calculation of the council tax base following implementation of the Local Council Tax Support Scheme. The new arrangements mean that there are now lower tax bases for the district council, major preceptors and town and parish councils.

The Localism Act 2012 introduced legislation providing the right of veto for residents on excessive council tax increases.

Under Section 25 of the Local Government Act 2003, the Chief Finance Officer (S151 Officer) must report to Council as part of the budget process on the robustness of estimates and adequacy of reserves. The proposed approach can deliver this requirement if actively managed and will be an issue that remains 'live' over the course of the forecast period and will be revisited in future reports to members as the budget develops.

OTHER IMPLICATIONS

Consideration has been given to the implications of the proposed decision in respect of the following and any significant issues are set out below.

Crime and Disorder / Equality and Diversity / Health Inequalities / Area or Ward affected / Consultation/Public Engagement.

There are no other implications that significantly impact on the financial forecast. However, the ability of the Council to appropriately address these issues will be strongly linked to its ability to fund relevant schemes and projects and determination of the breadth and standard of service delivery to enable a balanced budget to be agreed.

An impact assessment will be undertaken as part of any separate budget decisions such as those that will be required to deliver the necessary savings.

PART 3 – SUPPORTING INFORMATION

SECTION 1 – IN YEAR FINANCIAL PERFORMANCE AGAINST THE BUDGET AT THE END OF SEPTEMBER 2018

The Council's financial position against the approved budget has been prepared for the period ending 30 September 2018.

This is the second such report on the Council's financial position against the budget for 2018/19, and so some expenditure or income trends may still be emerging. However comments are provided below where necessary against the following key areas:

- General Fund Revenue and Proposed Changes to the 2018/19 Budget
- HRA Revenue
- Capital Programme – General Fund
- Capital Programme - HRA
- Collection Performance
- Treasury Activity

GENERAL FUND REVENUE

The position to the end of September 2018, as set out in more detail in the Executive Summary attached, shows that overall the actual position is behind the profiled budget by **£3.468m**.

After excluding the variance for employee costs of **£0.311m**, the remaining net variance is **£3.157m**

As set out in the appendices, elements of this remaining variance are due to the timing of expenditure and income or where commitments / decisions have yet to be made.

Appendix B provides further narrative around variances with some highlights as follows:

- Employee Costs – as set out above, expenditure is behind profile by **£0.311m**. Following a detailed review, it is estimated that **£0.200m** of this amount relates to vacancies where there is no associated commitment and therefore is the accrued amount that can be 'banked' at the end of September 2018 as a saving. This is included within the proposed adjustments to the budget set out in **Appendix H** as part of the net contribution to the Forecast Risk Fund. The corresponding figure at the end of July 2018 was **£0.100m**.
- Income is running ahead of the profile in areas such as parking (**£0.133m**), cemeteries (**£0.013m**), the crematorium (**£0.028m**), street naming and numbering (**£0.056m**) and building control (**£0.024m**). Although these income trends will be monitored over the remainder of the year, initial assumptions have been made about their inclusion or otherwise within the long term forecast that contribute to the net savings amount set out within the second part of this report.
- In a continuing reversal of a trend from previous years, planning income remains behind the profile (**£0.065m**). This will be considered as the long term forecast develops as it was anticipated that income growth in this area could contribute to the long term net savings target which is now likely to have to be reconsidered based on the current position.

In addition to the above issue, a revised financial reporting requirement has been introduced which is basically a technical accounting adjustment relating to when income can be recognised within the accounts. It is currently expected that a significant level of planning income received towards the end of this financial year may have to be removed and accounted for in 2019/20 which could have a significant overall impact. This is currently being monitored and a further update will be provided later on in the year, which may require an adjustment to the planning income budget in 2018/19.

It is also worth mentioning that a number of budgets are being reviewed where they have remained uncommitted for more than one year as highlighted by Cabinet / Resources and Service Overview and Scrutiny Committee. This review is nearing completion and so will now be reported in a future report rather than this report as originally anticipated.

APPENDIX H sets out a number of proposed budget adjustments that respond to both favourable and adverse issues that have emerged over the first half of the year and include:

- Insurance Costs – during the renewal process this year, it was decided to move the renewal date in future years to avoid busier times of the year for the relevant officers. This has required an accounting change where the insurance costs are now accounted for on an accruals basis rather than on a cash basis. This results in a one-off saving in 2018/19 of an estimated **£0.100m**.
- Investment income – a continuing positive cash flow and interest rate position have resulted in additional income of **£0.080m** from treasury activities.
- Career Track Income – the service is currently experiencing a time ‘lag’ of building up a client base which was adversely impacted by the delay in the available of guidance etc. from the Government. Therefore it is expected that income will be lower than the budget over the course of the year, with an income budget adjustment of **£0.050m** proposed.
- Air Show 2018 – Following the finalisation of the airshow ‘account’ relating to the 2018 show, net costs exceeded the budget by **£0.043m**.

The net overall position set out in **Appendix H**, which includes the vacancy saving of **£0.200m** highlighted earlier, results in a net contribution to the Forecast Risk Fund of **£0.387m**, which brings the total transferred to this reserve in 2018/19 to **£0.484m**. Therefore the total target contribution of **£0.500m** has nearly been reached at the end of the first six months of the year.

Other net neutral budget adjustments have also been included within **Appendix H** and include **£0.791m**, funded from the 2018/19 New Homes Bonus, which relates to the purchase of wheeled bins and recruitment of additional temporary staff to support the implementation of the changes from the extension to the current waste, recycling and street cleansing contract as agreed by Cabinet at its 23 March 2018 meeting.

HRA REVENUE

An overall position is set out in the Executive Summary with further details included in **Appendix C**.

At the end of September 2018, the HRA is **£0.073m** behind the net profiled budget. The

most significant issue contributing to this position is dwelling rental income which is **£0.049m** behind profile (**0.4%** of the total annual amount). Void loss has been higher over recent periods due to issues such as taking time to undertake major repairs etc. when properties become vacant but it is expected that this should stabilise in the long term. A further issue that will have an impact on rental income and the long term HRA business plan is the general increase in right to buy sales which will have a negative impact on income. These issues will therefore need to be considered within the 2019/20 HRA budget and beyond.

CAPITAL PROGRAMME – GENERAL FUND

The overall position is set out in **Appendix D**.

As at the end of September 2018 the programme is behind profile by **£0.050m**. Detailed comments are provided within the appendix. Following the on-going review, a further scheme has been reprofiled into future years to reflect lead in times / development of the associated project, with the necessary adjustment set out in **Appendix H**.

Appendix H also includes the establishment of a budget in the Capital Programme relating to purchase of wheeled bins following the extension to the waste and recycling contract as discussed earlier in this report.

Apart from the matters highlighted above or within the appendix, there are no additional issues to highlight at present.

CAPITAL PROGRAMME – HOUSING REVENUE ACCOUNT

As at the end of September 2018 the programme is behind profile by **£0.108m**.

This budget relates primarily to the on-going major repairs and improvements to the Council's own dwellings. There are no specific issues to highlight at this stage and the expectation is that expenditure / commitments will be broadly in line with the budget over the course of the year as work is progressed and procurement processes completed.

Appendix H sets out the following two adjustments to the HRA Capital Programme:

- The inclusion of a new line to reflect the first phase of the construction of 10 new homes in Jaywick Sands as endorsed by Cabinet at its November 2017 meeting.
- The inclusion within the HRA Capital programme of additional funding due from ECC relating to the acquisition of a site within Jaywick Sands.

COLLECTION PERFORMANCE

A detailed analysis of the current position is shown in **Appendix E**.

The position for 2018/19 remains behind the position reported for the same period last year. At the end of July 2018, it was reported that there was a significant amount of money owed by one public sector organisation. This remains outstanding and following further review, replacement invoices have been sent to the relevant organisation for payment as soon as possible.

At the end of September 2018, **£0.034m** remains outstanding from Brightlingsea Town Council that primarily relates to their contribution to the running costs of Brightlingsea Pool in prior years.

Apart from the above, there are no significant issues to highlight at the present time. Income will continue to be collected over the remainder of the year with recovery arrangements and action taken as necessary.

TREASURY ACTIVITY

A detailed analysis of the current position is shown in **Appendix F**.

The Council agreed the Treasury Strategy for 2018/19 on 27 March 2018 and in accordance with Financial Procedure Rules this strategy and associated activity have been subject to a half yearly review with the outcomes set out below:

The Economy and the outlook for next 6 months

A more detailed analysis has been provided by the Council's treasury advisors with highlights set out as follows:

The first half of 2018/19 has seen UK economic growth post a modest performance, but sufficiently robust for the Monetary Policy Committee (MPC) to vote unanimously to increase the Bank Rate on 2 August from 0.5% to 0.75%. 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, and the Council's treasury advisors are predicting an increase in the bank rate to 1.00% in Sept 2019.

Investments

Investment returns are well ahead of the budget, mainly as a result of the increase in the bank base rate on 2 August 2018. The weighted average interest rate at the end of September stood at 0.60%, with the budget reflecting a target of 0.40%. As a result, the budget is proposed to be increased by £80,000 for 2018/19, and by £100,000 for 2019/20, with this additional income reflected in the updated financial forecast set out in the next section of the report.

The closure of Council Offices between Christmas and New Year 2018 means that daily treasury management actions will not be able to be undertaken for a short period. Despite planning to maintain adequate headroom across the Council's current accounts, significant council tax and non-domestic rates payments are expected during the Christmas closedown period and along with other income the current **£1.000m** limit that can be placed overnight with the Council's current account bankers is likely to be exceeded. A similar situation occurred last year which was brought to the attention of members. Although alternative approaches remain under review, at the present time it is requested that the limit be temporarily increased to **£1.500m** for this period. Officers will monitor the wider market conditions / intelligence and will only place money up to this revised limit if there are no adverse indicators around Lloyds bank that would increase risks. During the year Lloyds Bank have seen a strengthening position in terms of their overall ratings from the main rating agencies increasing confidence in them and therefore limiting the risks associated with the proposed approach set out above. A recommendation has been included earlier in this report reflecting this proposal.

Borrowing

The borrowing rates that the Council can access remain relatively low. Due to the low yield on investments, the Council has maintained the position of not replacing the **£1.000m** external loan which matured in March 2014 and no additional borrowing is currently planned in 2018/19.

Other

The Chartered Institute of Public Finance and Accountancy, (CIPFA), issued a revised Code of Practice on Treasury Management and Prudential Code in late 2017 and has recently issued guidance notes supporting both Codes. Statutory investment guidance has also been updated in 2018. These have raised several issues:

- A local authority should define its risk appetite and its governance processes for managing risk.
- A local authority should assess the risks and rewards of significant investments over the long term, as opposed to the usual three to five years that most local authority financial planning has been conducted over, in order to ensure the long term financial sustainability of the authority.
- The Prudential Code has also expressed concern that local authorities should ensure that an authority's approach to commercial activities should be proportional to its overall resources.
- A local authority should have access to the appropriate level of expertise to be able to operate safely in all areas of investment and capital expenditure, and to involve members adequately in making properly informed decisions on such investments.

As a result, the Prudential Code 2017 introduced a requirement to produce an annual capital strategy to deal with these issues.

Although these issues are broadly included within existing decision making processes where necessary, they will be reviewed as part of development of the annual Treasury Management Strategy report for 2019/20, which will be reported to Cabinet in early 2019 and to Council by 31 March 2019.

In respect the Council's commercial property portfolio, there have been no additions since the purchase of the property in Clacton last year. In respect of the property purchased last year, the lease with the existing tenant remains on-going, with nothing emerging to date that alters that position.

Notwithstanding the above, operationally there are no significant matters to highlight at the end of September with investment and borrowing activity on-going in line with the Treasury Strategy and associated practices / requirements.

SECTION 2 – UPDATED LONG TERM FORECAST

Following the establishment of a longer term approach to the budget setting process that was agreed last year, the forecast is updated on an on-going basis with the latest position set out in **Appendix I**.

The detailed context to the revised longer term approach was included in the report to Cabinet on the 5 September 2017. Key elements to the forecast and further developments are set out below against the following principles / work strands:

Increases to Underlying Income (Council Tax and Business Rates)

- ***Changes to the forecast for 2019/20***

Two lines of the forecast have been changed since the update in July 2018 as follows:

- 1) **Growth in Business rates / council tax – general property growth** – this has been reduced from **£0.171m** to **£0.130m** in 2019/20 to reflect the latest estimate

of property growth for council tax purposes. This excludes any change in the estimated property growth for business rates, which is still subject to an annual review, and any benefit from being a member of the Essex Business Rate Pool / Pilot.

- 2) **Collection Fund Surpluses b/fwd** - This has been increased from **£0.446m** to **£0.703m** in 2019/20 to reflect the latest position and performance to date. Similarly to the above, this excludes any change in business rates which will be finalised later in the budget setting process.

Taking the above into account, the total income for this element of the forecast has increased from **£0.942** to **£1.158m** in 2019/20 compared with the position reported at the end of July 2018.

- ***Underlying assumptions for 2020/21 and beyond***

There have been no changes to the forecast for 2020/21 and beyond apart from projecting the lower property base identified above into the later years of the forecast.

The forecast remains based on an increase of £5 in the level of Council Tax for Tendring District Council Services over the life of the forecast and property growth in 2020/21 and beyond remains broadly based on the local plan projections.

Controlling Net Expenditure / Inflationary Pressures

- ***Changes to the forecast for 2019/20***

There have been no changes since the update in July 2018.

- ***Underlying assumptions for 2020/21 and beyond***

There have been no changes since the update in July 2018.

Although the 2019/20 forecast reflects the significant and front loaded pay award, it remains the expectation that the longer term position will revert to more manageable increases such as the 1% commitment previously promoted by the Government, which is included from 2020/21 onwards within the forecast.

A number of activities remain on-going within the Council's overall financial framework such as reviewing the outturn position from prior years to identify possible budget reductions. The Council also continues to explore opportunities to bring services back in-house, which has the potential to reduce overall increases in costs.

As discussed earlier in the year, the proposed changes to the Waste, Recycling and Street Cleansing contract have reduced what would have seen a significant price increase down to a level that can be managed within the forecast.

Departments continue to take a proactive approach in delivering quality services against the context of the financial forecast in mind. Examples of actions taken include managing emerging issues within existing budgets wherever possible or reprioritising activities to reduce / limit pressures on the budget over the course of the year.

Savings and Efficiencies

Appendix K sets out the initial net savings identified for 2019/20. Although subject to final review / risk assessment where necessary, the figure identified to date totals **£0.279m**. Work remains on-going to increase this amount to **£0.300m** or above by the time the detailed estimates for 2019/20 are prepared for presenting to Cabinet in December 2018.

It is recognised that this line of the forecast provides the 'safety valve' to the overall long term approach and may have to be increased if significant / on-going adverse issues emerged over the life of the forecast.

Delivering a favourable Outturn Position

The Forecast Risk Fund continues to rely on in-year outturn contributions of **£0.500m** per annum to support the overall balance on the reserve which in turn underwrites the various risks to the forecast.

In respect of 2017/18, the requirement to contribute **£0.500m** to the Forecast Risk Fund was delivered.

In respect of 2018/19 to date, net contributions to the Forecast Risk Fund total **£0.484m**, made up of:

- **£0.081m** reported at end of July 2018
- **£0.387m** proposed at the end of September 2018 as included within **Appendix H**.
- **£0.016m** which relates to the carry forwards not approved under the delegation to the Finance and Corporate Resources Portfolio.

Cost Pressure Mitigation

Appendix L sets out the initial items identified by services for 2019/20.

These are currently subject to further review / challenge, which will include asking the following questions:

- 1) Can the expenditure be delayed until such time as there is a surplus in the forecast?
- 2) Can mitigating action be put in place or an alternative option implemented?
- 3) Can the cost pressure be supported by one-off money in the short term?
- 4) Can the cost pressure be mitigated via corresponding budget reductions within departmental budgets?
- 5) What Council priorities are being supported and what are the key benefits?

The cost pressures include one-off items in 2018/19, such as the Mental Health Hub Contribution, Airshow Night Flight, Sea and Beach Festival and the TV advert promoting the district, which will need to be considered for including on an on-going basis from 2019/20 in the context of the overall forecast and the other cost pressures identified.

It is unlikely to be possible to fund all of the items as they total **£0.886m** in 2019/20 (**£0.416m** on-going and **£0.470m** one-off).

Although discussed in more detail below, this line of the forecast presents one of the most significant risks, as in many instances it could be outside the control the Council, such as reduced income from external bodies / the Government.

Sensitivity Testing of the Forecast

There are numerous risks inherent in forecasting and **Appendix I** includes the potential impact if assumptions within the forecast change such as inflation, reduction in income, the level of cost pressures or underperformance in securing the required on-going savings.

Although there will always be a large number of permutations, all sensitivities tested are still expected to deliver an annual surplus within the life of the forecast.

The sensitivity test that would have one of the greatest impacts on the forecast is if council tax rises were 1% less than the base position. In aggregate, the annual deficits would be **£6.281m** compared with base position of **£3.227m**, but the budget would still deliver an annual surplus by the end of the forecast period.

If a number of issues came together at the same time then it is possible that the forecast becomes unsustainable in the longer term. This will be monitored as the forecast continues to be developed as it may be that the level of savings required needs to be increased to ensure the long term sustainability of the Council's financial position or the Council reverts back to the historic short term approach to setting the budget which would require significant savings early in the process.

Risk Assessment of Individual Lines of the Forecast

Given the inherent risks outlined, commentary on the various risks to the forecast is set out in **Appendix J**.

As discussed at the end of July 2018, attention is drawn to the following key areas of the forecast which have been given a higher risk rating compared with other lines of the forecast:

- **£5 increase in Council Tax** – the ability to increase Council Tax to a point that does not require holding a referendum is based on permission from the Government which is only confirmed on an annual basis. Although it is expected that above inflationary increases are likely to feature in future financial settlements, this risk will need to be carefully monitored and if there is any indication from the Government that it will not be allowable in later years of the forecast then the necessary adjustment to the estimated position will need to be made, which could include increasing the required savings allowance above **£0.300m** per annum.
- **Inflation** – Given the recent significant increases from the pay award negotiations, this pressure on the forecast may have subsided in the immediate term with only 1% increases included in future years of the forecast. However annual increases are currently outside the direct control the Council and will be reviewed on an annual basis with comments provided to the relevant national negotiating body as necessary. Inflation for items such as utilities and other similar items have historically been managed on a corporate basis with increases in some service areas being met from reductions in other areas. It is expected that this approach will continue in the immediate term. Inflation for major contracts is included within the forecast based on the Bank of England's long term CPI target of 2%.
- **Ongoing Net Savings** – a target of **£0.300m** remains within the forecast. For 2019/20 the activities underway to deliver this amount include a review of the historic outturn position, taking a confident but cautious approach to income streams which are currently or have historically outperformed the budget, along with securing on-going savings from re-organisational reviews. In terms of delivering against future year's targets, associated discussions will need to be

commenced over the rest of the current year to be able to secure the required savings from 2020/21 and beyond. This approach is backed by money set aside for activities that support the delivery of the long term forecast as discussed earlier in this report.

- **Unmitigated Cost Pressures** – as highlighted within the appendix, this line of the forecast presents one of the more significant risks going forward, especially in light of the total value of items identified for 2019/20.

Some items may be within the Council’s control, such as repairs to assets etc., but some are not, such as reduced income from outside bodies.

To date the Council has also refrained from using one-off money such as the New Homes Bonus to support the on-going budget. The forecast is based on this prudent principle continuing.

Taking all of the above into account, the forecasted annual deficit or surplus as set out in **Appendix I** is summarised as follows compared with the forecast considered at the end of July 2018:

Year	Net Budget Position Reported at the end of July 2018 (including adjusting for prior use of reserves to balance the budget)	Net Budget Position as Set out in the Updated Forecast (including adjusting for prior use of reserves to balance the budget)
2019/20	£0.725m (Deficit)	£0.509m (Deficit)
2020/21	£1.083m (Deficit)	£1.167m (Deficit)
2021/22	£0.790m (Deficit)	£0.918m (Deficit)
2022/23	£0.491m (Deficit)	£0.664m (Deficit)
2023/24	£0.182m (Deficit)	£0.401m (Deficit)
2024/25	£0.134m (Surplus)	£0.133m (Deficit)
2025/26	£0.458m (Surplus)	£0.142m (Surplus)
2026/27	£0.790m (Surplus)	£0.424m (Surplus)

Although the deficits have increased in the short term, the forecast moves to an annual surplus position within broadly the same timescales, with surpluses still forecast towards the end of the forecast period.

Appendix I also sets out the annual change in the Forecast Risk Fund with positive balances on this reserve estimated over the life of the forecast.

As part of their value for money work, the Council’s external auditors drew attention to the risks associated with use of reserves to balance the budget, namely that it is not sustainable. Although this is acknowledged, the use of the Forecast Risk Fund is on a controlled basis with underlying income expected to offset the net increases in expenditure in the long term, which provides for a more resilient approach to resisting potential reductions in the provision of services.

The approach to the forecast continues to be undertaken within a robust risk management framework which includes the regular reporting of a ‘live’ forecast as set out in this report which will enable timely actions to be taken in response to any adverse issues that may emerge. It is also important to highlight that delivery of the long term forecast in the early

years will provide confidence to the revised approach being taken.

Other Changes to the Forecast

As reported at the end of July 2018 and for completeness, there are a number of other budget changes that do not have an overall net impact on the budget. These include the removal of one-off capital items where they are funded from reserves, along with other one-off budgets where reserves have also been used such as the three year pension deficit contribution.

In the above cases the expenditure will be removed along with the associated call on reserves with no overall impact on the forecast. These will be set out in more detail later on in the year when the detailed budget for 2019/20 is presented.

Based on the latest position, the updated 2019/20 budget is forecast to be as follows:

Initial General Fund Budget 2019/20

	2018/19 Original Budget	2019/20 Forecast (at end of Jul 2018)	2019/20 Updated Forecast (at end of Sept 2018)
	£m	£m	£m
Net Cost of Services	17.403	17.686	17.686
Revenue support for capital investment	0.100	0.100	0.100
Financing items	(4.632)	(4.632)	(4.632)
Net Expenditure	12.871	13.154	13.154
Contribution to /(from) Reserves	1.031	0.390	0.606
Total Net Budget	13.902	13.544	13.760
Business Rates (<i>excl. S31 Govt. Grant</i>)	(4.578)	(4.680)	(4.680)
Revenue Support Grant	(1.070)	(0.422)	(0.422)
Collection Fund Surplus	(0.652)	(0.446)	(0.703)
Council Tax Requirement	7.602	7.996	7.955

Although this will be subject to revisions and updates as the year / forecast progresses, it does set out the estimated position for 2019/20 which includes a draw down from the Forecast Risk Fund of an estimated **£0.509m** to balance the budget in accordance with the long term forecast. (a reduction from the **£0.725m** forecast at the end of July 2018)

The council tax requirement figure of **£7.955m** is based on the forecast increase of £5 along with the property base assumptions as set out in the updated forecast. This represents an increase of **£0.353m** compared to 2018/19 and would result in an average Band D council tax of **£167.64** compared to **£162.64** in 2018/19.

To continue to deliver various elements of the forecast and to react to any changes as the forecast develops, it will require significant member and officer effort and focus. However the approach being taken continues to be a credible alternative to the more traditional approach of taking a shorter term view, which would require significant savings to be identified in both 2019/20 and 2020/21.

BACKGROUND PAPERS FOR THE DECISION

None

APPENDICES**RELATING TO SECTION 1 OF THE REPORT**

Front Cover and Executive Summary

Appendix A – Summary by Portfolio / Committee

Appendix B – General Fund Budget Position by Department

Appendix C – Housing Revenue Account Budget Position

Appendix D – Capital Programme

Appendix E – Collection Performance – Council Tax, Business Rates, Housing Rent and
General Debts

Appendix F – Treasury Activity

Appendix G – Income from S106 Agreements

Appendix H – Proposed Adjustments to the 2018/19 Budget

RELATING TO SECTION 2 OF THE REPORT

Appendix I – Updated Long Term Financial Forecast

Appendix J – Risk Analysis of Each Line of the Forecast

Appendix K – Initial Net Savings Items 2019/20

Appendix L – Initial Cost Pressure Summary 2019/20

Tendring **District Council**



Appendices Included:

Executive Summary	A summary of the overall position.
Appendix A	A summary of the overall position by Portfolio/Committee split by GF and HRA
Appendix B	An analysis by Department of all General Fund Revenue budgets.
Appendix C	An analysis of Housing Revenue Account Revenue budgets.
Appendix D	The position to date for General Fund and HRA capital projects.
Appendix E	Collection Performance
Appendix F	Treasury activity.
Appendix G	Section 106 monies.
Appendix H	Proposed Adjustments to the 2018/19 Budget

Corporate Budget Monitoring

September 2018

(The variance figures set out in these appendices that are presented in brackets represent either a net underspend to date position or additional income received to date)

Corporate Budget Monitoring - Executive Summary as at the end of September 2018

The tables below show the summary position for the General Fund, Housing Revenue Account, Capital, Debt and Treasury Activity.

General Fund - Summary by Department Excluding Housing Revenue Account

	Full Year Budget £	Profiled Budget to Date £	Actual to Date £	Variance to Profile £
Office of the Chief Executive	958,900	500,570	474,028	(26,542)
Corporate Services	(22,017,890)	(4,925,694)	(7,423,356)	(2,497,662)
Operational Services	14,610,700	3,470,055	3,265,052	(205,003)
Planning and Regeneration	6,448,290	1,363,565	625,269	(738,295)
Total General Fund	(0)	408,496	(3,059,007)	(3,467,503)

Housing Revenue Account

	Full Year Budget £	Profiled Budget to Date £	Actual to Date £	Variance to Profile £
Total HRA	0	(4,625,741)	(4,698,390)	(72,649)

Capital

	Full Year Budget £	Profiled Budget to Date £	Actual to Date £	Variance to Profile £
General Fund	13,127,960	1,325,878	1,276,353	(49,525)
Housing Revenue Account	7,409,290	1,883,445	1,775,834	(107,611)
Total Capital	20,537,250	3,209,324	3,052,187	(157,136)

Debt

	Collected to Date Against Collectable Amount
Council Tax	56.09%
Business Rates	56.40%
Housing Rents	98.10%
General Debt	84.58%

Treasury

	£'000
Total External Borrowing	42,955
Total Investments	69,197

Revenue Budget Position at the end of September 2018

General Fund Portfolio / Committee Summary

	2018/19 Current Full Year Budget £	2018/19 Profiled Budget to date £	2018/19 Actual to date £	2018/19 Variance to Profile £
Leader	1,750,000	0	0	0
Finance and Corporate Resources	3,053,940	2,001,122	988,350	(1,012,772)
Environment	5,758,120	1,195,100	1,041,744	(153,356)
Housing	2,943,740	2,343,004	884,012	(1,458,992)
Health and Education	507,390	175,325	175,130	(195)
Corporate Enforcement	3,000,730	847,157	14,882	(832,275)
Investment and Growth	3,020,640	104,914	84,697	(20,217)
Leisure and Tourism	6,392,990	620,600	824,402	203,802
Budgets Relating to Non Executive Functions	825,370	101,475	39,716	(61,759)
	27,252,920	7,388,697	4,052,932	(3,335,764)
Revenue Support for Capital Investment	3,766,570	0	0	0
Financing Items	(4,632,450)	(61,714)	(193,659)	(131,945)
Budget Before use of Reserves	26,387,040	7,326,983	3,859,273	(3,467,710)
Contribution to / (from) earmarked reserves	(12,484,560)	0	0	0
Total Net Budget	13,902,480	7,326,983	3,859,273	(3,467,710)
Funding:				
Revenue Support Grant	(1,070,100)	(471,006)	(470,844)	162
Business Rates Income	(4,578,370)	(2,320,476)	(2,320,438)	38
Collection Fund Surplus	(652,300)	(326,150)	(326,150)	0
Income from Council Tax Payers	(7,601,710)	(3,800,855)	(3,800,848)	7
Total	(0)	408,496	(3,059,007)	(3,467,503)

Revenue Budget Position at the end of September 2018

HRA Portfolio Summary

	2018/19 Current Full Year Budget	2018/19 Profiled Budget to date	2018/19 Actual to date	2018/19 Variance to Profile
	£	£	£	£
Housing	(2,241,210)	(4,625,741)	(4,698,390)	(72,649)
	(2,241,210)	(4,625,741)	(4,698,390)	(72,649)
Revenue Support for Capital Investment	480,570	0	0	0
Financing Items	1,919,980	0	0	0
Budget Before use of Reserves	159,340	(4,625,741)	(4,698,390)	(72,649)
Contribution to / (from) earmarked reserves	(159,340)	0	0	0
Total	0	(4,625,741)	(4,698,390)	(72,649)

Corporate Budget Monitoring - General Fund Budget Position at the end of September 2018

Department - Office of Chief Executive

	2018/19 Current Full Year Budget £	2018/19 Profiled Budget to date £	2018/19 Actual to date £	2018/19 Variance to Profile £	Next Quarters Profile £	Comments
<u>Analysis by Type of Spend</u>						
Direct Expenditure						
Employee Expenses	394,310	197,155	194,290	(2,865)	98,578	
Premises Related Expenditure	1,360	1,360	1,362	2	0	
Transport Related Expenditure	14,040	7,020	6,355	(665)	3,510	
Supplies & Services	601,830	302,195	294,593	(7,602)	125,513	
Total Direct Expenditure	1,011,540	507,730	496,600	(11,130)	227,600	
Direct Income						
Government Grants	0	0	(2,853)	(2,853)	0	
Other Grants, Reimbursements and Contributions	(4,070)	(4,070)	(16,631)	(12,561)	0	
Sales, Fees and Charges	(3,090)	(3,090)	(3,089)	1	0	
Total Direct Income	(7,160)	(7,160)	(22,573)	(15,413)	0	
Net Direct Costs	1,004,380	500,570	474,028	(26,542)	227,600	
Net Indirect Costs	(45,480)	0	0	0	0	
Total for Office of Chief Executive	958,900	500,570	474,028	(26,542)	227,600	

Department - Office of Chief Executive

	2018/19 Current Full Year Budget £	2018/19 Profiled Budget to date £	2018/19 Actual to date £	2018/19 Variance to Profile £	Comments
<u>Analysis by Service/Function</u>					
Total for Chief Executive and Leadership and Community Support	958,900	500,570	474,028	(26,542)	
Total for Office of Chief Executive	958,900	500,570	474,028	(26,542)	

Corporate Budget Monitoring - General Fund Budget Position at the end of September 2018

Department - Corporate Services

	2018/19 Current Full Year Budget £	2018/19 Profiled Budget to date £	2018/19 Actual to date £	2018/19 Variance to Profile £	Next Quarters Profile £	Comments
<u>Analysis by Type of Spend</u>						
Direct Expenditure						
Employee Expenses	6,681,130	2,557,716	2,284,876	(272,840)	1,263,870	
Premises Related Expenditure	190,500	170,530	150,873	(19,657)	1,950	
Transport Related Expenditure	55,910	45,640	38,834	(6,806)	8,415	
Supplies & Services	7,650,520	1,594,754	1,218,834	(375,920)	1,000,390	
Transfer Payments	53,222,090	23,440,875	24,317,112	876,237	11,720,437	
Interest Payments	63,670	33,306	18,549	(14,757)	1,823	
Total Direct Expenditure	67,863,820	27,842,821	28,029,078	186,257	13,996,885	
Direct Income						
Government Grants	(57,164,240)	(24,612,735)	(27,241,244)	(2,628,509)	(12,190,683)	
Other Grants, Reimbursements and Contributions	(1,713,250)	(973,133)	(944,101)	29,032	(435,716)	
Sales, Fees and Charges	(16,660)	(12,800)	(10,810)	1,990	(930)	
Rents Receivable	(300)	(180)	(215)	(35)	(50)	
Interest Receivable	(428,160)	(251,180)	(337,785)	(86,605)	(119,365)	
RSG, Business Rates and Council Tax	(13,902,480)	(6,918,487)	(6,918,280)	207	(4,203,489)	
Total Direct Income	(73,225,090)	(32,768,515)	(35,452,435)	(2,683,920)	(16,950,232)	
Net Direct Costs	(5,361,270)	(4,925,694)	(7,423,356)	(2,497,662)	(2,953,347)	
Net Indirect Costs	(4,172,060)	0	0	0	0	
Net Contribution to/(from) Reserves	(12,484,560)	0	0	0	0	
Total for Corporate Services	(22,017,890)	(4,925,694)	(7,423,356)	(2,497,662)	(2,953,347)	

Department - Corporate Services

	2018/19 Current Full Year Budget £	2018/19 Profiled Budget to date £	2018/19 Actual to date £	2018/19 Variance to Profile £	Comments
<u>Analysis by Service/Function</u>					
Total for Corporate Director, PR and Electoral Services	668,710	252,964	234,929	(18,035)	
Total for Governance and Legal Services	116,130	245,240	121,993	(123,247)	The position to date primarily reflects employee costs along with the reimbursement of costs from an associated planning appeal which is proposed to be transferred to the Forecast Risk Fund as set out in Appendix H.
Total for Finance, Revenues and Benefits	1,637,130	1,481,551	123,108	(1,358,443)	Similarly to the last quarter, the variance to date reflects both the position against employee costs (vacancies and temporary staff supported by funding from the major preceptors) and the cash flow impact of housing benefit payments and the timing of the reimbursement of expenditure via the associated subsidy system.
Total for Finance - Other Corporate Costs	3,055,820	(1,412,829)	(2,178,556)	(765,727)	Income is currently running ahead of the profile for business rate grant income from the government, income from investments and new burdens funding. This is in addition to a one-off saving from changing the renewal date for insurance renewal and moving to an accruals basis. Income from investments and the saving from insurances are both included in Appendix H as part of the net contribution to the Forecast Risk Fund.

Department - Corporate Services

	2018/19 Current Full Year Budget £	2018/19 Profiled Budget to date £	2018/19 Actual to date £	2018/19 Variance to Profile £	Comments
Total for Finance - Financing Items	(14,759,110)	152,580	124,522	(28,058)	
Total for Finance - RSG, Business Rates and Council Tax	(13,902,480)	(6,918,487)	(6,918,280)	207	
Total for Property Services	51,460	14,375	25,105	10,730	
Page 63 Total for People, Performance and Projects	179,900	292,930	289,158	(3,772)	Although overall the variance is minimal, a significant variance is now emerging against the Career Track / Apprenticeship budget. This remains under review with the relevant service but represents the time 'lag' in building the customer base to a break even position. Given this issue is likely to remain at the end of the year, an adjustment is set out in Appendix H to meet this level of reduced income in the short term.
Total for IT and Corporate Resilience	934,550	965,982	754,664	(211,318)	Some of the expenses / costs incurred reflect the timing of the delivery of a number of projects and initiatives. On-going savings are starting to emerge such as those associated with the new telephony system with the saving included in Appendix H within the net contribution to the Forecast Risk Fund.
Total for Corporate Services	(22,017,890)	(4,925,694)	(7,423,356)	(2,497,662)	

Corporate Budget Monitoring - General Fund Budget Position at the end of September 2018

Department - Operational Services

	2018/19 Current Full Year Budget £	2018/19 Profiled Budget to date £	2018/19 Actual to date £	2018/19 Variance to Profile £	Next Quarters Profile £	Comments
<u>Analysis by Type of Spend</u>						
Direct Expenditure						
Employee Expenses	8,882,700	4,433,075	4,501,974	68,899	2,227,310	
Premises Related Expenditure	3,049,600	1,630,517	1,737,997	107,480	570,104	
Transport Related Expenditure	467,280	176,518	169,340	(7,178)	101,655	
Supplies & Services	4,382,920	1,790,158	1,803,663	13,505	1,166,847	
Third Party Payments	4,629,740	1,162,991	1,131,733	(31,258)	1,185,687	
Transfer Payments	149,650	74,825	155,783	80,958	37,413	
Total Direct Expenditure	21,561,890	9,268,084	9,500,490	232,406	5,289,015	
Direct Income						
Government Grants	(446,720)	(353,350)	(353,350)	(0)	0	
Other Grants, Reimbursements and Contributions	(1,368,580)	(535,065)	(651,536)	(116,471)	(410,147)	
Sales, Fees and Charges	(8,010,640)	(4,679,498)	(5,030,761)	(351,263)	(1,678,261)	
Rents Receivable	(305,970)	(218,996)	(188,512)	30,484	(44,214)	
Total Direct Income	(10,131,910)	(5,786,909)	(6,224,160)	(437,251)	(2,132,623)	
Net Direct Costs	11,429,980	3,481,175	3,276,330	(204,845)	3,156,392	
Net Indirect Costs	3,180,720	(11,120)	(11,277)	(157)	(117,485)	
Total for Operational Services	14,610,700	3,470,055	3,265,052	(205,003)	3,038,907	

Department - Operational Services

	2018/19 Current Full Year Budget £	2018/19 Profiled Budget to date £	2018/19 Actual to date £	2018/19 Variance to Profile £	Comments
<u>Analysis by Service/Function</u>					
Total for Corporate Director and Administration Operational Services	741,920	218,230	170,297	(47,933)	
Total for Public Realm	1,454,120	299,442	145,462	(153,980)	Income remains strong and ahead of the profile against a number of service areas such as parking, the crematorium and cemeteries. Some additional costs have been incurred such as responding to traveller incursions and business rates for public conveniences due to the lead in time to decommission the sites previously identified for closure. These two items are included within Appendix H as adjustments against parking income and the net contribution to the Forecast Fund.
Total for Environmental Services	5,218,570	1,054,696	976,253	(78,443)	The position to date broadly reflects the timing of income and contract payments.
Total for Customer and Commercial Services	348,940	427,535	417,859	(9,676)	

Department - Operational Services

	2018/19 Current Full Year Budget £	2018/19 Profiled Budget to date £	2018/19 Actual to date £	2018/19 Variance to Profile £	Comments
Total for Sports and Leisure Page 66	2,541,560	(173,392)	(53,171)	120,221	As at the 30th September 2018 Clacton Leisure Centre is reporting an overspend of £70k. This is primarily due to asset deterioration in the swimming pool and spa areas which has led to building repair costs £40k over profile and reduction in income of £30k. A report is planned on being presented to Cabinet to set out these issues in more detail along with considering the longer term strategy for sports facilities. In addition, the air show account for 2018 has now been finalised which shows an increased cost of £42k compared to the budget. This is included within Appendix H as an adjustment against the net contribution to the Forecast Risk Fund.
Total for Housing	1,231,770	377,314	336,024	(41,290)	
Total for Building and Engineering	3,073,820	1,266,230	1,272,327	6,097	Income from Street Naming and numbering continues to remain strong with income ahead of the budget by £56k to date. This is 'masked' by the timing of coast protection expenditure which is ahead of the profiled budget to date.
Total for Operational Services	14,610,700	3,470,055	3,265,052	(205,003)	

Corporate Budget Monitoring - General Fund Budget Position at the end of September 2018

Department - Planning and Regeneration

	2018/19 Current Full Year Budget £	2018/19 Profiled Budget to date £	2018/19 Actual to date £	2018/19 Variance to Profile £	Next Quarters Profile £	Comments
<u>Analysis by Type of Spend</u>						
Direct Expenditure						
Employee Expenses	2,404,650	1,151,703	1,047,033	(104,669)	596,037	
Premises Related Expenditure	28,430	20,050	16,586	(3,464)	4,190	
Transport Related Expenditure	35,960	18,310	14,370	(3,940)	8,825	
Supplies & Services	4,728,540	1,034,820	378,658	(656,162)	466,560	
Third Party Payments	870	0	0	0	0	
Total Direct Expenditure	7,198,450	2,224,883	1,456,647	(768,235)	1,075,612	
Direct Income						
Government Grants	(96,500)	(96,500)	(96,506)	(6)	0	
Other Grants, Reimbursements and Contributions	(5,500)	(5,500)	(19,752)	(14,252)	0	
Sales, Fees and Charges	(1,382,320)	(731,405)	(688,716)	42,689	(325,457)	
Rents Receivable	(55,340)	(27,913)	(26,404)	1,509	(13,713)	
Total Direct Income	(1,539,660)	(861,318)	(831,378)	29,940	(339,171)	
Net Direct Costs	5,658,790	1,363,565	625,269	(738,295)	736,441	
Net Indirect Costs	789,500	0	0	0	0	
Total for Planning and Regeneration	6,448,290	1,363,565	625,269	(738,295)	736,441	

Department - Planning and Regeneration

	2018/19 Current Full Year Budget £	2018/19 Profiled Budget to date £	2018/19 Actual to date £	2018/19 Variance to Profile £	Comments
<u>Analysis by Service/Function</u>					
Total for Corporate Director	1,040	53,585	54,273	688	
Total for Head of Planning and Customer Services	51,350	749,055	627,008	(122,047)	The position to date primarily reflects employee costs.
Total for Planning and Development	968,690	(364,009)	(283,612)	80,397	Planning fee income continues to remain behind profile. As discussed at the end of the first quarter, income may be received across financial years which will be reviewed to see how such an impact can be 'smoothed' across the financial forecast period.
Total for Planning Policy	1,764,800	595,170	(50,864)	(646,034)	Delivery of the Local Plan takes place over a number of years with the variance to date reflecting the timing of expenditure across financial years.
Total for Building Control	144,230	15,880	(24,168)	(40,048)	Income remains ahead of the profile at the end of September 2018.
Total for Regeneration	3,518,180	313,884	302,632	(11,252)	
Total for Planning and Regeneration	6,448,290	1,363,565	625,269	(738,295)	

Corporate Budget Monitoring - Housing Revenue Account Budget Position at the end of September 2018

Housing Revenue Account

	2018/19 Current Full Year Budget £	2018/19 Profiled Budget to date £	2018/19 Actual to date £	2018/19 Variance to Profile £	Next Quarters Profile £	Comments
<u>Analysis by Type of Spend</u>						
Direct Expenditure						
Employee Expenses	1,061,140	324,230	325,026	796	162,115	
Premises Related Expenditure	3,708,270	1,299,604	1,226,991	(72,613)	1,022,328	
Transport Related Expenditure	22,570	11,385	14,508	3,123	5,593	
Supplies & Services	469,470	190,591	154,072	(36,519)	60,730	
Third Party Payments	1,030	515	0	(515)	258	
Transfer Payments	17,000	8,500	11,096	2,596	4,250	
Interest Payments	1,452,960	393,685	399,340	5,655	293,269	
Total Direct Expenditure	6,732,440	2,228,510	2,131,032	(97,478)	1,548,542	
Direct Income						
Other Grants, Reimbursements and Contributions	(8,000)	0	(8,775)	(8,775)	0	
Sales, Fees and Charges	(553,860)	(312,777)	(315,532)	(2,755)	(107,543)	
Rents Receivable	(13,107,230)	(6,541,474)	(6,505,115)	36,359	(3,268,839)	
Interest Receivable	(51,600)	0	0	0	0	
Total Direct Income	(13,720,690)	(6,854,251)	(6,829,422)	24,829	(3,376,381)	
Net Direct Costs	(6,988,250)	(4,625,741)	(4,698,390)	(72,649)	(1,827,839)	
Net Indirect Costs	7,147,590	(0)	0	0	0	
Net Contribution to/(from) Reserves	(159,340)	0	0	0	0	
Total for HRA	0	(4,625,741)	(4,698,390)	(72,649)	(1,827,839)	

Housing Revenue Account

	2018/19 Current Full Year Budget £	2018/19 Profiled Budget to date £	2018/19 Actual to date £	2018/19 Variance to Profile £	Comments
<u>Analysis by Service/Function</u>					
Total for Finance - Financing Items	2,400,550	0	0	0	
Total for Corporate Director and Administration Operational Services	639,420	45,546	39,589	(5,956)	
Total for Customer and Commercial Services	(41,980)	(84,000)	(88,787)	(4,787)	
Total for Housing	(6,920,890)	(5,706,166)	(5,680,879)	25,287	In line with the first quarter, rental income continues to be behind profile. Although void periods contribute to this overall position, there is now an impact from right to buy sales which totalled more than 30 in 2017/18, with 6 sold to date in 2018/19. The longer term impact will be considered as part of the HRA 30 year business planning process.
Total for Building and Engineering	3,922,900	1,118,879	1,031,686	(87,193)	The position to date reflects the timing of repairs and maintenance costs.
Total for HRA	0	(4,625,741)	(4,698,390)	(72,649)	

Corporate Budget Monitoring - General Fund Capital Programme Position at the end of September 2018

	Total Budget Allocated to Scheme*	2018/19 Current Full Year Budget £	2018/19 Profiled Budget to date £	2018/19 Actual to date £	2018/19 Variance to Profile £	Comments
Expenditure						
Corporate Enforcement Portfolio						
Milton Road car park repairs	250,000	250,000	0	0	0	This project remains under consideration as part of the wider Harwich regeneration programme
Clacton Multi-Storey car park repairs	180,000	180,000	0	0	0	The tender process is underway with works expected to start during November 2018.
Total for Corporate Enforcement Portfolio	430,000	430,000	0	0	0	
Environment Portfolio						
Cranleigh Close, Clacton, landscaping works	6,660	6,660	0	0	0	Project ongoing and expected to be finalised by end of this financial year
Environmental Health Database Migration	5,250	0	0	0	0	The Service is reviewing this project as part of the wider Digital Transformation Project with the budget being profiled to 2019/20.
Public Access Module to CAPS	54,140	0	0	0	0	The Service is reviewing this project as part of the wider Digital Transformation Project with the budget being profiled to 2019/20.
Laying Out Cemetery	170,120	1,650	1,650	1,650	0	The works element of this project which has been profiled to 2020/21.

Corporate Budget Monitoring - General Fund Capital Programme Position at the end of September 2018

	Total Budget Allocated to Scheme*	2018/19 Current Full Year Budget £	2018/19 Profiled Budget to date £	2018/19 Actual to date £	2018/19 Variance to Profile £	Comments
Crematorium and Cemeteries Road Works	150,000	150,000	0	0	0	The tender process for this scheme has been delayed, and is set to begin within the next few weeks.
Bath House Meadow Play Area, Walton	37,580	37,580	32,710	32,709	(1)	Minor works to be completed before project is finalised
Changing Place Facilities, Walton	62,000	62,000	47,060	47,056	(4)	Minor works to be completed before project is finalised
Resurfacing Works, Valley Road	40,000	40,000	40,000	27,668	(12,332)	Minor landscaping works to be carried out before the project is finalised.
Total for Environment Portfolio	525,750	297,890	121,420	109,083	(12,337)	
Finance and Corporate Resources Portfolio						
Audit management software	2,230	2,230	0	0	0	
Joint HR and Payroll System	1,780	1,780	0	0	0	
Westleigh House Demolish/additional parking provision	23,710	23,710	0	0	0	Demolition is scheduled for December 2018
Information and Communications Technology Core Infrastructure	552,400	152,400	26,200	(4,808)	(31,008)	This capital sum, together with the IT strategic Investment budget below will shortly be fully committed to the office transformation network re-design and investment works during 2018/19.

Corporate Budget Monitoring - General Fund Capital Programme

Position at the end of September 2018

	Total Budget Allocated to Scheme*	2018/19 Current Full Year Budget £	2018/19 Profiled Budget to date £	2018/19 Actual to date £	2018/19 Variance to Profile £	Comments
IT Strategic Investment	153,790	153,790	41,861	36,662	(5,199)	See Information and Communications Technology Core infrastructure comment re: office transformation network re-design.
Agresso e-procurement	84,000	84,000	0	0	0	Now that the necessary upgrade to Agresso has been completed, the next phase of this project is currently expected to progress in 2019/20, and the budget is to be reprofiled to reflect this.
Individual Electoral Registration - Scanning Equipment	1,560	1,560	0	0	0	
Enhanced Equipment replacement - Printing and Scanning	3,610	0	0	0	0	This scheme has been profiled to 2021/22
Office Rationalisation	1,489,260	937,670	55,000	54,505	(495)	Statutory consents for work in Pier Avenue have been gained. Work began on 25 June 2018. Procurement of further work phases will take place through Autumn 18 with construction extending through to Autumn 19. The bulk of expenditure will occur during the construction phases between now and Autumn 2019. Retentions and set up costs will form a tail of expenditure from Autumn 19 for around a further 12 months. The budget has been reprofiled to reflect this schedule of works.
Total for Finance and Corporate Resources Portfolio	2,312,340	1,357,140	123,061	86,359	(36,702)	

Corporate Budget Monitoring - General Fund Capital Programme Position at the end of September 2018

	Total Budget Allocated to Scheme*	2018/19 Current Full Year Budget £	2018/19 Profiled Budget to date £	2018/19 Actual to date £	2018/19 Variance to Profile £	Comments
Housing Portfolio						
Replacement of High Volume Printers	29,000	29,000	0	0	0	
Replacement debit and credit card payment facility	14,630	14,630	0	0	0	
Replacement Scan Stations	12,000	0	0	0	0	This scheme has been profiled to 2020/21
Housing in Jaywick	500,000	70,000	0	0	0	Although the budget has been profiled to reflect a higher spend profile in 2019/20, expenditure in 2018/19 is allocated to a project officer/consultant to support the delivering of the project.
Private Sector Renewal Grants/Financial Assistance Loans	365,640	365,640	28,840	28,840	(0)	
Disabled Facilities Grants	7,037,320	4,009,320	563,337	561,157	(2,181)	
Private Sector Leasing	75,660	75,660	0	0	0	
Empty Homes funding	164,220	164,220	0	0	0	This project is being reviewed to identify alternative options / opportunities
Total for Housing Portfolio	8,198,470	4,728,470	592,177	589,997	(2,181)	

Corporate Budget Monitoring - General Fund Capital Programme Position at the end of September 2018

	Total Budget Allocated to Scheme*	2018/19 Current Full Year Budget £	2018/19 Profiled Budget to date £	2018/19 Actual to date £	2018/19 Variance to Profile £	Comments
Investment and Growth Portfolio						
Regeneration Capital Projects	349,180	349,180	0	0	0	The Service is currently reviewing projects and initiatives which will be presented to Members for consideration.
SME Growth Fund Capital Grants	65,000	65,000	12,250	12,250	0	This is supported by external funding and will be committed as successful applications are made against the SME Scheme.
Warwick Public Realm	1,000,000	1,000,000	0	0	0	
Total for Investment and Growth Portfolio	1,414,180	1,414,180	12,250	12,250	0	
Leisure and Tourism Portfolio						
Replacement of beach hut supports - The Walings	11,620	0	0	0	0	
Clacton Leisure Centre Air Handling Units	0	0	0	(4,300)	(4,300)	The outstanding credit is due to a retention payment which is expected to be paid at the end of 2018
Princes Theatre Toilets	40,000	0	0	0	0	This project will now be completed in 2019/20 as part of the scheduled works to the Town Hall that form part of wider Office Rationalisation project
Town Centre Fountain	160,000	160,000	0	0	0	The Service is currently exploring options for the existing site
Princes Theatre Sound Equipment	42,240	42,240	42,240	42,387	147	

Corporate Budget Monitoring - General Fund Capital Programme

Position at the end of September 2018

	Total Budget Allocated to Scheme*	2018/19 Current Full Year Budget £	2018/19 Profiled Budget to date £	2018/19 Actual to date £	2018/19 Variance to Profile £	Comments
Venetian Bridge Clacton	108,140	108,140	108,140	113,988	5,848	Works finished, with service awaiting final invoices to finalise the project
New Beach Huts	64,600	20,000	0	0	0	The majority of this project has been profiled to 2019/20 with a limited amount of expenditure planned in 2018/19.
Cliff Stabilisation Scheme	4,617,720	4,015,130	89,380	89,381	1	Works are now underway, and are expected to be completed during summer 2019.
Public Convenience Works	140,000	140,000	16,410	16,409	(1)	Works on this Public Convenience have started and are expected to be finalised by December 2018.
Marine Parade West Clacton Cliff Works	57,270	57,270	4,490	4,486	(4)	Works finished, with service awaiting final invoices to finalise the project
Flood Wall, Walton On The Naze	222,500	222,500	216,310	216,313	3	Works are now complete, with invoices being sent to funding partners to finalise the project.
Promenade Way, Public Convenience Works	135,000	135,000	0	0	0	Initial Refurbishment works for this Public Convenience are underway.
Total for Leisure and Tourism Portfolio	5,599,090	4,900,280	476,970	478,664	1,694	
Total Approved General Fund Capital Programme	18,479,830	13,127,960	1,325,878	1,276,353	(49,525)	

* This is current and future years budget where a scheme has been profile into future years

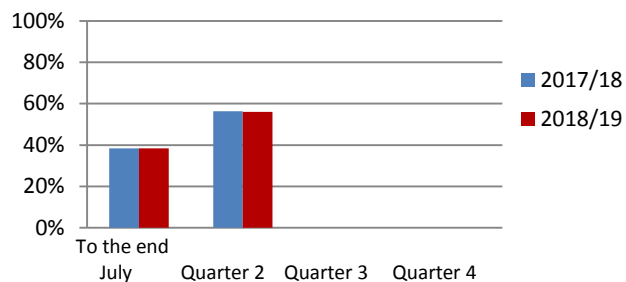
Corporate Budget Monitoring - Housing Revenue Account Capital Programme Budget Position at the end of September 2018

	2018/19 Current Full Year Budget £	2018/19 Profiled Budget to date £	2018/19 Actual to date £	2018/19 Variance to Profile £	Comments												
Improvements, enhancement & adaptation of the Council's housing stock	3,492,250	913,205	891,592	(21,613)	This budget covers a range of individual schemes which will be delivered as the year progresses and are subject to the appropriate procurement processes, which are planned, being progressed or are underway.												
Upgrade & Replacement	79,030	10,000	1,015	(8,985)													
Disabled Adaptations	465,060	200,000	122,985	(77,015)	Similarly to the above, it is anticipated that works will be progressed over the remainder of the year.												
Cash Incentive Scheme	60,000	0	0	0													
New Build Initiatives and Acquisitions	3,312,950	760,240	760,242	2													
<p>*Within the budget of £3,312,950, £2,748,202 relates to projects supported by one for one capital receipts with spend by dates as follows:</p> <table border="0"> <tr> <td>31/12/2019</td> <td>£102,150</td> <td>30/09/2020</td> <td>£536,130</td> </tr> <tr> <td>31/03/2020</td> <td>£413,570</td> <td>31/12/2020</td> <td>£1,270,100</td> </tr> <tr> <td>30/06/2020</td> <td>£276,060</td> <td>31/03/2021</td> <td>£150,192</td> </tr> </table>						31/12/2019	£102,150	30/09/2020	£536,130	31/03/2020	£413,570	31/12/2020	£1,270,100	30/06/2020	£276,060	31/03/2021	£150,192
31/12/2019	£102,150	30/09/2020	£536,130														
31/03/2020	£413,570	31/12/2020	£1,270,100														
30/06/2020	£276,060	31/03/2021	£150,192														
Total Housing Revenue Account Capital Programme	7,409,290	1,883,445	1,775,834	(107,611)													

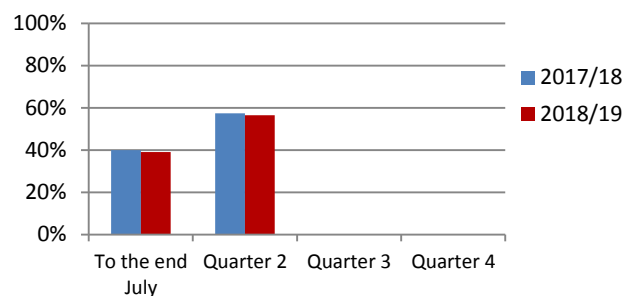
Collection Performance : Position at the end of September 2018

The collection performance against Council tax, Business Rates, Housing Rents and General Debt collection are set out below.

Council Tax (against annual amounts)

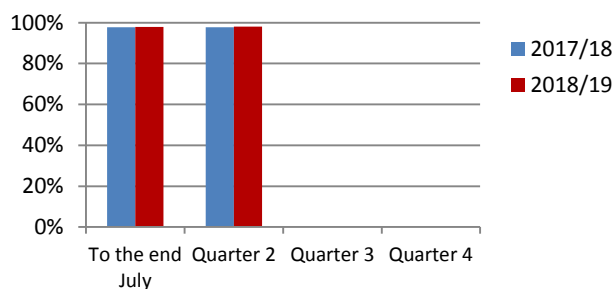


Business Rates (against annual amounts)

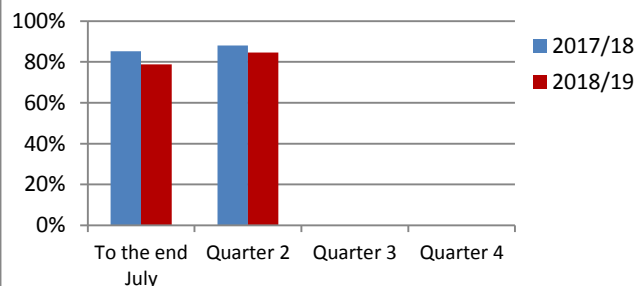


	2017/18	2018/19		2017/18	2018/19
To the end July	38.42%	38.46%	To the end July	39.97%	39.12%
Quarter 2	56.29%	56.09%	Quarter 2	57.38%	56.40%
Quarter 3			Quarter 3		
Quarter 4			Quarter 4		

Housing Rents



General Debt



	2017/18	2018/19		2017/18	2018/19
To the end July	97.80%	98.00%	To the end July	85.25%	78.84%
Quarter 2	97.80%	98.10%	Quarter 2	88.04%	84.58%
Quarter 3			Quarter 3		
Quarter 4			Quarter 4		

Treasury Activity : Position at the end of September 2018

Key Treasury Management Performance Data and Prudential Indicators are set out below.

TREASURY ACTIVITY

Borrowing	Opening Balance 1 April £'000	Borrowing to date £'000	Borrowing Repaid to date £'000	Balance to Date £'000	Comments
Long Term PWLB Borrowing - GF	464	0	111	353	
Long Term PWLB Borrowing - HRA	43,434	0	832	42,602	
TOTAL BORROWING	43,898	0	943	42,955	
Investments	Opening Balance 1 April £'000	Investments to date £'000	Investments Repaid to date £'000	Balance to Date £'000	Comments
<i>Investments less than a year</i>					
Investments with UK Government via Treasury Bills/Investments with DMO, and Local Authorities and other public bodies	46,000	166,400	160,400	52,000	Net investments have increased over the reporting period due to the timing of the Council's cash flow such as expenditure budgets behind profile or income being received ahead of expenditure.
Investments with UK financial Institutions (including Money Market Funds)	9,440	29,000	21,243	17,197	At the end of the period, investments were held with 9 counterparties.
Investments with non-UK Financial institutions	0	0	0	0	
Total Investments for less than a year	55,440	195,400	181,643	69,197	
<i>Investments for longer than a year</i>	0	0	0	0	
TOTAL INVESTMENTS	55,440	195,400	181,643	69,197	
Interest Paid / Received	Full Year Budget £'000	Profiled Budget to Date £'000	Actual to Date £'000	Variance to date £'000	Comments
Interest Paid on Borrowing - GF	56	30	16	(14)	The weighted average rate of interest on the Council's GF borrowing is currently 7.95%. (on an accrued basis)
Interest Paid on Borrowing - HRA	1,453	394	399	5	The weighted average rate of interest on the Council's HRA borrowing is currently 3.38%. (on an accrued basis)
Interest Received on Investments	(236)	(130)	(212)	(82)	The weighted average rate of interest being received on the Council's investments is currently 0.60%. (on an accrued basis)
PRUDENTIAL INDICATORS					
	Approved Indicator £'000	Highest amount reached in the period £'000	Comments		
Authorised limit for external borrowing	74,298	43,898	Borrowing has remained within approved limits.		
Operational boundary for external borrowing	66,868				
Debt Cap - HRA	60,285				

Income from S106 Agreements

Information in respect of S106 income has been split across two areas below - Where money has been formally allocated / being spent and where money remains unallocated / uncommitted.

Where related to capital schemes - see Appendix D for overall scheme progress.

ALLOCATED / BEING SPENT

Scheme	Amount Committed / Planned to be Spent in 2018/19 (including accrued interest as appropriate) £'000
Capital Schemes	
Cranleigh Close, Clacton - landscaping works	7
Valley Road, Car Park Resurfacing	40
Seafront Facilities, Brightlingsea Promenade	135
Revenue Schemes and other Contributions	178
TOTAL	360

UNALLOCATED / UNCOMMITTED TO DATE

Permitted Use as per S106 Agreement	Amount Held / 'Spend by' Date			
	Less than 1 Year £'000	1 to 2 Years £'000	2 to 4 Years £'000	4 years + £'000
Regeneration Programme and Other Initiatives	0	0	0	74
Affordable Housing	0	0	0	650
Healthcare	0	0	0	47
Town Centre Improvements	0	0	0	43
Open Space*	7	12	33	716
TOTAL	7	12	33	1,530

* For schemes with a 'spend by' date of less than one year, this money must be spent as follows:
 £4,000 by October 2018
 £2,000 by November 2018
 £1,000 by December 2018

Proposed Adjustments to the 2018/19 Budget September 2018

Description	Expenditure Budget £	Income Budget £	Reason for Adjustment
GENERAL FUND REVENUE			
<i>The following items have no net impact on the overall budget</i>			
Environmental Services - Employee Expenses	(50,040)		Use of vacancies within the service to support short term temporary staff costs.
Environmental Services - Agency Staff	50,040		
Planning Services - Employee Expenses	(25,660)		Use of vacancies within the service to support short term temporary staff costs.
Planning Services - Agency Staff	25,660		
Wheeled Bins Purchase (Revenue Contribution to Capital)	742,990		To support the changes associated with the extension to the existing Waste and Recycling Contract to be funded from the 2018/19 New Homes Bonus as agreed by Cabinet at its 23 March 2018 meeting.
Temporary staff to support activities associated with the waste and recycling contract extension	47,660		
New Homes Bonus	(790,650)		
Mayflower 400 Project	57,000		This represents the cost of leasing and undertaking associated work to Christopher Jones' house (Kings Head Street, Harwich) to support the wider Mayflower 400 commemorations, funded from the Business Investment and Growth Budget.
Business Investment and Growth Budget	(57,000)		
Total General Fund Revenue with no net impact on the overall budget	0	0	
<i>The following items will be adjusted against the Forecast Risk Fund</i>			
Increase in Income - Governance and Legal Costs Recovered		(56,000)	Reimbursement of costs from associated planning appeal.
Reduction in Expenditure - Insurance renewal date changed	(100,000)		One-off saving from changing the insurance renewal date and moving to an accrual basis
Reduction in Expenditure - Asset Valuations 5 year cycle	(15,000)		Savings in 2018/19 as only limited revaluation work during the interim period between full revaluations
Increase in Income - Investment Income		(80,000)	Income is running ahead of the budget due to the cash flow and interest rate position

Description	Expenditure Budget £	Income Budget £	Reason for Adjustment
Reduction in Income - Career Track		50,000	Income is expected to remain behind the budget for the year due to the time 'lag' in developing the customer base to reach a break-even position
Reduction in Expenditure - Central Telephones	(15,000)		Saving from roll-out of new telephony system as part of on-going digital transformation programme.
Increase in Expenditure - Public Convenience NDR	8,500		Additional costs incurred due to the delay in decommissioning sites that were identified to deliver savings as agreed last year.
Increase in Expenditure - Car Park Security Increase in Income - Car Park Fees and Charges	18,000	(18,000)	Additional security costs were incurred due to traveller incursions during the year with the cost to be met from an associated income adjustment
Increase in Net Expenditure - Air Show	42,700		To meet the net additional costs associated with running the 2018 event
Increase in Income - Housing Benefit Administration Grant		(11,010)	Additional income was received following the final grant notification from the Government
Reduction in Expenditure - Employee Costs	(200,000)		This represents the level of vacancy 'saving' accrued to date
Reduction in Expenditure - Staff Restructures undertaken in period	(11,350)		Minor savings identified from staff restructures completed in the first half of the year
Net Contribution to Forecast Risk Fund	387,160		Net total of above adjustments contributed to this reserve

Description	Expenditure Budget £	Income Budget £	Reason for Adjustment
GENERAL FUND CAPITAL			
Schemes Reprofiled			
Agresso e-procurement reprofile	(84,000)		It is estimated that expenditure will not take place on this scheme until 2019/20
Corresponding adjustments to financing of Capital Programme (including associated Direct Revenue Financing adjustment) to reflect estimated year of expenditure as set out for the above capital scheme(s).	84,000		
Other Changes to General Fund Capital Programme			
Wheeled Bins Purchase	742,990		New Scheme added to the Capital Programme funded by a revenue contribution which is highlighted above.
Total General Fund Capital Adjustment with no net impact on the overall budget	(742,990)	0	

HRA REVENUE			
The following items will be adjusted against the HRA General Balance			
None			

HRA CAPITAL			
Jaywick Sands New Build / Starter Homes (Phase 1)	775,000		To enable works to begin within Jaywick Sands as endorsed by Cabinet in November 2017. The adjustment proposed establishes a new line within the HRA Capital Programme by moving money from the existing new build and acquisition scheme.
New Build and Acquisition Schemes	(775,000)		
New Build and Acquisition Schemes	667,000		To increase this capital scheme following additional funding from ECC to support the cost of work within the Jaywick Sands such as property acquisition costs
Corresponding adjustments to financing of Capital Programme (income from ECC)		(667,000)	

UPDATED LONG TERM FINANCIAL FORECAST

	Budget 2017/18 £	Budget 2018/19 £	Estimate* 2019/20 £	Estimate 2020/21 £	Estimate 2021/22 £	Estimate 2022/23 £	Estimate 2023/24 £	Estimate 2024/25 £	Estimate 2025/26 £	Estimate 2026/27 £
Underlying Funding Growth in the Budget										
Council Tax Increase 1.99%	(0.136)	(0.147)	(0.151)	(0.154)	(0.157)	(0.160)	(0.164)	(0.167)	(0.170)	(0.174)
Ctax increase by £5 (amounts set out are over and above 1.99% above)	(0.090)	(0.086)	(0.082)	(0.079)	(0.076)	(0.073)	(0.070)	(0.067)	(0.063)	(0.060)
Growth in Business rates - Inflation	0.000	(0.131)	(0.092)	(0.093)	(0.095)	(0.097)	(0.099)	(0.101)	(0.103)	(0.105)
Growth in Business rates / council tax - general property growth	(0.148)	(0.293)	(0.130)	(0.138)	(0.147)	(0.155)	(0.164)	(0.172)	(0.181)	(0.189)
Collection Fund Surpluses b/fwd	(0.218)	(0.652)	(0.703)	(0.100)	(0.100)	(0.100)	(0.100)	(0.100)	(0.100)	(0.100)
	(0.592)	(1.309)	(1.158)	(0.564)	(0.575)	(0.585)	(0.597)	(0.607)	(0.617)	(0.628)
Net Cost of Services and Other Adjustments										
Reduction in RSG	0.914	0.580	0.648	0.422	0.000	0.000	0.000	0.000	0.000	0.000
Remove one-off items from prior year	(0.155)	(0.315)	(0.112)	0.000	0.000	0.000	0.000	0.000	0.000	0.000
Remove one-off items from prior year - Collection Fund Surplus	(0.020)	0.218	0.652	0.703	0.100	0.100	0.100	0.100	0.100	0.100
Inflation - Employee Costs (including annual review adjustments)	0.125	0.514	0.608	0.264	0.266	0.268	0.269	0.271	0.272	0.274
Inflation - Other	0.000	0.088	0.107	0.109	0.111	0.113	0.115	0.118	0.120	0.122
First / Second / Third year impact of PFH WP Savings	(0.268)	(0.055)	(0.115)	(0.090)	0.000	0.000	0.000	0.000	0.000	0.000
LCTS Grant To Parish Council's	0.000	(0.049)	(0.055)	(0.036)	0.000	0.000	0.000	0.000	0.000	0.000
Beach recharge - Set aside full budget in one year	0.000	(0.150)	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000
Revenue Contrib. to Capital Programme	(0.100)	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000
Specific change in Use of Reserves	0.287	0.374	(0.060)	0.081	0.000	0.000	0.000	0.000	0.000	0.000
On-going savings required	(0.879)	(0.290)	(0.300)	(0.300)	(0.300)	(0.300)	(0.300)	(0.300)	(0.300)	(0.300)
Unmitigated Cost Pressures	1.046	0.114	0.150	0.150	0.150	0.150	0.150	0.150	0.150	0.150
Other Adjustments	0.000	(0.134)	0.000	(0.081)	0.000	0.000	0.000	0.000	0.000	0.000
	0.950	0.895	1.523	1.222	0.327	0.331	0.335	0.338	0.342	0.346
Net Total	0.358	(0.414)	0.365	0.658	(0.248)	(0.254)	(0.263)	(0.269)	(0.275)	(0.282)
Add back General Use of Reserves in Prior Year to Balance the Budget	0.200	0.558	0.144	0.509	1.167	0.918	0.664	0.401	0.133	(0.142)
Net Budget Position	0.558	0.144	0.509	1.167	0.918	0.664	0.401	0.133	(0.142)	(0.424)
Use of Forecast Risk Fund to support the Net Budget Position	(0.558)	(0.144)	(0.509)	(1.167)	(0.918)	(0.664)	(0.401)	(0.133)	0.142	0.424
Use of Forecast Risk Fund to support the Net Budget - Forecast From Last Year		(0.536)	(0.650)	(0.857)	(0.652)	(0.441)	(0.225)	(0.004)	0.223	0.454

* See separate RAG risk assessment for further consideration of forecast risks for each line of the forecast

Use of Forecast Risk Fund to Support the Net Budget Position Above

Outturn b/fwd from prior years	(0.558)	(1.934)	(2.290)	(2.281)	(1.614)	(1.196)	(1.032)	(1.130)	(1.498)	(2.140)
Applied in year as set out in the forecast above	0.558	0.144	0.509	1.167	0.918	0.664	0.401	0.133	(0.142)	(0.424)
Additional contributions generated in year	(1.934)	(0.500)	(0.500)	(0.500)	(0.500)	(0.500)	(0.500)	(0.500)	(0.500)	(0.500)
Balance to Carry Forward	(1.934)	(2.290)	(2.281)	(1.614)	(1.196)	(1.032)	(1.130)	(1.498)	(2.140)	(3.063)
Balance to Carry Forward Forecasted From Last Year		(1.398)	(1.248)	(0.891)	(0.739)	(0.798)	(1.073)	(1.569)	(2.292)	(3.246)

FORECAST SENSITIVITIES	2019/20	2020/21	2021/22	2022/23	2023/24	2024/25	2025/26	2026/27	Totals
	£	£	£	£	£	£	£	£	£
Forecast Budget Gap / (Surplus) from table Above (BASE Position)	0.509	1.167	0.918	0.664	0.401	0.133	(0.142)	(0.424)	3.227
Revised Forecast Budget GAP / (SURPLUS) in the event of the following possibilities									
Council Tax Increase are lower by 1% per annum compared to the base	0.585	1.323	1.158	0.991	0.819	0.646	0.469	0.289	6.281
Property Growth does not grow over the life of the forecast	0.639	1.305	1.065	0.819	0.565	0.305	0.039	(0.235)	4.503
Property Growth is lower by 5% compared to the base	0.510	1.174	0.932	0.684	0.428	0.166	(0.102)	(0.378)	3.415
Inflation increases at a rate of +1% faster than the base	0.714	1.384	1.141	0.893	0.636	0.375	0.106	(0.160)	5.090
Inflation decreases at a rate of 1% slower than the base	0.304	0.950	0.695	0.435	0.166	(0.109)	(0.390)	(0.688)	1.364
Savings achieved are lower by 10% per annum compared to the base	0.539	1.227	1.008	0.784	0.551	0.313	0.068	(0.184)	4.307
Savings achieved are lower by 20% per annum compared to the base	0.569	1.287	1.098	0.904	0.701	0.493	0.278	0.056	5.387
Unmitigated Cost Pressures are greater by 10% per annum compared to the base	0.524	1.197	0.963	0.724	0.476	0.223	(0.037)	(0.304)	3.767
Unmitigated Cost Pressures are greater by 20% per annum compared to the base	0.539	1.227	1.008	0.784	0.551	0.313	0.068	(0.184)	4.307

Relevant line of the Forecast	RAG Assessment of Risk	Comments
Underlying Funding Growth in the Budget		
Council Tax Increase 1.99%		Although this is subject to future Government policy, it is expected that an allowable inflationary uplift will always be a feature in the Local Government finance settlement and associated Council Tax referendum principles
Ctax increase by £5 (amounts set out are over and above the 1.99% above)		Although similar to the above, there is less certainty around the level of increase that the Government may allow over and above a 'base' inflationary uplift. However it is expected that such increases will be allowable in the short term without invoking the need to hold a referendum. This will remain subject to on-going review.
Growth in Business rates - Inflation		Similar to Council Tax above, based on the historic trend of inflationary uplifts in the poundage applied to rateable values, modest inflationary increases are relatively certain over the life of the forecast.
Growth in Business rates / council tax - general property growth		Growth in business rates and Council Tax are expected to remain relatively stable and robust over the life of the forecast. The two main risks relate to major economic changes and future Government Policy, especially in relation to business rates where the Government remains active in developing the full retention model across the public sector.
Collection Fund Surpluses b/fwd		Based on the outturn position for 2017/18, there is a collection fund surplus of £446k brought forward into 2018/19. Following the latest review of the forecast and using the most up to date figures, this has been increased to £703k which is available to support the budget in 2019/20. More modest amounts are included in future years of the forecast with a high degree of confidence in their delivery. (The forecast excludes any benefit from being a member of the Essex Business Rates Pool as it is accounted for on an actual basis rather than building it into the base budget given its one-off nature and complexities in the overall business rate calculations)
Net Cost of Services and Other Adjustments		
Reduction in RSG		There is only limited uncertainty in respect of the next two years given the Government's commitment to a four year deal which the Council signed up to.
Remove one-off items from prior year		These are known adjustments
Remove one-off items from prior year - Collection Fund Surplus		These are known adjustments based on the assumptions set out above concerning the year on year change in the collection fund position
Inflation - Employee Costs (including annual review adjustments)		2018/19 and 2019/20 reflects the significant / adverse impact from the recent pay settlement, which includes significant increases on the lower pay scales across the Council. It could be argued that such increases reflect the years of previous pay restraint which may see only modest inflationary rises in 2020/21 and beyond. Annual increases of 1% have been included in these later years of the forecast which compares with 1.5% initially included last year.
Inflation - Other		Although the Government's target inflation is 2%, this is a long term target which will inevitably see fluctuations over short financial cycles. However 2% remains the basis for calculating an inflationary allowance given the longer term nature of the current forecast.
First / Second / Third year impact of PFH WP Savings		These are known adjustments which will be delivered in total but is recognised that the timing may differ to that originally anticipated which will be reflected in the forecast.
LCTS Grant To Parish Council's		These are known adjustments based on the Council's agreed policy of reducing support in line with it's own reduction in Government funding. The Government have raised the issue of Councils not passporting on the relevant funding which may require the existing policy to be revisited but this is only a limited risk.
Specific change in Use of Reserves		Changes in the use of reserves primarily reflect other changes elsewhere in the budget/ forecast so are not a significant risk in isolation. One reserve that will be 'exhausted' by the end of 2019/20 is the homelessness reserve which will require a corresponding adjustment to the expenditure that this reserve is currently supporting to ensure there is no net impact on the budget. This will have to be reviewed in light of the on-going pressure on the delivery of homeless services and prevention activities.

Relevant line of the Forecast	RAG Assessment of Risk	Comments
On-going savings required		<p>This line of the budget fundamentally acts as the 'safety valve' for other changes elsewhere in the forecast and would need to be increased if adverse issues were experienced or estimates were not in line with predictions. Based on the improved overall position set out in the revised forecast, there is flexibility in the delivery of such savings over the life of the forecast. However it is important that on-going savings are secured to meet the amounts set out in the forecast.</p>
Unmitigated Cost Pressures		<p>It is recognised that of the various lines of the forecast, this presents the highest risk, with on-going revenue items being the most difficult items to deal with. Although one-off items, such as those associated with repairing / refurbishing assets could also have a significant impact on the forecast, one-off funding is available elsewhere in the budget to support these costs which therefore changes the risk.</p> <p>One of the most significant risks within this line of the budget relates to external income, especially from elsewhere in the public sector where similar financial pressures are being experienced. Such items include the funding from the major preceptors in respect of the Council Tax Sharing agreement, which totals over £800k each year, which has now been included as a on-going cost pressure in 2019/20 as set out in Appendix K.</p> <p>To support the management of risks, the Council continues to resist using one-off money to support the on-going base budget such as the New Homes Bonus.</p>

INITIAL NET SAVINGS ITEMS 2019/20

	On-going or One-Off	2019/20 £	Comments
Increased Income - Investments	On-going	100,000	Based on performance to date and interest rate forecasts, it is expected that this level of additional income can be achieved from the Council's treasury management activities over the course of the year.
Reduction in Expenditure - Telephony	On-going	15,000	The on-going investment in IT and digital transformation has enabled this reduction in expenditure to be secured.
Increased Income - Street Naming and Numbering Fee Income	On-going	30,000	Against the context of current and historic performance, this level of income is expected to continue into 2019/20 and beyond
Reduction in Expenditure - Staff reorganisation	On-going	19,000	This money has become available as part of finalising a number of restructures with this amount being the on-going impact.
Reduction in Expenditure - External Audit Fees	On-going	15,000	This represents the expected reduction in fees following the External Audit tender and appointment process undertaken by the associated independent body.
Reduction in Expenditure - Staff Vacancy Provision	On-going	100,000	It is proposed to increase the existing vacancy provision from £200k to £300k to reflect a more up to date staff turnover rate. The new amount represents approximately 2% of total payroll with a staff turnover rate of 8% (slightly lower than existing rates) with average vacancy periods of 2 to 3 months per vacated post during the year.
Total		279,000	

INITIAL COST PRESSURE SUMMARY 2019/20

	2019/20 £	2020/21 £	2021/22 £	2022/23 £	2023/24 onwards £	Comments
Revenue						
Operational Services - Public Realm - Expiry of Commuted sums from developers to support open space maintenance etc.	25,000	33,500	33,500	33,500	33,500	Four areas of open space including a significant country park would not be able to be maintained to adequate standards.
Operational Services - Public Realm - Milton Road Car park maintenance	23,000	23,000	23,000	23,000	23,000	This item compliments the capital item below by increasing the on-going maintenance budget to meet future expenditure.
Operational Services - Building and Engineering Services - Removing build up of sand on promenades	5,000	5,250	5,500	5,750	6,000	New beach levels along Clacton to Holland seafront have resulted in sand being deposited along the promenade which needs to be cleared on a frequent basis.
Operational Services - Customer and Commercial Services - Staff Restructure Costs	47,200	47,200	47,200	47,200	47,200	A service restructure is proposed to support the wider transformation project.
Operational Services - Housing - Grant Coordinator Post	26,800	26,800	26,800	26,800	26,800	To bring onto the permanent establishment the Disabled Facilities Grant Coordinator post (currently 2 year fixed term post) to support the effective delivery of this service to residents.

Operational Services - Sport and Leisure - Clacton Airshow	60,000	60,000	60,000	60,000	60,000	To support the increasing cost of the show, including the night flight display.
Operational Services - Sport and Leisure - Sea and Beach Festival	20,000	20,000	20,000	20,000	20,000	To build this event into the ongoing base budget rather than it being a one-off item each year.
Operational Services - Sport and Leisure - 'Love Clacton' TV advert	25,000	25,000	25,000	25,000	25,000	To build this activity into the ongoing base budget rather than it being a one-off item each year.
Planning and Regeneration - Regeneration - Contribution to Mental Health Hub	23,000	23,000	23,000	23,000	23,000	To build this activity into the ongoing base budget rather than it being a one-off item each year.
Operational Services - Environmental Services - Waste, Recycling and Street Cleansing Contract Costs	41,000	41,000	41,000	41,000	41,000	This reflects the slightly higher annual contract costs associated with the extension to the Waste, Recycling and Street Cleansing Contract as set out in the report to Cabinet in March 2018.
Corporate Services - People, Performance and Projects - Apprenticeship Levy	9,000	9,000	9,000	9,000	9,000	The required levy is calculated as a percentage of total payroll costs which have significantly increased due to the pay award in 2018/19 and 2019/20.
Corporate Services - Finance, Revenues and Benefits - Reduced income from the Council Tax Sharing Agreement with the major preceptors	111,000	222,000	222,000	222,000	222,000	The major preceptors have confirmed that they will be reducing the percentage they 'share-back' with district Council's within Essex (reducing from 16% to 14% in 2019/20 and to 12% in 2020/21).
TOTAL REVENUE ITEMS	416,000	535,750	536,000	536,250	536,500	

Capital						
Operational Services - Public Realm - To extend Clacton Cemetery	200,000	50,000	0	0	0	This cost is over and above the £170k already within the Capital Programme for this project but this would secure capacity for the foreseeable future
Operational Services - Public Realm - To provide additional security measures at Bath House Meadow	20,000	0	0	0	0	This proposal will reduce unauthorised incursions in the car park, open space and play areas by a number of groups including youths at night in vehicles. This proposal will improve security and reduce ongoing maintenance costs.
Operational Services - Public Realm - Refurbishment of toilets at Weeley Crematorium and Cemeteries Clacton	100,000	0	0	0	0	Refurbishment / upgrading required to minimise external competition and to ensure assets are maintained to a high standard reducing future maintenance costs.
Operational Services - Public Realm - Milton Road Car park repairs	150,000	0	0	0	0	This represents the estimated increase in costs of repairing the car park over and above the £250k already in the capital programme for this project.
TOTAL CAPITAL ITEMS	470,000	50,000	0	0	0	

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