



RESOURCES AND SERVICES OVERVIEW AND SCRUTINY COMMITTEE

DATE: Monday, 17 February 2020

TIME: 7.30 pm

VENUE: Council Chamber, Council Offices,
Thorpe Road, Weeley, CO16 9AJ

MEMBERSHIP:

Councillor M Stephenson (Chairman)
Councillor Scott (Vice-Chairman)
Councillor Allen
Councillor Barry
Councillor Bray

Councillor Codling
Councillor Griffiths
Councillor Morrison
Councillor Turner

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Meeting papers can be provided, on request, in large print, in Braille, or on disc, tape, or in other languages.

For further details and general enquiries about this meeting, contact Katie Sullivan on 01255 686585.

DATE OF PUBLICATION: FRIDAY 7 FEBRUARY 2020



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 - 24)

To confirm and sign as a correct record the minutes of the meetings of the Committee held on 16 December 2019, 6 January 2020 and 8 January 2020.

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 38

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 Recommendations Monitoring Report (Pages 25 - 28)

To present to the Committee the updated Recommendations Monitoring Report, outlining any recommendations the Committee have sent to Cabinet. The Committee is requested to consider the report and determine whether any further action is required on the recommendations submitted.

6 Report of Corporate Director (Operational Services) - A.1 - Scrutiny of the implementation of the new Waste and Recycling Collection Service (Pages 29 - 36)

Jonathan Hamlet (Street Scene Manager) will be in attendance to provide the Committee with an overview of the roll out and service implementation of the Council's new waste and recycling service.

- Emphasis should be on the implementation and planning of the roll out of the service.
- Focus on results - recycling performance data compared to expected data.
- Waste minimisation.
- An overview of the roll out of the service.
- Waste on the A120 left by those travelling to and from the Waste Transfer Station.
- Clinical Waste Collection – possible expansion.
- The numbers subscribing to the green waste service, how has that compared over time, what is the tonnages of waste collected, what is the cost-income assessment for the service and how do charges compare with similar schemes?
- The use of non-compostable bags.
- An assessment of the numbers of properties on black sack collections and the extent to which they are utilising red/green recycling boxes compared with those using wheelie bins and the measures taken/planned to increase recycling amongst this group.

7 Report of Corporate Director (Operational Services) - A.2 - Future use of Spendells House, Walton-on-the-Naze

Tim Clarke (Head of Housing and Environmental Health) will be in attendance to provide the Committee with an update in regards to the future use of Spendells House, Walton-on-the-Naze.

This review is under the provisions of Procedure Rule 13. The Committee may question members of the Cabinet and Officers and seek the views of local stakeholders and/or other interested parties. Cabinet must take into account any recommendations expressed by this Committee when determining the final decision on this matter.

[Note: The inclusion in its work programme of a review of the Spendells proposed capital scheme and the contribution the scheme is intended to make to address homelessness was referred by this Overview and Scrutiny Committee (OSC) on 8 January 2020 to the Community Leadership OSC on 13 January 2020 (Minute 87 refers).]

****Report to follow.***

8 Report of the Head of People, Performance & Projects - A.3 - Performance Report Quarter 3 2019/20 (Pages 37 - 72)

To enable the Committee to scrutinise the performance monitoring system and whether it is capturing the right level of data to support delivery of the Corporate Plan and its priorities and projects, and to make recommendations thereon. In addition, to scrutinise whether there is performance, as identified in the monitoring data, that warrants scrutiny of an activity and to determine whether and how that scrutiny should take place; including it, as appropriate, in the work programme.

9 Report of the Head of Finance, Revenues & Benefits Services - A.4 - Annual Capital and Treasury Strategy Scrutiny for 2020/21 (Including Prudential and Treasury Indicators) (Pages 73 - 110)

To enable the Committee to review the Annual Capital and Treasury Strategy for 2020/21 (including the Prudential and Treasury indicators).

10 Scrutiny of Proposed Decisions (Pages 111 - 112)

Pursuant to the provisions of Overview and Scrutiny Procedure Rule 13, the Committee will review any new and/or amended published forthcoming decisions relevant to its terms of reference and decide whether it wishes to enquire into any such decision before it is taken.

Matters may only be raised on those forthcoming decisions at Committee meetings where the Member has notified the Committee Services Manager in writing (or by personal email) of the question they wish to ask, no later than Midday, two working days before the day of the meeting.

11 Review of the Work Programme (Pages 113 - 122)

To present to the Committee a draft detailed Work Programme 2019/20, to consider the detail and ordering of the Work Programme.

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 Council Offices, Thorpe Road, Weeley, CO16 9AJ at 7.30 pm on Monday, 23 March 2020.

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, 16TH DECEMBER, 2019 AT 7.30 PM
IN THE COUNCIL CHAMBER - COUNCIL OFFICES, THORPE ROAD, WEELEY,
CO16 9AJ**

Present:	Councillors M Stephenson (Chairman), Scott (Vice-Chairman), Barry, Bray, Griffiths and Turner
In Attendance:	Richard Barrett (Head of Finance, Revenues and Benefits Services & Section 151 Officer), Anastasia Simpson (Head of People, Performance and Projects), Ian Ford (Committee Services Manager & Deputy Monitoring Officer), Katie Wilkins (Human Resources and Business Manager) and Debbie Bunce (Legal and Governance Administration Officer)

31. APOLOGIES FOR ABSENCE AND SUBSTITUTIONS

An apology for absence was submitted on behalf of Councillor Morrison. There was no substitute appointed for Councillor Morrison. .

32. MINUTES OF THE LAST MEETING

The Minutes of the last meeting of the Committee held on Monday 14 October 2019 were approved as a correct record and were then signed by the Chairman.

33. DECLARATIONS OF INTEREST

There were none on this occasion.

34. QUESTIONS ON NOTICE PURSUANT TO COUNCIL PROCEDURE RULE 38

On this occasion no Councillor had submitted notice of a question.

35. REPORT OF THE DEPUTY CHIEF EXECUTIVE - A.2 - CORPORATE BUDGET AND FINANCIAL FORECAST MONITORING 2019/20 SECOND QUARTER

The Committee had before it a report of the Deputy Chief Executive (A.2) which provided it with an overview of the Council's financial position against the budget as at the end of September 2019 and which also presented it with an updated forecast on an on-going basis as part of developing the budget for 2020/2021 and beyond.

The report invited Members to consider the in-year financial position as at the end of September 2019 and determine whether it had any comments or recommendations it wished to make or put forward to the relevant Portfolio Holder or Cabinet and also to consider the updated long term financial forecast update and determine whether it had any comments or recommendations it wished to make to Cabinet as part of the financial strategy consultation process.

The Committee was made aware that, on 8 November 2019 Cabinet had considered a Financial Performance Report and Appendices which were attached as Appendices A and B to the report to this Committee. It was reported that Cabinet had resolved:

- (a) *in respect of the financial performance against the budget at the end of September 2019:*
- (1) *the current position be noted;*
 - (2) *the proposed in-year adjustments to the budget, as set out in Appendix H to item A.7 of the Report of the Corporate Finance and Governance Portfolio Holder, be agreed;*
 - (3) *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 £1.000million to £1.500million for each day the Council's offices are closed over the Christmas break; and*
 - (4) *the Council continues to be a member of the Essex Business Rates Pool in 2020/21 if it remains financially advantageous to do so.*
- (b) *in respect of the Updated Long Term Forecast, the updated forecast be agreed and the Resources and Services Overview and Scrutiny Committee be consulted on the latest position.*

In addition to the above and as requested by the Committee at its last meeting, the Council's current reserves position was attached as Appendix C to the report now before the Committee.

The Council's Head of Finance, Revenues and Benefit gave a response to the following questions asked by Members:-

- Essex Business Rates Pool: what does TDC keep?
- Impact of Universal Credit on rent arrears.
- Impact of 1% increase in BWLB rates on TDC
- Potential level of borrowing available in the financial markets following General Election
- Drop in expenditure regarding Waste Transfer Station
- Expiry of commuted sums
- DFG Co-ordinator post: has it been filled?
- Likelihood of increase in recycling credit income
- Litter from Waste Transfer vehicles on A120 – use savings to clear up.
- Insurance premiums increased expenditure
- NHB 2019/20 – is it unallocated?
- New Beach Huts – no activity?
- Jaywick Sands – New Build starter homes – plans to spend receipts.
- Use of Residents Free Parking Revenue: when?
- Election Revenue: still contribute to it annually?
- Empty Homes Funding: what is the review about?
- Marine Parade West, Clacton-on-Sea: movement of the cliffs.

After some deliberation it was **RESOLVED** that the contents of the report be noted and that:-

(a) the Chief Executive be requested to arrange, as soon as practicable, an All Member Briefing at which Members can be informed of the financial implications for this Council of the Government's intention to move, in 2021/22, to a 75% Business Rates Retention Model for local authorities together with other recent big changes to the Council's long-term financial forecast.

(b) this Committee recommends to Cabinet that Officers be instructed to conduct, by the end of the current financial year, a viability review of all long outstanding projects for which monies are currently ring-fenced.

36. RECOMMENDATIONS MONITORING REPORT

The Committee had before it the current Recommendations Monitoring Report. The Committee was aware that this report outlined any recommendations it had made to the Cabinet, the Cabinet's response(s) thereto and any relevant updates.

The report outlined updates to two items considered previously by the Committee. Those items were:-

29 July 2019 (Minute 16 referred) – Improvement works in the Public Realm; and

14 October 2019 (Minute 30 referred) – Refurbishment Works at Clacton Leisure Centre.

The Chairman also updated the Committee in relation to the refurbishment works at Clacton Leisure Centre.

After some deliberation it was **RESOLVED** that the Committee notes the contents of the report. The issues were now marked as completed within the Recommendations Monitoring Report.

37. REPORT OF DEPUTY CHIEF EXECUTIVE - A.1 - PERFORMANCE REPORT QUARTER 2 2019/20

The Committee had before it a report of the Deputy Chief Executive which presented the Performance Report for Quarter Two (July to September 2019) including the emerging Corporate Plan 2020/2024 and Priorities and Projects 2019/2020.

Members were reminded that the Priorities and Projects for 2019/20 had been approved by Cabinet at its meeting held on 19 July 2019 when it had also been agreed that the next phase of this work would be to develop specific deliverables (for the priorities and projects) in consultation with the relevant Portfolio Holders and that those would be incorporated into the Performance Report(s) in line with the Quarter Two timetable and presented to Cabinet, so Cabinet could endorse the deliverables before they were subject to scrutiny by the Council's overview and scrutiny committees. Those Performance Report(s) had subsequently been agreed by the Cabinet at its meeting held on 8 November 2019.

The Committee was aware that the purpose of the report now before it was to submit the relevant performance data so that it could undertake scrutiny of it in so far as:

“(a) Is the performance monitoring system capturing the right level of data to support delivery of the Corporate Plan and its priorities and projects – and to make recommendations thereon?”

“(b) Is there performance as identified in the monitoring data that warrants scrutiny of an activity – and to determine whether and how that scrutiny should take place; including it as appropriate in the work programme?”

It was reported that the Quarter 2 position demonstrated that of the 22 indicators and projects where performance was measured, 19 (86%) were on, or above, their expected target, 1 (5%) was not currently in line with expected performance and for 2 (9%) the Council currently had no data available.

The Committee was also updated on the progress made in relation to the various work strands of the “Transforming Tendring” transformation project.

Members were informed that any feedback from this Committee would be presented to a future meeting of the Cabinet as a separate reference report.

The Council’s Head of People, Performance and Projects (Anastasia Simpson) gave the Committee a verbal update in respect of the indicators and projects with particular focus on the indicator that was currently listed as “Behind Target”, together with those indicators which previously had had no available data and for which some information had now been provided. She also updated the Committee on the progress of the Council’s new Corporate Plan. The consultation period had now closed and Cabinet would be requested, as a result of that consultation, to include within the Plan a link to Essex County Council’s “Essex Ambitions and Visions” document before it was submitted to full Council for formal adoption.

Mrs Simpson also gave verbal updates on several projects including:-

Manningtree Underpass;
Local Plan Section 1 progress;
Westleigh House – demolition and resurfacing of land as an addition to the High Street car park;
IT – security compliance accreditation awarded;
New Homes in Jaywick Sands – evaluation work with private sector company; and
Carbon Neutrality – Consultant appointed.

Members made comments regarding the Corporate Plan 2020-2024 and the Priorities and Projects for 2019/20 in that in respect of Effective Regulation and Enforcement, there was no obvious link to the Priorities and Projects 2019/20. Members requested that reference to Customer Services made it clear that it was Digital Customer Services. The Committee asked what were the milestones in relation to the Cultural and Heritage Strategies and queried why the Holland Haven & Seafront Opportunities had been removed.

Members said that the Plan seemed to be more focused on coasts and towns and there was not enough on the rural economy and towns and villages.

Officers responded to other questions raised by Members on various topics within the report and appendices and where an answer was not immediately available, the Head of People, Performance and Projects and the Human Resources and Business Manager undertook to respond to Members as soon as possible after the meeting.

After some deliberation by the Committee it was **RESOLVED** that:

- (a) the Committee notes the contents of the Performance Report Quarter 2 2019/2020; and
- (b) the Chief Executive be requested to arrange, an All Member Briefing at which Members can receive an update on both the Local Plan and North Essex Garden Communities.

38. REVIEW OF THE WORK PROGRAMME

The Committee had before it the latest Work Programme 2019/20 that outlined the scrutiny to be undertaken by the Committee in the remainder of the municipal year. In presenting this work programme to the Committee, it was invited to determine whether the programme needed to be adjusted, including items covered, the scope of the programmed reviews and whether Portfolio Holders or others were to be invited to present to them. Specific information requirements of Councillors to undertake the programmed reviews should also be identified as should any 'Councillor Development' requirements.

After some deliberation it was **RESOLVED** that the Chairman of the Committee be requested to discuss with the Head of Democratic Services & Elections the workload contained within the Committee's current work programme and especially with regards to the potential need for additional meetings to discuss items such as the scrutiny of the implementation of the new waste and recycling collection service.

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.

After some deliberation it was **RESOLVED that -**

- (a) the Committee noted the list of forthcoming decisions.
- (b) pursuant to the provisions of Overview and Scrutiny Procedure Rule 13, the Committee will enquire into the forthcoming decision of Cabinet to decide the future use of Spendells House, Walton-on-the-Naze;
- (c) the Committee notes that such an enquiry might consist of questioning members of the Cabinet and Officers together with seeking the views of local stakeholders and/or other interested parties; and

(d) the Committee further notes that the Cabinet will take into account any recommendations expressed by this Committee when determining the final decision on this matter.

The meeting was declared closed at 10.34 pm

Chairman

**MINUTES OF THE MEETING OF THE RESOURCES AND SERVICES OVERVIEW
AND SCRUTINY COMMITTEE,
HELD ON MONDAY, 6TH JANUARY, 2020 AT 9.30 AM
IN THE CONNAUGHT ROOM - TOWN HALL, STATION ROAD, CLACTON-ON-SEA,
CO15 1SE**

Present:	Councillors M Stephenson (Chairman), Scott (Vice-Chairman), Barry, Bray, Codling, Griffiths, Morrison, Placey and Turner
In Attendance:	Ian Davidson (Chief Executive), Keith Simmons (Head of Democratic Services and Elections), Richard Barrett (Head of Finance, Revenues and Benefits Services & Section 151 Officer) and Debbie Bunce (Legal and Governance Administration Officer)

40. APOLOGIES FOR ABSENCE AND SUBSTITUTIONS

Apologies for absence were submitted on behalf of Councillor Allen, with Councillor Placey substituting.

41. DECLARATIONS OF INTEREST

There were none at this time though later on in the meeting, as recorded below, Councillors Bray, Barry, Scott, Morrison, Turner and Codling each declared an interest in respect of the Local Council Tax Support Scheme Grant to Parish Councils in the Updated Financial Forecast for 2020/21 in that they were all current serving Members of Parish Councils..

42. QUESTIONS ON NOTICE PURSUANT TO COUNCIL PROCEDURE RULE 38

There were none on this occasion.

43. UPDATED FINANCIAL FORECAST / BUDGET 2020/21

The Committee undertook its scrutiny of the Council's Revenue Budget Proposals, Capital Programme, Reserves and provisions and Fees and Charges based on the budget approved for 2019/20 and the in-year adjustments to that budget as approved by Cabinet.

The Chief Executive (Ian Davidson) attended the meeting and informed the Committee that the scrutiny of the budgets was an important part of the cycle and that the Committee would now be looking at the Housing Revenue Accounts Budget as well as the General Fund. He explained that there would still be some revenue support coming this year from the Government. The Chairman thanked the Chief Executive for his attendance and Mr Davidson then left the meeting.

In addition to the general role of the Committee in scrutinising the budget proposals as set out above, the Cabinet had requested this Committee's comments on the updated Financial Forecast/Budget 2020/21 which the Cabinet approved on 20 December 2019. The Committee were aware that an updated financial forecast for 2020/21 had been

prepared which reflected changes since Members had last considered this forecast in November 2019.

The Head of Finance, Revenues & Benefits Services (Richard Barrett), outlined the changes in the financial forecast since it had last been considered plus the possible implications for the future and answered Members questions.

Mr Barrett then drew to the Committee's attention the Updated Cost Pressure Summary for 2020/21 and responded to Members' questions thereon.

Councillors Bray, Barry, Scott, Morrison, Turner and Codling each declared an interest in respect of the Local Council Tax Support Scheme Grant to Parish Council's in the Updated Financial Forecast for 2020/21 in that they were all current serving Members of Parish Councils.

The Committee then decided what questions it wished to pose to Portfolio Holders in respect of the budget and underlining drivers and service levels that were used as determinants for budgeted sums to pay for those services. The Portfolio Holders would then be provided with the questions and invited to attend on 8 January when the Committee would reconvene after its programmed adjournment at the end of 6 January.

The Committee also considered comments and/or recommendations it might wish to submit to Cabinet in relation to the updated Financial Forecast/Budget 2020/21 (in response to the request from Cabinet).

The Committee then adjourned for lunch (1.00 p.m. – 1.30 p.m.).

44. HOUSING REVENUE ACCOUNT BUDGET PROPOSALS 2020/21

The Committee's undertook its scrutiny of the Council's Housing Revenue Account Budget Proposals 2020/21. As one part of this scrutiny, the Committee noted that Cabinet on 20 December 2019 had requested this Committee's comments on the Proposals.

The Head of Finance, Revenues & Benefits Services (Richard Barrett), explained what the Housing Revenue Account (HRA) budget was and how this worked. He then outlined the changes in the HRA Budget since it had last been considered plus possible implications for the future.

Mr Barrett then responded to Members' questions.

Following a discussion of the day's events the Chairman adjourned the meeting until 9.30 a.m. on Wednesday 8 January 2020 at which time the Committee would ask questions of certain members of the Cabinet with regards to service delivery matters related to items in the Budget/Financial Forecast that were relevant to their respective portfolios. The Committee would then formally decide what comments and/or recommendations it wished to submit to Cabinet in relation to the updated Financial Forecast/Budget 2020/21 and the Housing Revenue Account Budget 2020/21.

The meeting was declared closed at 2.50 pm

Chairman

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**MEETING OF THE RESOURCES AND SERVICES OVERVIEW AND SCRUTINY
COMMITTEE, HELD ON WEDNESDAY 8TH JANUARY, 2020 AT 9.30 AM IN THE
CONNAUGHT ROOM, TOWN HALL, STATION ROAD, CLACTON-ON-SEA**

Present:	Councillors M Stephenson (Chairman), Scott (Vice-Chairman), Barry, Bray, Codling, Morrison (item 45 (part) only), Placey (item 45 (part) only) and Turner
Also Present:	Councillor G V Guglielmi (Corporate Finance and Governance Portfolio Holder), P Honeywood (Housing Portfolio Holder), McWilliams (Partnerships Portfolio Holder), Porter (Leisure and Tourism Portfolio Holder) and Talbot (Environment and Public Space Portfolio Holder) (all present for item 45 (part) only)
In Attendance:	Keith Simmons (Head of Democratic Services and Elections), Richard Barrett (Head of Finance, Revenues and Benefits Services & Section 151 Officer) and Katie Sullivan (Committee Services Officer)
Also In Attendance:	Paul Price (Corporate Director (Operational Services)), Ewan Green (Corporate Director (Planning and Regeneration)) and Andy White (Head of Property Services) (all present for item 45 (part) only)

**45. SCRUTINY OF MEMBERS OF THE CABINET IN RESPECT OF SERVICE DELIVERY
OF ITEMS IN THE UPDATED FINANCIAL FORECAST / BUDGET 2020/21 AND HRA
BUDGET PROPOSALS 2020/21**

Following the adjournment of its meeting held on 6 January 2020, the Committee resumed its scrutiny of the Financial Forecast / Budget Proposals for 2020/21 and HRA Budget Proposals 2020/21 as follows:-

Following the end of the meeting on 6 January, the questions that the Committee requested answers to were circulated to the relevant Cabinet Members and Officers in order to enable responses to be provided. Those questions and written responses received were circulated to Members of this Committee at the start of this reconvened session. They are appended to these Minutes.

Members of the Cabinet, accompanied by the appropriate Management Team Member or other Senior Officer, attended the meeting in turn and points of clarification, requests for amplification and other supplementary matters in respect of the written questions and answers formed the discussion with the Committee.

Having considered all of the information that had been provided, it was **RESOLVED** that the following **RECOMMENDATIONS** to be submitted to the Cabinet:-

1. Cabinet identifies a range of seafront enhancements/cliff stabilisation/beach protection arrangements, in consultation with seaside communities in the District (including relevant Town and Parish Councils) and seeks to fund these through an associated expansion of beach huts in those communities.
2. Cabinet instigates a review of the Public Conveniences Strategy with a view to realising the full benefits of the intended investment for all of the toilets being retained.
3. Commercialism should be a specific part of an existing Portfolio Holder's responsibility or that a new Portfolio position should be created to take forward

the agenda for commercialism as part of a means of contributing positively to meeting the budgetary pressures on the Council as identified in its MTFS.

4. Cabinet, as part of the budget development to support the corporate plan, looks favourably at providing sufficient funding for meaningful interventions for 2020-21 onwards that will support economic growth for businesses and key sectors such as energy.
5. Cabinet be recommended to approve the retention of the estimated surplus of £363K in the HRA from 2019/20 for capital investment in the Council's housing stock.
6. In view of the Government's unexpected continuation of Revenue Support Grant to this Council in 2020/21, Cabinet be recommended to approve the passporting of Local Council Tax Subsidy Grant to Parish/Town Councils in the District in 2020/21 to be confirmed on the same basis as previously.
7. Cabinet be recommended not to approve the proposed adjustment to the budget to remove expenditure of £68,250 based on the Government's commitments to exempt public conveniences from NNDR liability; as there is no indication that the necessary Parliamentary processes will be undertaken to introduce this measure.

It was further **RESOLVED** that the decisions concerning this Committee's work programming and the work programming of the Community Leadership Overview and Scrutiny Committee, as set out in the appendix to these Minutes, be approved.

The Meeting was declared closed at 1.50 pm

Chairman

Resources and Services Overview and Scrutiny Committee Meeting 6&8 January 2020
Questions for Portfolio Holders on General Fund Items, the written response and the decision of the Committee

Initial Question	Portfolio Holder	Written Response	Decision of the Committee
What plans are in place to expand the beach hut provision across the District as a means of generating both capital receipts and revenue to be re-invested in the service?	Leisure and Tourism Portfolio Holder	Foundation work on this project has been undertaken and formal consideration on the proposed plans will take place in the coming months. As Members will be aware we cannot generate a profit from this activity and as such we need to develop a pipeline project for service improvements and capital programmes to absorb any additional income	Recommendation that Cabinet identifies a range of seafront enhancements/cliff stabilisation/beach protection arrangements, in consultation with seaside communities in the District (including relevant Town and Parish Councils) and seeks to fund these through an associated expansion of beach huts in those communities.
The capital programme includes the sum of £64k for New Beach Huts and the Committee wish to know what plans exist for this investment to be made.	Leisure and Tourism Portfolio Holder	Foundation work on this project has been undertaken and formal consideration on the proposed plans will take place in the coming months.	See above
What is happening with the delivery of the Sport England funding bid project – a general update is required and any budgetary implications.	Leisure and Tourism Portfolio Holder	Sport England funding for families, poor mental health and older people in deprived areas is available directly as £800k for local projects, hubs and infrastructure with an overall local budget of £2.6m when including developing social movements, communications, workforce and evaluation. Money has been spent on community projects and larger projects are being worked up around Sport for Confidence and holiday hunger.	Noted that the Sport England Pilot was the subject of an All Councillor Briefing session on 9 January 2020 and that the Community Leadership OSC was scrutinising the arrangements on 13 January 2020.

What guarantees can be given that the Town Hall/Princes Theatre Toilets are to be refurbished in 2020/21? And will the £1 ticket levy fee continue after the refurbishment	Leisure and Tourism /Deputy Leader and Corporate Finance & Governance Portfolio Holders	The refurbishment is part of the transformation programme scheduled for 2020/21 and so should be completed on time. The additional fee will continue and will be sued for other theatre refurbishments/enhancements	To monitor progress of the scheme over 2020/21.
In relation to the Tour de Tendring, what opportunities are we taking from this annual event	Leisure and Tourism Portfolio Holder	This event raises the profile of the District, with over 505 of participants historically living outside of Tendring. The influx of cyclists will have an impact on the local economy and improve the perception of the area as a quality place to live. There is an obvious extended benefit of promoting healthy and active lifestyles – together with many participants raising funds for charity. The cycling event is managed by an external organisation with facilitation and support from TDC. We are looking to potentially build this event into a week long cycling festival and I am working with officers to see if we can develop this opportunity for 2020 to tie in with the Mayflower celebrations and then on to following years.	To note that the Cabinet was informally considering the relative cost and benefits of extending the event to a week. If proposals were to come forward they could be subject of scrutiny.
Has the “Beside the seaside” programme been reviewed (as previously indicated) – and if so what was the outcome of it? Is there going to be another event in Frinton and what is	Leisure and Tourism Portfolio Holder	The events have been reviewed and changes are being proposed for 2020’s events. Details of which will be put forward within the coming months. To date, there has been no proposal from Frinton Beach Hut Association for an event this year and although it is hoped these types of events can be rolled out to the wider District in	No further action.

<p>this Council doing to support it? And is there a proposal for Brightlingsea?</p>		<p>future years, there will not be an event in Brightlingsea in 2020.</p>	
<p>Concerning the Council's Leisure Centre Strategy, is there any financial reason why it has not been completed as programmed.</p>	<p>Leisure and Tourism Portfolio Holder</p>	<p>The business case is still being developed and it is anticipated that it will be brought to Cabinet in February</p>	<p>The Resources and Services OSC will have an opportunity to undertake post decision scrutinise the Strategy once it is published.</p>
<p>Acknowledging the Council's Public Conveniences Strategy and the improvements to date, when do we expect other public toilets to be refurbished and is the money allocated for these?</p>	<p>Environment & Public Space Portfolio Holder</p>	<p>Having undertaken the refurbishment of Rosemary Rd, Harwich and Brightlingsea PC's I am now working with officers to consider the next phase of refurbishments. There is no specific budget for this as bids will be made via the capital budget allocation process.</p> <p>There is some existing money available for refurbishments to public toilets.</p> <p>£40,000 remains of the original capital amount set aside and some residual balance from the annual maintenance budget will allow for further works.</p> <p>The Public Realm service is required to report in more detail about a wider ranging refurbishment programme in line with aspirations contained in the public convenience strategy for Tendring and the possible means of funding before end of March 2020.</p> <p>In the meantime the service is currently upgrading the public toilets at Coronation / Bath House Meadow Walton and is improving public toilet</p>	<p>Recommendation that Cabinet instigates a review of the Public Conveniences Strategy with a view to realising the full benefits of the intended investment for all of the toilets being retained.</p>

		facilities at Frinton playing fields as part of a joint initiative with the local sports club.	
What provision has been made for electric car charging points in the District and how far have we progressed this initiative?	Environment & Public Space Portfolio Holder	<p>There is currently one electric charging point on the High Street car park Clacton and a rapid charging point on Harwich Quay. The latter funded from a Highway England grant initiative.</p> <p>The service is working with the climate change committee / working party to develop further options for electric vehicles both purchase of them and provision for charging them inside the Council and for services to the public.</p>	No further action.
The income from the brown bin green waste service is £700K per year and the PPH is asked to look at increasing that to £1m per year through either marketing of the service or increasing the fees for the service (or both).	Environment & Public Space Portfolio Holder	The service is currently marketed via the radio, our website, the collection calendars which are delivered to households every year along with advertising on the side of the collection vehicles. The service continues to grow year on year to an extent that this spring Veolia will be introducing a 3 rd Garden waste collection vehicle to meet the growing customer demand which is now heading towards 10,000 customers. The current annual customer fee remains above the operational costs associated with providing the service and to increase the fee could be counterproductive in the planned organic growth of the service.	To include as part of the work programmed review of waste collection/recycling by the Committee as part of its February 2020 meeting. The written report should include the numbers subscribing, how has that compared over time, what is the tonnages of waste collected, what is the cost-income assessment for the service and how do charges compare with similar schemes?
Why are we still selling compostable bags that are not actually biodegradable?	Environment & Public Space Portfolio Holder	The use of non-compostable bags is supported by both ECC and the processing plant. Polyethylene bags are more robust, providing a better experience to households with them not ripping as the bags breakdown. All packaging is removed at the front end of the digestion process by the processors and with the bags being more robust this process becomes more efficient. The	To include as part of the work programmed review of waste collection/recycling by the Committee as part of its February 2020 meeting.

		compostable bags were not liked by the farmers as they did not break down as quickly as they wanted so land where the material was being ploughed in was also strewn with what looked to be plastic when in fact it was the non broken down compostable bags	
What measures have been taken to increase recycling where wheelie bins have not replaced black sack collections	Environment & Public Space Portfolio Holder	The authority continues, where applicable to move properties which originally remained on a weekly collection, over to a fortnightly wheeled bin collection. Recycling containers remain free and readily available to all residents to recycle. In addition we will be looking to step up our recycling information campaign	To include as part of the work programmed review of waste collection/recycling by the Committee as part of its February 2020 meeting. The written report should include an assessment of the numbers of properties on black sack collections and the extent to which they are utilising red/green recycling boxes compared with those using wheelie bins and the measures taken/planned to increase recycling amongst this group.
Clacton cemetery – £170K has been set aside to prepare the anticipated expansion site for the cemetery – where are we with the delivery of this project/use of that budget?	Environment & Public Space Portfolio Holder	The project is ongoing and is due for completion in 2020/2021. The size of the extension has been revised to meet new expectations and budget available. The project work is anticipated to be out for tender before March 2020 with work commencing in summer 2020.	To monitor progress of the scheme over 2020/21.
What short term plans are in place for Clacton Town centre to improve its image – and specifically the anti-social behaviour officer and street cleaning? And where are we on the high street funding bid?	Partnerships /Environment & Public Space /Business & Economic Growth Portfolio Holders	A new street steam cleaner has been purchased and a crew trained in its use. This was initially put into use before Xmas and will be seen both in Clacton and other major towns going forward. This machine is very effective at pavement cleaning without damaging the surface material. The Anti- Social Behaviour Officer between Sept-Dec 2019 has undertaken 77 knife sweeps, engaged with local businesses (171	No further action.

		<p>engagements), issued 12 warnings and undertaken 278 hours of foot patrol.</p> <p>Government grant of £150,000 has been received and this is being used to develop projects for the High Street Futures fund Stage 2 submission in line with the report agreed by Cabinet.</p>	
<p>An explanation is requested as to why only certain fees and charges are rising and many others are not. The general principle of using fees and charges to be commercial was also discussed.</p> <p>Page 18</p>	Deputy Leader and Corporate Finance & Governance Portfolio Holder (and other Portfolio Holders as identified)	<p>The budget report considered by Cabinet on 20 December 2019 set out a number of overriding principles that services need to take into account when setting fees and charges. This also needs to take into consideration the requirement of only being able to charge the reasonable cost of providing the relevant service.</p> <p>The Council cannot generate a profit from its activities and so we are only able to increase fees and charges where they do not lead to the creation of a profit, particularly where it is to cover a defined service cost such as energy used. Car park fees and charges and Crematorium / Cemetery charges were substantially increased for year 2019 /2020.</p> <p>It was considered prudent to not increase fees and charges again for 2020/2021 in order to ensure a balance is retained with fees charged by other local authorities, or competitors. A more significant review will take place when exploring and developing commercial ideas such as crematorium expansion / car park improvements.</p>	<p>To monitor intended changes to the approval arrangements, presentation (simplification) and justifications for changes/no increases over 2020/21.</p> <p>Recommended to Cabinet that Commercialism should be a specific part of an existing Portfolio Holder's Responsibility or that a new Portfolio Position should be created to take forward the agenda for commercialism as part of means of contributing positively to meeting the budgetary pressures on the Council as identified in its MTFS.</p>
Office Transformation – Are we on budget? When is the	Deputy Leader and	The overall expenditure against budget is overseen by way of the monthly budget	To monitor progress of the scheme over 2020/21.

<p>project expected to be complete? How much of the reserve have we used to date?</p>	<p>Corporate Finance & Governance Portfolio Holder</p>	<p>monitoring report. The latest report at the time of writing (November 2019) shows expenditure in year of £455,277.45 set against a budget for the year of 1,006,680. Significant further payments are likely prior to end of financial year but an amount will be requested for carry forward because payment progress by year end will not reach the profiled amount.</p> <p>Detailed monitoring of the cost of elements within the project is carried out within the project team. So far internal work at Pier Avenue has been completed in line with budget, Works at the former Westleigh House site were more costly than expected and costs for the external and extension works at Pier Avenue were increased by the delay caused by nesting birds. At present the overall project contingency has not been exceeded and the team will be undertaking some value engineering exercises on remaining phases to ensure that works are carried out effectively but also within the budget.</p>	
<p>IT transformation – is it on budget as it was stated it would save money but it looks like there are some expensive costs (including licence fees)?</p>	<p>Deputy Leader and Corporate Finance & Governance Portfolio Holder</p>	<p>The latest detailed position was set out in a report considered by Cabinet on 13 September 2019. It was recognised that there were a number of areas where costs had increased and a cost pressure has been included within the proposed 2020/21 budget based on the most up to date forecast. It is acknowledged that the IT environment is always subject to on-going change and there may be additional requirements over the period that the digital transformation programme is being rolled out, which would be subject to further reports where necessary.</p>	<p>To monitor progress of the scheme over 2020/21.</p>

In respect of the emerging Local Plan, what, if any, are the financial decisions to be taken in 2020/21?	Deputy Leader and Corporate Finance & Governance Portfolio Holder	The Local Plan Section 1 is going through public examination. Information to support Section 2 is being prepared. No financial decisions for 2020/21 can be considered until the outcome of the Section 1 examination is known.	No further action.
In respect of the Manningtree underpass project, what are the officer time / cost implications of the project TDC is leading on?	Deputy Leader and Corporate Finance & Governance/ Business & Economic Growth Portfolio Holders	<p>This project is based on seeking to develop short, medium and long term improvements to the access and roads infrastructure in and around the station. It is predominantly led by ECC. The Council's role at present is based on lobbying / facilitating rather than leading projects.</p> <p>There are no specific officer time / cost implications as it is a project within the Council's agreed priorities (i.e. core business).</p>	No further action.
When are the delivery dates for the Starlings / Milton road sites and are we on target and budget for them?	Business & Economic Growth Portfolio Holder	The project is progressing on time and budget as per the report which was approved by Cabinet.	No further action.
How much money has been set aside for responding to issues arising from Brexit such as lorries being stuck at ports or en route.	Business & Economic Growth Portfolio Holder	Government has provided £321,000 to the Council in respect of ongoing Brexit activity. See below.	No further action,
What funds have been set aside to take advantages of Brexit? Have we spent all of the Government Grant available to us for Brexit	Business & Economic Growth Portfolio Holder	Government has provided £321,000 to the Council in respect of ongoing Brexit activity. To date £13,751 has been spent on preparatory activities. This is because the focus pre- election was on resilience in case of a 'no deal'. Allocation	No further action.

preparations? Has the Felixstowe-Harwich ports requirements been examined?		<p>of the remaining funding will be considered as Brexit plans become clearer - this will likely focus on both resilience and economic opportunities.</p> <p>Felixstowe – Harwich port requirements have been considered as part of Brexit planning to date although the primary responsibility for this lies with the port operators.</p>	
Support for businesses – will there be any further funding for the SME growth fund. If not what plans does the PFH have for the coming financial year to grow our economy? Can we have a list of the projects in the pipeline and those linked to Offshore renewables in Harwich, the A120 Corridor and the University of Essex – and Knowledge Gateway	Business & Economic Growth Portfolio Holder	<p>The SME Growth Fund programme has fully allocated the approved budget. A review of the programme is being undertaken and this will include consideration of future funding.</p> <p>Currently officers are developing a series of interventions for 2020-21 onwards that will support economic growth for businesses and key sectors such as energy. Central to this will be further development of Tendring4Growth and business support.</p>	Recommendation that Cabinet, as part of the budget development to support the corporate plan, looks favourably at providing sufficient funding for meaningful interventions for 2020-21 onwards that will support economic growth for businesses and key sectors such as energy.
Jaywick Sands – where is the budget to lay out 100 new homes? What is the future plans after the 10 Council homes being built? Will the 10 Council homes be completed in 2020?	Housing Portfolio Holder	<p>The new homes will either be financed from borrowing or via capital funding from a Pension provider. This is still in discussion.</p> <p>After the 10 homes are completed we will work with the CCT to evaluate the emerging spatial plan and decide where the next phase of development will commence.</p> <p>Yes they will be completed in 2020 – they are already at first floor level</p>	To monitor progress of the scheme over 2020/21.

In addition to the above, the Committee agreed:

- (1) That, in view of the Government's unexpected continuation of revenue Support grant to this Council in 2020/21, Cabinet be recommended to approve the passporting of Local Council Tax Subsidy Grant to Parish/Town Councils in the District in 2020/21 be confirmed on the same basis as previously.
- (2) That Cabinet be recommended not to approve the proposed adjustment to the budget to remove expenditure of £68,250 based on the Government's commitments to exempt public conveniences from NNDR liability; as there is no indication that the necessary Parliamentary processes will be undertaken to introduce this measure.
- (3) That the Community Leadership OSC be requested to consider adding to its work programme:
 - a. The funding and outcomes of the Mental Health Hub;
 - b. A review of the Spendells proposed capital scheme and the contribution the scheme is intended to make to address homelessness.
- (4) That the possibility of including a visit to recycling facilities locally be put forward for inclusion as part of the annual visits to be organised as part of the commitments in the Councillor Development Statement for the Council.

Resources and Services Overview and Scrutiny Committee Meeting 6 January 2020

Questions for Portfolio Holders on Housing Revenue Fund Items, the written response and the decision of the Committee

Question	Portfolio Holder	Written Response	Decision of the Committee
Can we use General Fund Disabilities Facilities Grant to fund HRA disabled adaptations?	Housing Portfolio Holder	No	To include as part of the Committee's work programme a review of Disabilities Facilities Grant arrangements; looking at numbers of requests over time, targets for completing assessments of requests, commissioning the works, undertaking of the works and payment for those works.
Why had direct expenditure on communal cleaning increased from £58.5k to £85.2k?	Housing Portfolio Holder	A combination of increased costs and increased service provision.	No further action.
Are we proposing to spend money on climate emergency items such as	Housing Portfolio Holder	Energy efficiency improvements are already undertaken as part of the capital maintenance programme.	No further action.

LED lighting and solar panels in our council houses?		Further works will be identified through the Climate Change Action Plan currently being developed. Currently we are replacing kitchen and Bathroom lights with LED lights. Street lights as they fail are also being replaced with LEDs. Communal lighting in sheltered blocks and flats are also being replaced with LEDs.	
How are we treating tenants on universal credit as evidence to suggest tenants are being faced with eviction even though there is a problem with their universal credit claim or delay in them receiving their money?	Housing Portfolio Holder	UC claimants are treated in the same way as HB. Eviction action will not be taken in cases where arrears are due to the UC system.	No further action.
Why has annual direct expenditure on repairs and maintenance budget not increased?	Housing Portfolio Holder	Until April 2020 the Council, like all social housing providers has had an imposed rent reduction of 1% annually imposed on its income stream. This has meant that budgets could not be increased	No further action.
What cost pressures are we likely to incur from honouring the works undertaken by ROALCO now that we cannot claim against them under warranties for their work.	Housing Portfolio Holder	These are completely unknown but so far there appear to have been few and in any event most warranties expire after 6 months. Currently the work is being undertaken internally	No further action
What is the detailed annual	Housing	This is set out in the HRA capital report	That Cabinet be recommended to approve the

Capital Repairs programme for the HRA – what is next up in terms of major schemes / works?	Portfolio Holder	Currently preparing the programme for next financial year. Due to go to Tenants Panel in Feb 2020. Looking to focus on Environmental Improvements Schemes. Generally the Capital programme follows a similar path each year focusing on roof repairs, replacement windows, kitchens, bathrooms, lifts, asbestos removal etc.	retention of the estimated surplus of £363K in the HRA from 2019/20 for capital investment in the Council's housing stock.
For information, what are likely outcomes from the cross sector concerns regarding the Grenfell inquiry?	Housing Portfolio Holder	The Grenfell enquiry has only concluded phase one and it is likely that phase two will have more impacts for landlords. However, we are expecting an increased requirement in terms of fire safety, evacuation plans, inspections on a more frequent basis	No further action.
What is the plan regarding the £100k we have just received for Housing Survey in Jaywick Sands?	Housing Portfolio Holder	The plan is to survey all privately rented properties in Brooklands and wider if budget allows. The information gathered will inform future actions including lobbying Govt. for changes to LHA rate and additional staffing to tackle poor housing conditions identified.	No further action.

RESOURCES AND SERVICES OVERVIEW AND SCRUTINY COMMITTEE

17 FEBRUARY 2020

RECOMMENDATIONS MONITORING REPORT

Recommendation(s) Including Date of Meeting and Minute Number	Actions Taken and Outcome	Completed, follow- up work required or added to Work Programme
<p>Date of meeting: 08/01/2020 Minute number: 45 Recommendation;</p> <p>RESOLVED that the following RECOMMENDATIONS to be submitted to the Cabinet:-</p> <ol style="list-style-type: none">1. That this Committee recommends that Cabinet conducts, by the end of the current financial year, a viability review of all long outstanding projects for which monies are currently ring-fenced.2. Cabinet identifies a range of seafront enhancements/cliff stabilisation/beach protection arrangements, in consultation with seaside communities in the District (including relevant Town and Parish Councils) and seeks to fund these through an associated expansion of beach huts in those communities.3. Cabinet instigates a review of the Public	<p>General Fund Budget and HRA Budget</p> <ol style="list-style-type: none">1. This will form part of the identification of items over and above the unavoidable cost pressures currently included in the budget as part of developing the delivery plan to underpin the new corporate plan.2. This will form part of the identification of items over and above the unavoidable cost pressures currently included in the budget as part of developing the delivery plan to underpin the new corporate plan.3. This will form part of the upcoming review of all of the Council's assets and supported by the associated budget of	

RESOURCES AND SERVICES OVERVIEW AND SCRUTINY COMMITTEE

17 FEBRUARY 2020

RECOMMENDATIONS MONITORING REPORT

<p>Conveniences Strategy with a view to realising the full benefits of the intended investment for all of the toilets being retained.</p> <p>4. Commercialism should be a specific part of an existing Portfolio Holder's responsibility or that a new Portfolio position should be created to take forward the agenda for commercialism as part of a means of contributing positively to meeting the budgetary pressures on the Council as identified in its MTFS.</p> <p>5. Cabinet, as part of the budget development to support the corporate plan, looks favourably at providing sufficient funding for meaningful interventions for 2020-21 onwards that will support economic growth for businesses and key sectors such as energy.</p> <p>6. Cabinet be recommended to approve the retention of the estimated surplus of £363K in the HRA from 2019/20 for capital investment in the Council's housing stock.</p> <p>7. In view of the Government's unexpected</p>	<p>£1.134m set aside earlier in the year.</p> <p>4. Commercialism will play a key role in delivering against the action plan being developed to underpin the corporate plan. As part of this process the relevant portfolio holder will need to consider and maximise commercialism opportunities, which will be overseen by the Corporate Finance and Governance Portfolio Holder, given their specific role in developing the long term financial forecast. This should address the very relevant and important point raised by the Committee.</p> <p>5. This will form part of the identification of items over and above the unavoidable cost pressures currently included in the budget as part of developing the delivery plan to underpin the new corporate plan.</p> <p>6. The comment from the Committee is welcomed and the overall surplus remains as a contribution to the capital programme, albeit at a reduced amount of £0.281m due to the impact of the latest budget changes that have been required as set out elsewhere in this report.</p> <p>7. This adjustment has now been included in the updated</p>	
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RESOURCES AND SERVICES OVERVIEW AND SCRUTINY COMMITTEE

17 FEBRUARY 2020

RECOMMENDATIONS MONITORING REPORT

<p>continuation of Revenue Support Grant to this Council in 2020/21, Cabinet be recommended to approve the passporting of Local Council Tax Subsidy Grant to Parish/Town Councils in the District in 2020/21 to be confirmed on the same basis as previously.</p> <p>8. Cabinet be recommended not to approve the proposed adjustment to the budget to remove expenditure of £68,250 based on the Government's commitments to exempt public conveniences from NNDR liability; as there is no indication that the necessary Parliamentary processes will be undertaken to introduce this measure.</p>	<p>budget set out in this report.</p> <p>8. Officers are making further enquiries with the Government to gain a clearer understanding of whether or not they will be implementing the earlier commitment they made. It is therefore proposed to leave the budget unchanged at this stage but keep the issue under review and make a final decision as part of finalising the budget for presenting to Full Council in February.</p>	
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RESOURCES AND SERVICES OVERVIEW AND SCRUTINY COMMITTEE

17 FEBRUARY 2020

REPORT OF CORPORATE DIRECTOR (OPERATIONAL SERVICES)

A.1 **IMPLEMENTATION OF THE NEW WASTE AND RECYCLING SERVICE**

(Report prepared by Jonathan Hamlet)

PURPOSE OF THE REPORT

Overview of the roll out and service implementation of the new waste and recycling service.

INVITEES

Michael Riches; Contract Manager Veolia, who will be in attendance to answer questions.

Councillor Michael Talbot Portfolio Holder for Environment and Open spaces.

BACKGROUND

In June 2019 the authority implemented a new waste collection service, changing from a weekly black sack collection to fortnightly wheeled bin service and as such represented a significant service change.

DETAILED INFORMATION

Planning

Communications

Long before the roll out of the new service a full communications campaign was launched. This initially involved an 8 page information leaflet posted in March/April to all properties in Tendring as part of the council tax leaflet delivery. This was supplemented with advertising on the existing refuse and recycling trucks. Leaflets and posters were delivered to libraries, collection points and parish councils. Posters were placed on bring site banks and at recycling centres along with adverts in the local press. Our website was also updated with the "New waste service" page which contained information and FAQ's along with a list of all the roads in the district, where residents could find out if they were on the new bin service along with the week of delivery. Additional to this information on line forms were developed for authorised side waste applications along with the assisted collection form updated. A program of Facebook posts were also deployed, including boosted social media posts. A prolonged program of GIS mapping was undertaken which forms the foundations for the new tendring portal for online reporting and applications.

Two brand new collection calendars were designed, along with collection day change letters, these were then matched together before being printed and sealed in a polybag in readiness for delivery with the bin.

With an A and B calendar along with day changes over 5 days resulted in 10 combinations of calendar and day change leaflets to be bagged ensuring enough of each combination for the associated delivery day and numbered over 58,000 in total. Collection day change letters were also designed for properties remaining on a weekly black sack collection but still having a collection day change.

Procurement

A brand new fleet of 13 collection vehicles for both refuse and recycling were purchased and delivered to site ready for the start of the roll out, these were then fitted with new adverts promoting waste, recycling, littering and mental health issues and also included an advert designed by a school child following a competition.

20,000 authorised and non authorised stickers were designed and printed in time for the roll out. Additional to the existing stock, over 40,000 recycling containers were ordered, with lead times of 5-7 weeks orders were placed whilst the warehouse was at 100% capacity.

60,000 wheeled bins were procured, with 12,000 delivered to the Weeley site over a 7 day period in May 2019 to provide a buffer stock, these were unloaded by Veolia operative and forklift truck.

60,000 polyethylene food waste bags were procured and delivered to the Weeley site again in May in readiness for the roll out, with each household to receive a roll of 52 food caddy bags to promote the food waste service along with the calendar and day change leaflet delivered with each bin. The foodwaste bags and information leaflet were both supplied in a polybag.

Property audit and route planning

The auditing of all the properties in Tendring started in April 2017, taking over 1 year to complete this was a time sensitive piece of work, as from this the route planning, delivery maps, website information and my tendring portal were all based upon. Once the audit was completed TDC and Veolia carried out a series of intergrity testing to ensure properties had been assigned to the correct service, once verified and agreed, the work on amalgamating the front line rounds could begin. The old service had 8 front line refuse and recycling collection rounds whilst the new service has 5 refuse and 8 recycling rounds. Redesigning route maps for a new mode of collection is complex involving computer modelling; not only were Veolia taking into account access restrictions and average time for servicing a wheeled bin, the biggest challenge at this stage was mirroring up the refuse and recycling collections so that they all took place on the same day along with a change in vehicle deployment, so that now all the vehicles are in the same area on collection day which provides a greater degree of robustness if one of the vehicles were to breakdown or need assistance. The round maps also had to ensure that each of the crews had an acceptable level of households to service. The design of new rounds ultimately led to the change in collection days whilst also accounting for the new work practice of collections on Bank Holidays. Once this work was completed by Veolia, bin delivery lists and maps could then be prepared in readiness for the bin delivery contractor.

Service roll out

Officers had been in contact with other local authorities who had carried out similar service changes. The responses were all similar: expect disruption to last at least 6 months and communication is the key.

Veolia as a company have also been involved in service changes and consequently had set aside additional vehicle, operative and overtime resource for this bedding in period to help minimise the disruption. Based upon 5 frontline refuse collection crews operating on a 2 week schedule (A+B calendar) the delivery of the wheeled bins had to be completed over a fixed 10 week period with no leeway as once the bin was delivered the service for that property went live the following week.

Implementation

Bin delivery

The first bins were delivered on Monday 10th June, with on average 1200 bins delivered per day, 5 days per week over a 10 week period with the bin delivery finishing the week before the Clacton Airshow so as to reduce risk of disruption. Summary of the delivery timetable is below:

<u>WEEK 1</u>	<u>Round</u>	<u>Area</u>
MONDAY 10TH JUNE	1A	Clacton
TUESDAY 11TH JUNE	1A	Holland
WEDNESDAY 12TH JUNE	1A	Clacton
THURSDAY 13TH JUNE	1A	Clacton
FRIDAY 14TH JUNE	1A	Brightlingsea
<u>WEEK 2</u>		
MONDAY 17TH JUNE	1B	Walton
TUESDAY 18TH JUNE	1B	Frinton
WEDNESDAY 19TH JUNE	1B	Harwich
THURSDAY 20TH JUNE	1B	Harwich
FRIDAY 21TH JUNE	1B	Lawford
<u>WEEK 3</u>		
MONDAY 24TH JUNE	2A	Clacton
TUESDAY 25TH JUNE	2A	Holland
WEDNESDAY 26TH JUNE	2A	Clacton
THURSDAY 27TH JUNE	2A	Clacton
FRIDAY 28TH JUNE	2A	Brightlingsea
<u>WEEK 4</u>		
MONDAY 1ST JULY	2B	Frinton/Walton
TUESDAY 2ND JULY	2B	Frinton/Kirby Cross/Great Holland
WEDNESDAY 3RD JULY	2B	Harwich
THURSDAY 4TH JULY	2B	Great Oakley/Little Oakley/Ramsey
FRIDAY 5TH JULY	2B	Great Bromley/Ardleigh
<u>WEEK 5</u>		
MONDAY 8TH JULY	3A	Clacton
TUESDAY 9TH JULY	3A	Holland/Clacton

WEDNESDAY 10TH JULY	3A	Clacton
THURSDAY 11TH JULY	3A	Jaywick/ West Clacton
FRIDAY 12TH JULY	3A	Alresford/Frating
<u>WEEK 6</u>	<u>Round</u>	<u>Area</u>
MONDAY 15TH JULY		Kirby le Soken/Kirby Cross
TUESDAY 16TH JULY		Thorpe le Soken/ Weeley
WEDNESDAY 17TH JULY		Harwich
THURSDAY 18TH JULY		Harwich/ Wrabness/ Bradfield
FRIDAY 19TH JULY		Elmstead, Crockleford, Ardleigh
<u>WEEK 7</u>		
MONDAY 22ND JULY		Clacton
TUESDAY 23RD JULY		Clacton
WEDNESDAY 24TH JULY	4A	Clacton/Little Clacton
THURSDAY 25TH JULY	4A	Point Clear/Jaywick
FRIDAY 26TH JULY	4A	Elmstead/Frating
<u>WEEK 8</u>		
MONDAY 29TH JULY	4B	Frinton/Kirby Cross/ Walton
TUESDAY 30TH JULY	4B	Little Clacton/ Weeley
WEDNESDAY 31ST JULY	4B	Harwich
THURSDAY 1ST AUGUST	4B	Mistley/ Bradfield
FRIDAY 2ND AUGUST	4B	Colchester new estate
<u>WEEK 9</u>		
MONDAY 5TH AUGUST	5A	Clacton
TUESDAY 6TH AUGUST	5A	Clacton
WEDNESDAY 7TH AUGUST	5A	Clacton
THURSDAY 8TH AUGUST	5A	Thorrington/ St Osyth
FRIDAY 9TH AUGUST	5A	Great Bentley
<u>WEEK 10</u>		
MONDAY 12TH AUGUST	5B	Kirby Cross/Frinton
TUESDAY 13TH AUGUST	5B	Wix/ Tendring/Weeley/Beaumont
WEDNESDAY 14TH AUGUST	5B	Harwich
THURSDAY 15TH AUGUST	5B	Lawford/ Manningtree
FRIDAY 16TH AUGUST	5B	TBC

Specialist delivery contractors JETT were employed to deliver the bins. Consisting of 2 crews each crew had 3 operatives, each crew with a 3.5 tonne lorry. These crews were then piloted primarily by TDC and Veolia operatives. The role of the pilots were to direct the contractors; ensuring that they delivered bins to the correct properties, as it has to be remembered that some areas are a mixture of bins and bags, or properties of multiple occupancy requiring more than the standard 1 bin. The pilots would also ensure that households that had successfully applied for a an additional bin were delivered and most importantly that properties were not missed. The use of pilots whilst not always used by all authorities is proven to reduce the amount of missed delivery reports. The use of a TDC officer present as a pilot becomes beneficial when householders either contest the delivery of the bin or ask waste and recycling questions and resulted in reported missed bins of less than 2%.

The council depot at Weeley was chosen as the central storage and loading area for the wheeled bins. On top of the initial stock of 12,000 bins, wheeled bins were

delivered to Weeley each day by articulated lorry; normally consisting of 2 deliveries per day. These were unloaded by 2 Veolia operatives and Veolia forklift truck; both of which were on site full time for the 10 week period. Deliveries to households started everyday at 06.30, with the 2 JETT lorries loaded by Veolia forklift, typically each lorry could hold 300 bins and with each round consisting of 1200+ bins, each crew would have to reload during the day at least once.

During the 10 week roll out period, reports of missed bin deliveries were logged, these were then passed over to the contractors to revisit and deliver as part of their contracted duties.

As part of the delivery contract; 2 weeks after the final bin delivery the contractor returned to mop up the bulk of any further missed bin deliveries; this consisted of several hundred but included whole roads which had been missed off the original delivery lists or flats that wanted to change over to the bin service.

Waste and Recycling Collections Veolia

During the 10 week roll out period Veolia were providing both the new and existing waste collection services side by side. This placed increased demand upon Veolia to which Veolia increased their resources with 3 extra refuse vehicles, 3 extra recycling vehicles and 24 extra operatives (loaders and drivers).

During the bedding in period of the new waste service Veolia were unable to complete on all of the allocated collection days; this impacted mainly the recycling rounds, snowballing from Monday works rolling over in to Tuesday and so on and so on, resulting in Veolia working late into the evenings along with Saturdays and occasionally Sundays to catch up. All associated overtime payments remained the liability of Veolia.

During this 10 week period the authority and Veolia continued to work closely together with continuous operational meetings to ensure that both teams were fully aware of operational issues along with customer feedback and that this information was passed on to all the stakeholders. Whilst the bedding in period was extremely busy, both the authority and Veolia management maintained a strong and robust stance over the day to day collections, with a unified attitude towards misconduct and conduct not appropriate for contractors appointed by the authority. As such one of the refuse collection crews were observed undertaking tasks not inkeeping with their contracts and following formal investigation the driver and loaders were all dismissed. Whilst this placed an immediate pressure upon both Veolia to resource and train this crew through agency and pool staff and the authority in the disruption to service this would entail the decision was correct and provided a clear and strong statement to the collection operatives that misconduct would not be tolerated.

Customer support

Contact centre and Environmental admin team deal with missed collections and customer enquiries.

Before the new service roll out an average 74 phone calls and 58 emails per week (March to June) were processed.

During the roll out Peaked 2800 phone calls and 214 emails per week (July)

After the roll out: 590 phone calls and 114 emails (November)

248 phone calls and 115 emails (January)

Extra resource were allocated to the customer support teams with 2 temporary customer support assistants along with an apprentice based in another team within TDC. Additional resource remains in place until August 2020 to assist with customer support.

Waste Team

Including 2 dog wardens the team totalled 6 FTE. Resource made available for 3 FTE additional Officers for the roll out period, however only able to fill one of these posts; heavy impact upon the team as 2-3 officers required daily for piloting duties. Officers dealt with enquires from public, members, Management Team and MP's; scatter gun approach significantly impacted the ability to resolve issues, plus the day to day job still continued.

Communication

Surge in followers on facebook during roll out period along with increased social media. Comms team proactively replied to comments and questions.

Use of local social media groups to push key messages and information.

Boosted post on facebook ahead of August bank Holiday collections that reached 85,000 people. Total facebook spend £2424.40

TV interviews, FAQ's with local papers, 5 press releases and 2 follow up releases along with numerous comments and statements issued.

Results

September 2019 was the first full month on the new waste service and at the time of this report audited data is available for September and October, with the data compared to the same period in 2018 and are as follows:

	September 18	September 19	Difference (tonnes)	% change
Residual waste	2811.5	2013.9	-797.6	-28.37
Food waste	118.86	340.32	221.46	186.32
Paper/cardboard	340.34	373.66	33.32	9.79
Plastic/cans	96.4	129.06	32.66	33.88
Glass (banks)	128.93	189.41	60.48	46.91
Recycling rate	29.06%	41.83%		

	October 18	October 19	Difference (tonnes)	% change
Residual waste	3038.4	2160.78	-877.62	-28.88
Food waste	180.56	369.1	188.54	104.42
Paper/cardboard	383.80	451.63	67.83	17.67

Plastic/cans	98.34	141.36	43.02	43.75
Glass (banks)	104.83	128.92	24.09	22.98
Recycling rate	27.48	40.49		

Overview

The introduction of the new waste service to the entire district was always going to attract associated disruption and it was planned that this disruption would be for a 6 month period; 3 months for the initial roll out (June 10th to end of September 10th) and a further 3 months bedding in period (September 10th to December 10th). with the final amendments made to the collections in Thorrington at the beginning of December the service has since performed to target.

Three main areas were highlighted during this 6 month period attributing to the disruption:

Failure to complete collection rounds:

More recycling material is being collected than anticipated, consequently Veolia have employed additional resources at their expense; with an extra vehicle, driver and 2 loaders.

Difficulty in contacting the council/Officers:

The authority received a high level of contacts from the public and whilst this was envisaged and extra resources put in place, physical constraints such as the total number of phone lines available to the authority is a critical point. Combined with the lack of interest in vacant posts with only 1 out of 3 of the temporary recycling posts filled for the roll out period attributed to the delays in responding and dealing with customer enquiries.

Missed assisted collections/ Remote Properties:

With the front line collection rounds changing in number and size resulted in a loss of local knowledge from the loaders as they were now collecting from different areas. Provisions were made to minimise this loss of knowledge with the collection crews made up of operatives from all the old rounds but with all the rounds changing combined with an influx of new assisted collections applications, this was one set of customers who had increased disruption. The lack of in cab technology highlights the fragility of a paper based system

As above changing the rounds highlighted individual properties that previously had very bespoke collections which fell by the side as the information was lost between crews and again in cab technology could have reduced the amount of disruption.

Learning Points

- Commence the process of evaluating the contract options at an earlier stage; this could then be combined with including a working party of members which would provide sufficient time and resource for all stakeholders to have an

opportunity to provide input into the final contract option.

- Recruitment of the temporary posts to start at an earlier stage, combined with the fixed term contracts being of a longer duration. This would allow the new posts to be filled before the roll out of the service and allow ample time for training and for the officer to find their feet. Offering the contracts for a longer period, possibly 1 year instead of 4 months could attract a stronger field of applicants.
- Quicker at feeding operational issues up to the communications and support teams; this information could then be fed out to customers via social media and other avenues and would reduce the amount of customer contact enquiries.
- Reduce the reliance upon the local knowledge held by individual operatives for the collection rounds; transferring this data on to robust round sheets and technology.

RECOMMENDATION

That the Committee determines whether it has any comments or recommendations it wishes to put forward the relevant Portfolio Holder or Cabinet.

RESOURCES AND SERVICES COMMITTEE

17 FEBRUARY 2020

REPORT OF THE HEAD OF PEOPLE, PERFORMANCE & PROJECTS

A.3 **PERFORMANCE REPORT OCTOBER - DECEMBER 2019 (QUARTER THREE)**

(Report prepared by Anastasia Simpson & Katie Wilkins)

PART 1 – KEY INFORMATION

PURPOSE OF THE REPORT

To present the Performance Report 2019/20 (*Resources & Services*) for the period October – December 2019 (Quarter Three).

EXECUTIVE SUMMARY

The Performance Report sets out the detailed actions and targets for the delivery of the Council's priorities for the coming year that relate to resourcing and delivery of services.

The Performance Report includes both the Council's Corporate Plan 2020/24 and Priorities and Projects 2019/20.

The purpose of this report is to submit the relevant performance data to the Overview & Scrutiny Committee so that it can undertake scrutiny of it in so far as:

- (a) Is the performance monitoring system capturing the right level of data to support delivery of the Corporate Plan and its priorities and projects – and to make recommendations thereon.
- (b) Is there performance as identified in the monitoring data that warrants scrutiny of an activity – and to determine whether and how that scrutiny should take place; including it as appropriate in the work programme.

The Quarter 3 position demonstrates that of the 22 indicators and projects where performance is measured, 21 (95%) are on, or above, their expected target, 1 (5%) is not currently in line with expected performance.

The Performance Report(s) will be presented to the Cabinet at its meeting on the 21st February 2020. Any feedback from the Resources and Services Committee will be presented to a future meeting of the Cabinet as a separate reference report.

TRANSFORMING TENDRING

The Transformation Team has made some significant progress during the Quarter:

- Work in Pier Ave and Barnes House is complete, bar some snagging work.
- At Pier Ave: Construction works are practically complete including handover of all first and ground floor areas. A handful of snagging and completion issues are being worked on.
- Northbourne Depot: Work to create offices is complete and the new offices are occupied. Planning challenges and some staffing changes have led us to review the need for replacement kennels.
- Westleigh House: The new car park area is open to the public.
- Town Hall: Phase 1 is complete and phase 2 is due to complete in January 2020. A fixed term site manager to co-ordinate detailed work on further phases is due to start on 20 January 2020. A snag was hit in the new (old) Committee Room: the Conservation officer

requested an additional Listed Building consent application for details of work in the room. It has now been prepared and submitted but work is on hold until it is approved.

- Re-designing of the IT Network and move onto the cloud is advanced with all user emails transferred but with some data storage and public accounts to follow.
- Training on the new Firmsteps Interface and resolution of some teething issues is progressing well with a small number of applications live and more are close to release. Phase 3 applications will be developed from March 2020 onwards including some RBS and Housing functions.
- A lot of progress on Scanning and Digitisation was made by the team. The staff have now moved entirely onto the digitisation of microfiche records. Within service units the digitisation of paper records continues using the specific scanners provided.

RECOMMENDATION

That the Resources and Services Committee notes the Council's Performance Report for the period October - December 2019 (Quarter Three) and determines whether it has any comments or recommendations to put forward to Cabinet.

DELIVERING PRIORITIES

The report shows the high-level projects that are being undertaken to deliver key objectives for the Council. The Performance Indicators show key areas of performance in detail, how each is progressing, along with charts and tables to present the ongoing position.

FINANCE, OTHER RESOURCES AND RISK

Resources

The priorities highlighted within the Performance Report for the period October - December 2019 (Quarter Three) can be delivered within the Council's existing budgets.

Risk

These priorities are all within the current TDC risk framework.

LEGAL

The actions proposed in this report are within the Council's legal powers.

OTHER IMPLICATIONS

None.

APPENDICES

Appendix A: Performance Report (*Resources and Services*) October - December 2019 (Quarter Three).

Appendix B: Cabinet Report (21 February 2020).

PERFORMANCE REPORT

(RESOURCES AND SERVICES)

Quarter 3 (October – December 2019)

APPENDIX A

Page 39

Introduction

The following pages include the Council's Corporate Plan 2020 - 2024 and Tendring District Council's Priorities and Projects 2019/20. There is a clear link between the aspirations, detailed in the Plan, and Priorities and Projects noted. Furthermore, this performance report details our performance against these key projects and targets, as well as headline performance in dealing with complaints and our staff's absence rate. Projects and Performance Indicator targets sit under the following headings:-

PROJECTS

	A Growing and Inclusive Economy		Building Sustainable Communities for the future
✓	<u>Tendring for Growth</u> <u>Developing New Businesses</u> <u>Supporting Existing Businesses</u> <u>Creating Job Opportunities</u> Page 6	✓	<u>Garden Communities</u> Page 9
Page 40	<u>Enhancing our Great Tourism Offers</u> Pages 7 & 8	✓	<u>Jaywick Sands</u> Page 10
	<u>Exploring the Opportunities of Brexit</u> (Detailed in the Community Leadership Report under Influencing & Lobbying for Tendring)	✓	<u>Delivering the Local Plan</u> Page 11
		✓	<u>Creating Vibrant Town Centres</u> Page 12
		✓	<u>Residents Feeling This is a Great Place to Live</u> Page 13
		✓	<u>Housing Strategy</u> Page 14
		✓	<u>Manningtree Underpass</u> Page 15

Current Position









On each project and target, a colour icon is placed as a quick visual identifier regarding the current position.

Above target	↑
On target	✓
Below target	!
No Data	●

Introduction


The following pages include the Council's emerging Corporate Plan 2020—2024 and Tendring District Council's Priorities and Projects 2019/20. There is a clear link between the aspirations, detailed in the Plan, and Priorities and Projects noted. Furthermore, this performance report details our performance against these key projects and targets, as well as headline performance in dealing with complaints and our staff's absence rate. Projects and Performance Indicator targets sit under the following headings:-

PROJECTS

	Delivering High Quality Services		Strong Finances and Governance
	<u>Cliff Stabilisation (Protecting our Coastline)</u> Page 16	-	Budget (Reported in the Corporate Budget Monitoring Report)
	<u>Waste Contract</u> Page 17		Maximising Our Assets Page 24
	<u>Leisure Facilities Review</u> Page 18	-	10 Year Financial Plan (Reported in the Corporate Budget Monitoring Report)
	<u>Creating a Quality Environment for our Staff</u> Office Accommodation Customer Services People Digital Pages 19, 20 & 21		Clear Political Leadership and Effective Governance Page 25
	<u>Building and Managing our own Homes</u> Page 22		
	<u>Carbon Neutrality</u> Page 23		

Current Position

On each project and target, a colour icon is placed as a quick visual identifier regarding the current position.






Above target	
On target	
Below target	
No Data	

Introduction

The following pages include the Council's emerging Corporate Plan 2020 - 2024 and Tendring District Council's Priorities and Projects 2019/20. There is a clear link between the aspirations, detailed in the Plan, and Priorities and Projects noted. Furthermore, this performance report details our performance against these key projects and targets, as well as headline performance in dealing with complaints and our staff's absence rate. Projects and Performance Indicator targets sit under the following headings:-




TARGETS

Page 42

	Fly Tipping Page 26		
	Missed Bin Collection Page 27		Miscellaneous Indicators
	Recycling Rate Page 27	-	Sickness and Authorised Covert Surveillance Page 29
	Proactive Planning Approach Page 28		Complaints Page 30

Current Position

On each project and target, a colour icon is placed as a quick visual identifier regarding the current position.

Above target	
On target	
Below target	
No Data	

Our Vision

To put community leadership at the heart of everything we do through delivery of high quality, affordable services and working positively with others.

Delivering High Quality Services

- 24 hour a day digital services – My Tendring
- Modern, high quality buildings and facilities for customers and staff
- Minimise waste; Maximise recycling
- Proactive Planning Service
- Public spaces to be proud of in urban and rural areas
- Effective regulation and enforcement
- Carbon Neutral by 2030

Tendring District Council Corporate Plan 2020-2024



INVESTORS
IN PEOPLE | Gold

Community Leadership Through Partnerships

- Joined up public services for the benefit of our residents and businesses
- Health and wellbeing - for effective services and improved public health
- Education - for improved outcomes
- Law and Order - for a safer community
- Sport England and Active Essex- for physical activity and wellbeing
- Influence and lobby - for Tendring's future

Community Leadership Tendring4Growth

Building Sustainable Communities for the Future

- North Essex Garden Communities
- Jaywick Sands - more and better housing; supporting the community
- Vibrant Town Centres
- Building and managing our own homes
- Effective planning policies

Strong Finances and Governance

- Balanced annual budget
- 10 year financial plan
- Effective and positive Governance
- Strong and focused leadership
- Use assets to support priorities

A Growing and Inclusive Economy

- Develop and attract new businesses
- Support existing businesses
- More and better jobs
- Promote Tendring's tourism, cultural and heritage offers
- Maximise our coastal and seafront opportunities

Our Values

- ◆ Councillors and staff uphold **personal integrity, honesty** and **respect** for others
- ◆ **Innovative, flexible, professional** staff **committed** to delivering excellence
- ◆ Recognising the diversity and **equality** of individuals
- ◆ Working **Collaboratively** with partners, including Supporting the Essex wide vision and ambitions

PRIORITIES AND PROJECTS 2019/2020

Chief Executive

Strategic Community Leadership

- Health
- Education
- Law and Order

Deputy Chief

Executive

(Corporate Services)

- Budget
- Maximising our assets
- 10 year financial plan
- Clear political leadership and effective governance
- Creating a quality environment for staff
 - ◆ People
 - ◆ Office accommodation
 - ◆ Digital
 - ◆ Customer Services

Corporate Director

(Planning and Regeneration)

- Tendring4Growth
- Developing new businesses
- Supporting existing businesses
- Creating job opportunities
- Delivering the local plan
- Creating vibrant town centres
- Proactive planning approach
- Garden Communities
- Manningtree underpass
- Improving digital connectivity
- Exploring the opportunities of Brexit
- Influencing and lobbying for Tendring (proactive and reactive)

Corporate Director

(Operational Services)

- Enhancing our great tourism offers
- Jaywick Sands
- Cliff stabilisation
- Waste contract
- Leisure facilities review
- Residents feeling this is a great place to live
- Housing Strategy
- Customer services
- Building and managing our own homes
- Sport England
- Carbon Neutrality

Tendring4Growth: Developing New Businesses, Supporting Existing Businesses & Creating Job Opportunities (A Growing and Inclusive Economy)

[Back to Top](#)



“We aim to encourage and facilitate economic growth through recognising, and supporting, the ambitions of the diverse range of businesses and sectors across the District. Working with Partners across Tendring, and the wider North Essex area, we will deliver business support and infrastructure to achieve this”.

Management Team Lead: Ewan Green – Corporate Director

Business and Economic Growth Portfolio Holder

Lead Officer: Tom Gardiner

Delivery Mechanism: Projects and other interventions will be developed and delivered in-house, and in partnership with the Council's key public and private sector partners, to support economic growth across the District. As part of a review of the Council's business support activities, we have developed a range of business led events which promote growth opportunities, these include development of key sectors, bespoke business advice and business networking events.

Activity	Current Position	To be Completed
Work in partnership with Braintree, Colchester and Essex Councils, to develop a North Essex Economic Strategy.	The Strategy is being developed to maximise the economic benefits of the North Essex A120 corridor, recognising that a collaboration will deliver outcomes at a scale and impact which will support economic growth. The Strategy has been drafted and will be the subject of a report to Cabinet in January 2020.	Dec 19 *Revised 24 Jan 20
Develop and Deliver Tendring Business Week w/c: 30.09.19:- To include Jobs Fair and Blue Ribbon Awards.	The Tendring4Growth Business Week took place in the week 30 September 2019 to 4 October 2019. The schedule of events (which included the annual Jobs and Careers Fair and Blue Ribbon Business Awards) were well supported by the Council's public sector partners as well as by local and regional businesses.	Complete Oct 19
Hold 10 Business Engagement Events aimed at supporting growth of Small Medium Enterprises.	The Regeneration, Inward Investment and Growth Team has facilitated a range of networking events and business seminars during the course of 2019, and has plans to host further events during the remainder of the financial year.	Mar 20
Support 10 businesses through the Small Medium Enterprise Growth Fund programme.	The programme budget has been fully allocated following assessment of applications received - funding agreements have now been finalised. A full update will be provided for Members in January 2020.	Nov 19 *Revised Jan 20

Enhancing our Great Tourism Offers

(A Growing and Inclusive Economy)

"To deliver our key events to a high standard, working with partners to showcase the District and encourage tourism and inward investment. These high-profile events should contribute towards the Council's aspiration to stage a year round tourism programme."

[Back to Top](#)

On
Target

Management Team Lead: Paul Price – Corporate Director

Business and Economic Growth Portfolio Holder and Leisure and Tourism Portfolio Holder

Lead Officer : Michael Carran

Delivery Mechanism: The Clacton Air Show will be delivered by the Council's Tourism and Events Team, with support from our partners in the emergency services and private and voluntary sectors. Tendring are the primary organiser of the Tour de Tendring. The Mayflower 400 will involve working with private and voluntary sector partners, together with the other key destinations involved in the Mayflower story.

Activity	Current Position	To be Completed
Mayflower 400: Series of events and projects to build up to the celebrations in 2020, including:- <ul style="list-style-type: none"> Open Christopher Jones' house to the public. Develop and install a Mayflower Trail in Harwich. Stage the Illuminate Festival as part of the international launch of Mayflower 400. Develop and open a Mayflower Visitor Centre. 	The Tourism and events team are working to deliver the Mayflower projects with partners and contractors. Each project is progressing well and aimed at delivering a high quality outcome. The Illuminate Festival took place on 29 and 30 November 2019 as part of the international launch for Mayflower 400. The event comprised of a projection mapping show on Harwich Quay with live entertainment and a twilight flight. The event attracted around 6,000 people and generated local, regional and national publicity. Work to develop the Visitor Centre and Christopher Jones' house is at the creative stage and the proposals are considered exciting, interactive and will use new technologies. The house is due to open at the beginning of March 2020 and the Visitor Centre at the beginning of April. The trail will compliment the other attractions and the Council is working with local historians, academics and partners to develop the historic text. A Living Willow Mayflower replica will be planted on Harwich Green as part of that trail. The trail is due to be installed at the beginning of April 2020. An exciting events programme which will include a Mayflower Half Marathon in April 2020, a visit of the Mayflower Steam Train in June 2020 and a sculpture trail in the summer is being developed with partners. This will culminate in the 2020 Illuminate Festival being held in November 2020. This will include a 'national moment' in conjunction with the other Mayflower destinations.	Open Nov 19 Nov 19 Feb 20
Car Rally:- Work with Chelmsford Motor Club (CMC) to improve communications and promotion of the event, which is now part of the British Rally Championships. Manage Safety Advisory Group to ensure that the event is run safely and meets the needs of local people.	A communications plan has been worked up with CMC to improve communications for the rally and attempt to provide all the District's residents with information about the event. This will include an information leaflet being sent out with Council Tax bills, so every household has a knowledge of the event. The organisers are working up details for an additional stage, which will take place on the Saturday evening on the lower Clacton Promenade. The Safety Advisory Group process will commence in February for the 2020 event.	Apr 20
Tour de Tendring:- Organise and stage the Tour de Tendring and associated events to maximise the number of riders and increase exposure/promotion of the district as a tourism destination in the Mayflower commemoration year.	The Council is working with the host organiser (Bike Events) to develop the event for 2020 and brand the event under the Mayflower banner. It is envisaged that there will be other facets to the event in 2020, to capitalise on the brand awareness of Mayflower 400 and increase the number of riders.	Jun 20

Enhancing our Great Tourism Offers Continued...

(A Growing and Inclusive Economy)

[Back to Top](#)

On
Target

“To deliver our key events to a high standard, working with partners to showcase the District and encourage tourism and inward investment. These high-profile events should contribute towards the Council’s aspiration to stage a year round tourism programme.”

Management Team Lead: Paul Price – Corporate Director

Business and Economic Growth Portfolio Holder and Leisure and Tourism Portfolio Holder

Lead Officer: Michael Carran

Delivery Mechanism: The Clacton Air Show will be delivered by the Council’s Tourism and Events Team, with support from our partners in the emergency services and private and voluntary sectors. Tendring are the primary organiser of the Tour de Tendring. The Mayflower 400 will involve working with private and voluntary sector partners, together with the other key destinations involved in the Mayflower story.

Activity	Current Position	To be Completed
<p>50 50 50 50</p> <p>Beside the Seaside:- Organise and stage the series of Beside the Seaside events for 2020 to maximise visits and wider promotion of the district.</p>	<p>Early preparations are taking place for the 2020 events and in particular looking at fresh ideas for the event in Clacton. A communications plan is being developed and the dates for Beside the Seaside will be announced shortly. An operational planning meeting is taking place in January 2020, after which full preparations will commence.</p>	<p>Aug 20</p>
<p>Clacton Airshow:- Deliver the Clacton Airshow to maximise the benefit of the event on the local economy, this is to include financial sustainability, increasing visitor numbers and the wider promotion of the district as a tourist destination.</p>	<p>Business planning for the 2020 event is well underway and the bids for Military Flights have been submitted. The dates for the 2020 event have been announced and a full communications plan will be completed shortly, for implementation early in the New Year. The multi agency planning process for the event will commence in May 2020.</p>	<p>Aug 20</p>
<p>District Wide Tourism Strategy:- Develop a District wide tourism strategy to guide and direct development, decision making and the management of resources over the next five years.</p>	<p>Prior to the report being considered by Cabinet, the Strategy was presented to an All Member Briefing in October 2019. This will form part of the consultation process which will be rolled out, if approved by Cabinet. Due to Purdah, the report will now progress to Cabinet in February 2020 (previously October 2019). This has moved from January 2020, to allow some additional information to be included from the latest 'impact of tourism' report.</p>	<p>Cabinet 21 Feb 20 All Member Briefing Oct 19</p>
<p>Princes Theatre:- Work towards continual service improvements of the Theatre under a regime of self-sufficiency and impact on the local tourism offer.</p>	<p>Very successful pantomime with the new Production Company – Anton Benson Productions. Ticket sales were very good and income was up on last year. Further figures will be reported in next months report. The theatre’s concessions were also up on previous years and we now have the rights to sell programmes and merchandise too. The reviews for the pantomime from customers were numerous and very complimentary. We are looking forward to next year’s show Jack and The Beanstalk.</p>	<p>On-going</p>

Garden Communities

(Building Sustainable Communities for the future)

On
Target

“Innovative joint work with Colchester Borough Council (CBC), Braintree District Council (BDC) and Essex County Council (ECC) to develop 3 new sustainable communities in North Essex based on Garden Community principles.”

Management Team Lead: Ewan Green – Corporate Director

Leader, Deputy Leader & Corporate Finance and Governance Portfolio Holder

Lead Officer: Catherine Bicknell

Delivery Mechanism: Selection of locations to be part of the Local Plan process. The Leader (supported by the Chief Executive) sits on North Essex Garden Communities Ltd board (NEGC). The Corporate Director and Head of Planning Services sit on the senior officer Steering Group and Legal, Finance and Planning Officers participating in topic work streams. Close collaboration on Local Plan process re Garden Communities approach. A shared Chapter 1 of the Plan and specific requirements of any proposed Garden Community proposals across North Essex agreed by each Council.

Activity	Current Position	To be Completed
Deliver the A120 / A133 Link Road and Rapid Transit scheme. Preferred Route announcement Planning Application submission Tender process Construction	Housing Infrastructure Fund bid was successful with £99.9m awarded for the A120-A133 Link Road and a Rapid Transit scheme. Public consultation on the route options is now underway.	Mar 24 Spring 2020 Winter 2020 2021 Spring 2022 to Spring 2024
Develop a proposal and seek agreement for a sustainable North Essex Garden Communities Delivery Vehicle.	A range of delivery models are being explored for the delivery of the garden communities. This includes the potential for a locally led Development Corporation to be established. Further work will be progressed by the NEGC partners prior to further consideration by the Council.	Feb 20
Work with partners to develop a 3 year business plan for NEGC Ltd. 2019-2022	An Interim Business Plan for 2019-2020 and Council funding contribution of £350,000 was agreed by Cabinet in September 2019. A Business Plan for 2020-23 is being developed.	Mar 20

Jaywick Sands

(Building Sustainable Communities for the future)

“Deliver at Least 10 houses in Jaywick Sands by April 2020 and develop long term strategic goals.”

Management Team Lead: Paul Price – Corporate Director

Housing Portfolio Holder

Lead Officer: Tim. R. Clarke



Delivery Mechanism: Bring forward at least one development at Jaywick. Work with Essex County Council (ECC) and other potential partners to develop options for residential and other development. Work with Planning to develop urban design layout.

Activity	Current Position	To be Completed
Deliver 10 units by end 2019.	Piling and build up to first floor complete. Modern Methods of Construction units constructed and piling mat to be installed for crane, completed.	Complete Dec 19
Development vehicle/mechanism agreed.		Currently on hold
Examine options for next phase of development.	Spatial plan being developed and Integrated steering group have identified potential early build sites—still awaiting EA Flood Risk Modelling.	Dec 19 *Revised Apr 20
Identify funding mechanisms.	Decision regarding potential commitment of HRA funding towards 100 new homes taken at Cabinet in October 2019 - details of funding arrangements to be brought back on phased basis.	Ongoing
Develop local lettings (and sales) plan.	Draft completed.	Ongoing
Place Plan and Infrastructure Assessment completed by end 2019.	On target. Decision taken to undertake consultation on Supplementary Planning Document (SPD) in late Spring 2020.	Dec 19 *Revised Jul 20
Development of new employment space and training opportunities.	Ongoing work with ECC.	Ongoing

Delivering the Local Plan

(Building Sustainable Communities for the future)

“Develop a new Local Plan to guide sustainable development and growth across the Tendring District”

Management Team Lead: Ewan Green – Corporate Director

Leader

Lead Officer: Catherine Bicknell



Delivery Mechanism: The timetable will coincide with that of Colchester Borough Council and Braintree District Council, as far as possible, to support the Council's duty to co-operate. The Local Plan Committee on 29 Jan 19 agreed a revised timetable, or Local Development Scheme (LDS), for delivery of the Local Plan. Key milestones in the revised LDS include examination of Section 1 in Autumn 2019; examination of Section 2 in Spring 2020 and adoption of the Local Plan in Winter 2020/21.

Activity	Current Position	To be Completed
Section 1:- Examination Public Outcome (Joint plan with Braintree and Colchester).	Consultation on additional evidence undertaken August/ September 2019. Results were submitted to Inspector on 4 October 2019 and examination expected to resume for two weeks commencing 14 January 2020. Preparation for the hearing sessions is underway.	Winter 19/20
Section 2:- Examination in Public (Tendring sites and policies).	Early preparation for the examination of Section 2 is underway, including reporting of updated evidence and national policy to the Planning Policy and Local Plan Committee.	Spring 20
Assessment of Community Infrastructure Levy (CIL) implications/opportunities.	To be considered formally once policies and development proposals are certain, following adoption of Local Plan.	On-going
Local Plan adopted.	Adoption of Local Plan on target but subject to scheduling of Examination in Public.	Winter 20/21

Exception: Dates for resumed Section 1 Hearing sessions confirmed by the Planning Inspector for mid January 2020 - one month behind the anticipated schedule. Overall timetable broadly on schedule.

Creating Vibrant Town Centres

(Building Sustainable Communities for the future)

On
Target

"We will develop and deliver a range of strategic interventions aimed at supporting a sustainable and vibrant future for town centres across Tendring"

Management Team Lead: Ewan Green – Corporate Director

Business and Economic Growth Portfolio Holder

Lead Officer: Tom Gardiner

Delivery Mechanism: The Council will work with public, private and community sectors to deliver this project. This will be underpinned by opportunities from Government and national agency funding opportunities. The Dovercourt Town Centre Masterplan is in place and will guide delivery of projects, with an initial focus on the Starlings and Milton Road Car Park. The Clacton Action Plan outlines a range of short term projects for delivery and technical / feasibility studies required to progress major, transformational projects.

Activity	Current Position	To be Completed
Dovercourt Town Centre Masterplan:- Seek Cabinet approval.	The masterplan was approved by Cabinet in July 2019.	Complete Jul 19
Dovercourt Town Centre Masterplan:- Completion of Starlings and Milton Road Development scheme.	The project was agreed by Cabinet in September 2019 and has moved into the next stage of development. This will include the assessment and acquisition of sites, the assembly of land, the appointment of a Professional Team and the preparation of detailed designs prior to securing the required statutory consents and permissions to proceed. Richard Jackson (Engineers) we appointed in November 2019 to undertake site investigations prior to the Council's acquisition of the sites required. Draft Heads of Terms agreed with vendors for the acquisition of the sites required.	Mar 21
Dovercourt Town Centre Masterplan:- Develop outline proposals for Station Plaza and Kingsway Public Realm.	These projects were agreed by Cabinet, as part of the Masterplan and will be developed to outline stages over the next 6 months.	Mar 20
Harwich Historic Town Project:- Develop project proposals to maximise opportunities for both the Harwich conservation area and for external funding (e.g. Heritage Lottery).	A first draft of this project has been completed and will be further developed (in line with funding opportunities) over the next 6 months.	Mar 20
Clacton Town Centre:- Deliver Short Term Actions and submit bid to High Street Futures Fund.	Collaborative work underway with ECC and local businesses to work up proposals for action in Clacton town centre. Outline Future High Street Fund bid is being progressed with stakeholders. ¹²	Sept 20

Residents Feeling this is a Great Place to Live.

(Building Sustainable Communities for the future)



“Develop options to enhance resident and visitor experience of the Council’s managed Public Spaces.”

Management Team Lead: Paul Price - Corporate Director Business and Economic Growth Portfolio Holder/Environment & Public Space Portfolio Holder

Lead Officer: Ian Taylor

Delivery Mechanism: Take the necessary action (outlined below) to contribute/support Tendring to be a great place to live (over and above Tendring’s Influencing Role).

Activity	Current Position	To be Completed
Street Sweeping:- Ensure streets and pavements are clean and tidy.	Additional resources and equipment have been put in place to address this, the new waste contract arrangements are already showing lower litter levels in urban streets.	On-going
High Quality Public Toilets:- Put in place a planned refurbishment programme for the Councils public conveniences.	The putting in place of a planned refurbishment programme for the Council’s public conveniences is on target. Additional resources will need to be identified to accelerate the programme.	Mar 20
Retaining and increasing green and blue flags for our public spaces.	Green flag work is on or ahead of schedule.	Re-assessment Blue Flags: Feb 20 Green Flags: Summer 20
Develop proposals to increase provision of motor vehicle charging points across the district.	Work is ongoing with the climate change working party to establish requirements for Council vehicles and motor vehicle charging points across the District. Proposals will be developed before March 2020.	Mar 20

Housing Strategy

(Building Sustainable Communities for the future)

“Revised and updated Housing Strategy; work programme to include, evaluation of options for delivery of housing via trading company and associated Homelessness Strategy.”

On
Target

Management Team Lead: Paul Price – Corporate Director

Housing Portfolio Holder

Lead Officer: Tim. R. Clarke

Delivery Mechanism: Consultation with relevant officers and other key stakeholders to produce Housing Strategy to be agreed by Full Council.

Page 53

Activity	Current Position	To be Completed
Develop draft Housing Strategy. *Housing Green Paper, will inform strategy.	Completed.	Complete Jun 19
Seek Cabinet approval (Housing Strategy).	Cabinet approved 19 July 2019.	Complete Jul 19
Public Consultation.	Housing strategy consultation has been extended to end of January 2020 to allow presentations to interested groups.	Commenced: Oct 19 End: Dec 19 *Revised Jan 20
Sheltered Housing review.	Timetable to be drawn up.	Timetable to be agreed once Strategy is finalised.
Develop associated Homelessness Strategy.	Draft Homelessness Reduction and Rough Sleeping Strategy goes out to consultation on 13 January 2020 for six weeks. Strategy being presented to Community Leadership Overview & Scrutiny Committee on 13 January 2020.	Dec 19 *Revised Jan 20
Seek Cabinet approval (Homelessness strategy).	As above.	Dec 19 *Revised Jan 20

Manningtree Underpass

(Building Sustainable Communities for the future)



“Support proposals for road and rail crossing improvements at Manningtree”.

Management Team Lead: Ewan Green – Corporate Director

Leader, Deputy Leader & Corporate Finance and Governance Portfolio Holder

Lead Officer: Ewan Green

Delivery Mechanism: To lobby the Highway Authority and rail companies to agree a package of parking and highway improvements to alleviate congestion in the area of Manningtree Railway Station. A partnership group has been formed including local MP's, ECC, Suffolk CC, Babergh & Mid Suffolk Council, TDC, Haven Gateway Partnership, Essex Rail Users.

Page 54

Activity	Current Position	To be Completed
Work with partners to support the development of outline proposals for improvements <i>(to include; the economic, social and environmental needs and benefits)</i> and lobby for Government support.	A Stakeholder Board has been established to oversee progress in the development of options to improve the station access and road congestion. This will focus on short, medium and longer term solutions. A Technical Group with representation from Councils and Network Rail has been established to develop detail for these.	TBC

Exception: At present the Council's main role is to influence and facilitate delivery of improvements. ECC as the highways authority are the lead public body for delivery along with Network Rail.

Cliff Stabilisation (Protecting our Coastline)

(Delivering High Quality Services)

"To protect 5km of coastline and 3,019 properties and businesses from coastal erosion for the next 100 years."

Management Team Lead: Paul Price – Corporate Director

Leisure and Tourism Portfolio Holder

Lead Officer: Damian Williams & James Ennos

On
Target

Delivery Mechanism: Appoint consultant, via Environment Agency's Government led framework, to undertake ground stabilisation works to a section of coastal fringe along Holland on Sea (stabilise ground re-profiling and installing drainage), also protecting coast road and residential properties.

Activity	Current Position	To be Completed
Completion of ground stabilisation works.	Ground works completed in July 2019.	Complete Jul 19
Complete works to 're-instate' site for use by the public and residents.	All areas reinstated and open to the public ahead of schedule in August 2019.	Complete Aug 19
Project 3	A feasibility study is currently being carried out for stage 3, this includes drawings, costings, and Ecology for project area 3, opposite Russell Road in Clacton underway. Ecology surveys completed on October 19.	Complete Dec 19
Project 3 Funding	Estimated costs have been received and the current budget is insufficient to carry out the works, other sources of funding are being investigated.	April 20
Phase 1 & 2 Maintenance Period	12 month maintenance period started December 19.	Dec 20
Settle final accounts and reporting of financial position.	Final accounts for project areas 1&2 ongoing, due for completion in December 2020.	Dec 20

Waste Contract

(Delivering High Quality Services)

“Manage wheeled bins rollout and variation of contract service from Summer 2019.”

Management Team Lead: Paul Price – Corporate Director

Environment & Public Space Portfolio Holder

Lead Officer: Damian Williams & Jonathan Hamlet



Delivery Mechanism: Work with contractor to deliver contract variation and service improvements.

P 2009 56	Activity	Current Position	To be Completed
	Extend and vary existing contract to commence from Summer 2019.	Completed.	Complete Summer 19
	Procurement of wheeled bins for roll out (dependent upon agreement of extension of contract).	Completed within timescales set.	Complete Jul 19
	Delivery of 58,000 bins to households over a 10 week period.	Initial 10 week roll out completed 16 August 2019, with further missed bins delivered during first week of September 2019.	Complete 16 Aug 19
	Review performance targets post implementation of new service.	June 2019 recycling data 33.32%, July 2019 recycling data 36.05%, August 2019 recycling data 39.42%, First full month under the new waste collection service is September: September 2019 recycling data 41.82%.	Feb 20

Leisure Facilities Review

(Delivering High Quality Services)

“Develop a new commercial structure for Leisure Services.”

Management Team Lead: Paul Price – Corporate Director

Leisure & Tourism Portfolio Holder

Lead Officer: Michael Carran



Delivery Mechanism: Undertake a review of the Council’s Leisure Facilities in the district and explore asset improvement programme for each site.

Update: This month’s progress comments are noted next to each individual milestone in the table below.

Page 57

Activity	Current Position	To be Completed
Develop a 10 year Sports Facilities Strategy to explore options to achieve financial self-sufficiency.	An overview of the 10 year strategy was presented to the Resources and Services Committee in October 2019 and the final report will be considered by Cabinet in March 2020. This is later than initially timetabled, to ensure more detailed information can be included in relation to the delivery plan. The strategy will set out proposals for how the service will be managed and delivered and cover financial sustainability.	Resources and Services Committee Oct 19 Cabinet Mar 20
Develop a business plan for asset improvements to Clacton Leisure Centre:- Once approved, the work will be tendered, procured and delivered by Spring 2020.	The Business Plan for refurbishment was approved by Cabinet in October 2019 and the procurement process will commence shortly. It is envisaged that the work will now start in September 2020 due to the later than anticipated approval date and delay in finalising the tender documents. This has taken longer than anticipated due to a new collective way of managing projects and additional attention has been applied to the preparation of documents, with far more input from other services than would have taken place previously.	Mar 20 *Revised Sept 20

Creating a Quality Environment for our Staff

(Delivering High Quality Services)

“Deliver the agreed elements of the Transformation Programme relating to office accommodation, digital transformation, customer service and people effectively, on time, on quality and on budget.”



Management Team Lead: Andrew White—Head of Property Services

Deputy Leader & Corporate Finance and Governance

Office Accommodation—Lead Officer: Andrew White

Activity	Current Position	To be Completed
Westleigh House:- Site in use as car park.	Surfacing was completed on 29 November 2019. At the time of writing the car park is open and in use. Some temporary fence remains on the pavement pending the installation of benches and planters.	Complete Nov 19
Bath House/Pier Ave:- Extension and works complete.	Extension work and associated roofing work have all been practically completed and the compound and fencing has been removed. Some furniture and redecoration of existing areas remains to be completed separately.	Complete 8 Nov 19
Town Hall:- Works to Committee Room complete.	The area has been completely stripped out and work to relocate and reinstate services is advancing. A further Listed Building application for the detail of the reinstatement works has been requested and submitted. Further works suspended pending the outcome of the new Listed Building application.	Feb 20 *Revised Apr 20
Weeley:- Agree terms for disposal of site.	Revised terms are currently under discussion. Potential Best Consideration and alternative options to be explored by external valuer prior to decision.	Jan 20 *Revised Apr 20

Customer Services—Lead Officer: Mark Westall

Deputy Leader & Independent Living Portfolio Holder

Activity	Current Position	To be Completed
Complete digitalisation of customer interface to ensure 24/7 access of customer services:- To include system testing and staff training, ready to roll out to initial services.	Work Programme 3 should start at end of January 2020 (Revs & Bens, Rents, & Housing Repairs).	Jan 20
Back scanning and secure disposal of existing documentation.	The technical issues with equipment have been resolved. Microfiche scanning now progressing well.	Jul 20

Exception: Revised dates for Committee Room reflect the requirement to obtain a further Listed Buildings consent. Weeley revisions reflect a softening of the offer form to the potential purchaser and the need to seek further advice on Best Consideration Reasonably Obtainable.

Creating a Quality Environment for our Staff

[Back to Top](#)

(Delivering High Quality Services)

“Deliver the agreed elements of the Transformation Programme relating to office accommodation, digital transformation, customer service and people effectively, on time, on quality and on budget.”



Management Team Lead: Andrew White—Head of Property Services Deputy Leader & Corporate Finance & Governance Resources Portfolio Holder

People - Lead Officer: Anastasia Simpson		
Activity	Current Position	To be Completed
<p>'Transformation' Manager training programme to be delivered across the organisation.</p> <p>'Transformation' Staff training programme to be delivered across organisation.</p>	<p>Requests for specific training being delivered.</p> <p>Over 300 staff have undertaken the Independence Training. No outstanding queries from UNISON regarding staffing matters. Managers/HR working with Officers on an individual basis if additional support/guidance required.</p>	On-going
<p>IIP Gold:- Maintaining and improving our performance in accordance with IIP Standards.</p>	<p>Council re-assessed as an IIP Gold organisation in January 2019, next mid- term assessment July 2020.</p>	On-going
<p>Equality Impact Assessments (EQIA):- Prepared across services.</p> <ul style="list-style-type: none"> Revised policy agreed. Training delivered. Equality Impact Assessments prepared and kept under regular review across services. 	<p>Inclusion & Diversity action plan for August- December 2019 drafted by Executive Projects Manager and Organisational Development Manager.</p> <p>Staff Handbook updated in August 2019 to incorporate changes recommended by Inclusive Employers.</p> <p>Bespoke webinar hosted by Inclusive Employers held during National Inclusion week in September 2019 to initiate the launch of a TDC Inclusion Influencers network.</p> <p>Upload to Learning Zone of additional materials provided by Inclusive Employers commenced in December 2019 to increase resources available to managers and staff. Further drama-based learning provided by Inclusive Employers and facilitated discussions with TDC's Inclusion Influencers provisionally scheduled for Spring 2020, discussions to be finalised in January 2020.</p> <p>December 2019 Outhouse East LGBT+ workshop cancelled by provider and rescheduled for March 2020. Operational Development Manager and Executive Projects Manager to attend.</p>	On-going
People Initiatives	<p>No. of staff completed Independence Training 400+.</p> <p>No. of staff remote working 50+.</p> <p>Evaluation exercise undertaken.</p>	On-going

Creating a Quality Environment for our Staff

(Delivering High Quality Services)

"Deliver the agreed elements of the Transformation Programme relating to office accommodation, digital transformation, customer service and people effectively, on time, on quality and on budget."



Management Team Lead: Andrew White—Head of Property Services

Deputy Leader & Corporate Finance & Governance Resources Portfolio

Digital—Lead Officer: John Higgins

Activity	Current Position	To be Completed
Events App:- Including on-going development.	The Events App was launched in August 2019 and is now live. The content and administration is now being managed by the Events team. On the basis of continual improvement, additional staff training is being planned to maximise usage of the available functionality and promotional opportunities. Liaising with website support contractors 'Plan Alpha' regarding access to Test App so that further updates can be tested effectively.	Complete Go Live Aug 19 Administration and further enhancements are continuing
Town Hall & Pier/ Barnes network:- low level design (cabled & Wi-Fi) completed and implementation commenced.	Cabling works are continuing. Phase 2 of the Town Hall is in progress. Network engineers are due on site week commencing 13 January 2020 to continue with cable connections to the new cabinet. New Meraki Wi-Fi is now live in all locations with the exception of the Weeley offices.	On-going
Compliance* achieved against Public Services Network (PSN):- Annual audit/renewal. <i>*Includes on-going Cyber Awareness Training and security initiatives for staff.</i>	On the 21 November 19 we successfully passed our annual Public Services Network (PSN) National Cyber Security Centre assessment and have been awarded our new PSN compliance certificate. We continue to strengthen our new Firewalls cyber security through implementing features on a phased basis, plus taking advantage of Microsoft cloud based security solutions as part of being in the cloud. We have undertaken a Local Government Association cyber security self assessment resulting in an Amber/Green rating, which is a robust result overall (65%-79%). We have analysed the assessment results and identified areas for improvement and commenced an improvement action plan.	On-going
Completion of integration to Customer Services Portal:- Website, IDOX, Northgate and E Payment systems.	MyTendring is live on our website. Council departments are submitting requests for services to be implemented into the MyTendring portal on an ongoing basis. We have successfully migrated the Northgate servers and associated products to the cloud and are working on resolving any residual issues with Northgate. A replacement document management system for Northgate is being developed internally. E-Payments – We have achieved a successful implementation of e-payments into the My Tendring portal and additional services requiring payment options are being added as each service is implemented.	Feb 20
Cloud migration programme:- Project planning complete & 40% of services migrated by April 2020.	Exchange email is now complete for the majority of users. The migration of the small number of remaining mailboxes and public folders is in progress. The upgrades for the Remote Leisure Centre communications links have now been ordered and are scheduled for implementation to begin in January 2020. Installation to the first site (Brightlingsea) is scheduled for week commencing 13 January 2020. New firewalls have already been installed to all the sites. We are migrating from our onsite contact centre solution (Mitel) to the cloud based offering from Five9's (Company name). Go live has been subject to a slight delay and we're currently agreeing a new date for going live. All remaining works have been reviewed during w/c 6 January 2020 and are on schedule.	Apr 20

Building & Managing our Own Homes

(Delivering High Quality Services)

“Develop new Council house building programme; increase the stock of new affordable/Council homes.”

Management Team Lead: Paul Price – **Corporate Director**

Housing Portfolio Holder



Lead Officer: Tim R Clarke

Development Mechanism: The project will seek to establish a delivery mechanism, financial and practical, to build 200 new Council homes to add to the existing Council housing stock. 100 new homes to be built in Jaywick sands and 100 to be built on other Housing Revenue Account (HRA) sites in areas of housing need elsewhere across Tendring.

Update:

Page 61

Activity	Current Position	To be Completed
Develop a new build approach; commence with report to Cabinet outlining proposals.	Financial evaluation being undertaken with large pension provider to work alongside TDC delivery so as to maximise economies of scale both within Jaywick sands and elsewhere across the District.	Complete Oct 19

Exception: The Council's draft Housing Strategy includes a commitment to the delivery of 200 additional council owned homes in the district and Cabinet have agreed this "in principle" with individual schemes to be approved by Cabinet before they go ahead. Much of the background and delivery options are set out in the report presented to Cabinet in October 2019.

Carbon Neutrality

(Delivering High Quality Services)

“To respond to the Council decision to declare a Climate Emergency and to be Carbon Neutral by 2030.”

Management Team Lead: Tim R Clarke—Head of Housing and Environmental Health

Leader

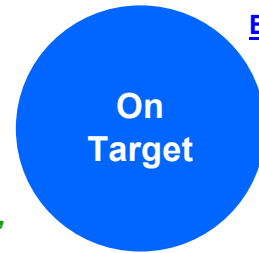


Lead Officer: Tim R Clarke

Development Mechanism: Commission research to establish the Council’s Carbon footprint and, working with UK Government and local MP’s, develop associated action plan to meet the aspiration of achieving carbon neutrality by 2030, and encourage others to do the same.

Activity	Current Position	To be Completed
<div>Page 10 of 10</div> Commission the UK Government and local MPs to provide powers, resources and help with funding to achieve Carbon Neutrality.	This will be progressed once we are clearer on what the level of resources and funding are, that will be needed to achieve the 2030 carbon neutral target.	On-going
Commission research to establish the Council’s Carbon footprint.	APSE Energy have been appointed and have started. Data capture is underway.	Complete Oct 19
Prepare an Action Plan for agreement by the Council, consisting of two elements <ul style="list-style-type: none"> · Actions for the Council to take to achieve Carbon Neutrality by 2030. · Community Leadership actions to encourage partners to do the same. 	As above – part of the consultancy support.	Mar 20
Allocate funding to achieve the activities identified in the Action Plan.	As above.	On-going
Establish a cross Group Working Party to progress the above.	Group established and held inaugural meeting in September 2019. Three meetings have now been held.	On-going

Maximising our Assets (Strong Finances and Governance)



“Explore options to expand and increase the financial performance and energy efficiency of the Councils Assets .”

Management Team Lead: Andrew White—Head of Property Services Deputy Leader & Corporate Finance & Governance Resources Portfolio

Lead Officer: Andrew White

Delivery Mechanism: The team will be seeking to take forward the management acquisition of property with a more strategic, commercial focus in order to address community needs and the Council wide financial position.

Activity	Current Position	To be Completed
Submit a review of the Community Asset Rent Offsetting (CAROS) scheme for Cabinet consideration.	A draft Cabinet report has been withdrawn pending the consideration of wider support for community groups. Budget proposals, including the continuation of CAROS, have been approved by Cabinet.	Nov 19 *Revised Aug 20
Prepare planning applications and disposal material in relation to a tranche of three minor disposal sites.	The first application was submitted in December 2019 and is pending validation. Two further applications are ready to submit pending review of any queries related to the first.	Mar 20
Gain approval for works at Martello E and present options for future use of site to Cabinet.	Initial meetings and investigation with Historic England have been successful. Consent for removal of dangerous render has been granted. A specification for urgent works has been prepared by a specialist surveyor and tenders were returned on 12 December 2019. Scheduled Ancient monument Consent for the urgent works has also been secured. A bid for Heritage Lottery Horizons Funding was unsuccessful. A bid for Historic England Development Funding is being prepared. A Cabinet report outlining options for future uses and seeking approval and match funding for urgent works has been prepared and will be presented to the Cabinet following consideration of the cultural Strategy in February 2020.	Dec 19 *Revised Mar 20
Explore options and develop proposals to expand service at Weeley Crematorium.	Early discussions on the possible options are underway. More detailed scoping will take place in January 2020 with a view to reporting options and proposals before end of March 2020.	Mar 20

Exception: CAROS: It is proposed to establish a working party to review the scheme and wider support for community organisations. Martello E: Report to be considered following the adoption of the Cultural Strategy.

Clear Political Leadership and Effective Governance (Strong Finances and Governance)

“Ensure governance arrangements are robust enough to satisfy both Internal and External Audit and Audit opinion is positive.”

On
Target

Management Team Lead: Various Heads of Service Deputy Leader & Corporate Finance & Governance Resources Portfolio

Lead Officer/s: Anastasia Simpson, Lisa Hastings & Keith Simmons

Delivery Mechanism: Review and strengthen arrangements for promoting good standards and governance across the Council.

Page 64

Activity	Current Position	To be Completed
Develop proposals for new Corporate Plan, including Consultation with Partners and adoption by Full Council.	Corporate Plan 2020-2024 will be reported to Full Council in January 2020.	Cabinet: Sept 19 Start Consultation: Sept 19 End Consultation: Oct 19 Scrutiny: Oct 19 Cabinet (following consultation) December 19 Final proposals to Full Council: Jan 20
Annual Governance Statement:- Complete together with the Statement of Accounts, as required, demonstrating delivery against agreed Action Plan. (Note: performance is reported to and monitored by Audit Committee throughout the year)	An update against the Annual Governance Statement for 2018/19 was included and detailed in the Update Report to Audit Committee at its meeting in September 2019. To date there are no significant issues arising from the actions, with work remaining in progress, performance against which is reported quarterly.	May 20
Census 2021:- Work with partners to support delivery of associated work programme.	Assistant Census Liaison Manager attended Office for National Statistics presentation to Essex Local Authorities in December 2019.	On-going

TARGETS

REFUSE & RECYCLING SUMMARY

Key:

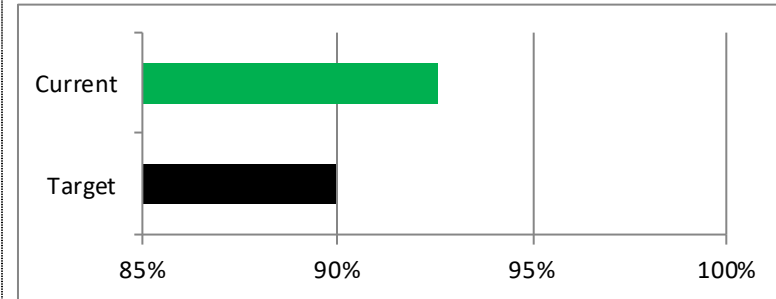
Above target	↑
On target	✓
Below target	!
No Data	●

	19/20 Q1	19/20 Q2	19/20 Q3
Recycling Rate (Target 29%)	33%	42%	No Data
Flytipping (Target 90%)	87.5%	94.6%	92.6%
Missed Bins (Target 95%)	No Data	No Data	97%

Fly Tipping (Delivering High Quality Services)

To ensure that 90% of all reported incidents of fly tipping are removed within 72 hours of notification.

Monthly Performance Data



Ahead
of
Target

Data does not include asbestos fly tipping which is outsourced to a specialist contractor (PHS) and is not subject to 72 hours clearance. Fly tipping data excludes vehicles, caravans or asbestos; all of which have to be removed by specialist contractors.

ECC have agreed to cover the additional costs incurred by WCAs in clearing fly-tips, which can be directly attributed to the recent operational changes at the sites'. In providing this support there is an expectation that if increases are noted the WCA will work with ECC to make the necessary investigations and take action against the perpetrators.

Month	A	M	J	J	A	S	O	N	D	J	F	M
No. of incidents	81	89	80	72	85	113	132	109	95			
No. r' mvd <72hrs	80	83	70	65	79	107	127	107	88			
Performance (%)	98.7%	93.2%	87.5%	90.2%	92.6%	94.6%	96.2%	98.2%	92.6%			

All recorded incidents are currently being investigated by an officer before passed to Veolia for removal; the 72 hours starts once passed on to Veolia. Fly tipping performance does not include fly tipping which includes asbestos of which there were 0 reports and required a specialist contractor (Biffa) or incidents involving trailers/ caravans of which there was 1 incident which also required a specialist contractor (NMR).

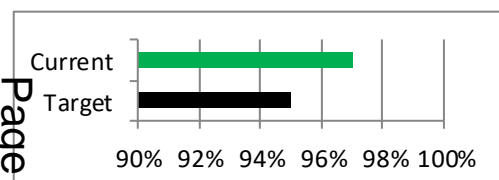
Missed Bin Collection

(Delivering High Quality Services)

To ensure that 95% of missed bins are collected within 24 hours of being notified.

With approximately 70,000 homes in Tendring, and each property having two bins collected per week, there is over half a million bins collected per month in Tendring.

Monthly Performance Data



Ahead
of
Target

Month	A	M	J	J	A	S	O	N	D	J	F	M
Target	95%	95%	95%	95%	95%	95%	95%	95%	95%	95%	95%	95%
Performance	98.1%	95.5%	No Data					94%	97%			

Garden waste missed collections are now reported direct to the authority and recorded on Uniform. Total of 28 missed collections for December 19 recorded on Uniform; 5 for Red Box of which 0 outside 24 hours, 2 for Green box of which 0 outside 24 hours, 2 for food waste of which 0 outside of 24 hours, 19 for refuse of which 1 outside 24 hours and 57 for garden Waste of which 2 outside of 24 hours. The majority of missed collections are now reported via the Firmsteps portal and these number 458 for December, however this information cannot be interrogated to provide statistics and this piece of work is currently being worked upon.

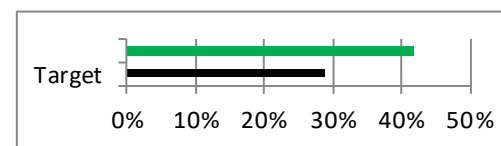
Recycling Rate

(Delivering High Quality Services)

Ensure that waste and recycling is disposed of in the most environmental and economically advantageous manner with 29% of household waste sent for reuse, recycling or composting.

Subject to 2 month delay.

Monthly Performance Data



Ahead
of
Target

Month	A	M	J	J	A	S	O	N	D	J	F	M
Target (%)	29.0%	29.0%	29.0%	29.0%	29.0%	29.0%	29.0%	29.0%	29.0%	29.0%	29.0%	29.0%
Performance	28%	30%	33%	36%	39%	42%	41%					

Target figures are provisional, subject to Waste Contract Review. Recycling rate will differ month to month slight decrease on October data compared to September due to slight increase in residual waste tonnage (2160 compared to 2014 tonnes) and reduction in Glass waste (189 compared to 129 tonnes). On a positive note all the kerbside recycling products have increased from September to October: Paper/card 373 up to 452 tonnes, food waste 340 up to 369 tonnes and plastic 129 up to 141

Proactive Planning Approach

(Building Sustainable Communities for the future)

Ewan Green – Corporate Director

Leader

On
Target

Handling of Planning Applications : Speed			
To ensure that the following types of planning application are processed during the assessment period as follows:			
2021 Assessment Period (01.10.18 - 30.09.20)			
Major 60% within 13 weeks		Non-Major 70% within 8	
Major	69.91%	Non-Major	86.41%

Handling of Planning Applications : Quality			
Decisions Overturned On Appeal.			
2021 Assessment Period (01.04.18 - 31.03.20)			
Major <10%		Non-Major <10%	
Major	1.29%	Non-Major	0.58%

5 YEAR HOUSING SUPPLY

Following changes to the National Planning Policy Framework in Feb 19, the Council is required to use the government's 'standard method' for calculating housing need until its locally-derived housing figures are adopted through the new Local Plan. Under the standard method, the Council can demonstrate a 4 year supply of deliverable housing land.

The alternative method that takes account of attributable population change in Tendring and was examined and accepted at the Examination in Public into the Local Plan, the Council can demonstrate in excess of 5 years of housing land supply.

Note : This figure is updated monthly but some information that contributes to the calculation is only available periodically and so the figure may not be wholly accurate.

Exception: The Council's ability to demonstrate a 5 year supply of housing land is regularly challenged by promoters of development sites who object to the use of the alternative method and question the deliverability of some sites. The Council's success as defending this position through appeals has been mixed.

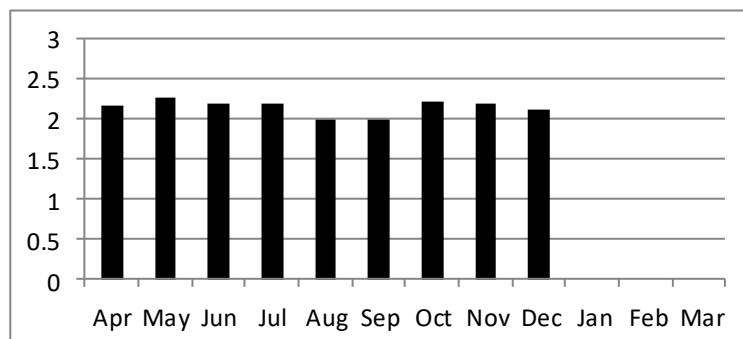
Sickness (Delivering High Quality Services)

To measure the sickness absence rate of the Council. *Objective: To measure the rate of sickness absence at TDC.*

Mth	S/T	L/T
Apr	2.18	8.27
May	2.26	8.07
Jun	2.20	7.86
Jul	2.20	7.13
Aug	1.99	7.06
Sep	1.99	7.23
Oct	2.21	6.70
Nov	2.19	6.26
Dec	2.12	6.03
Jan		
Feb		
Mar		

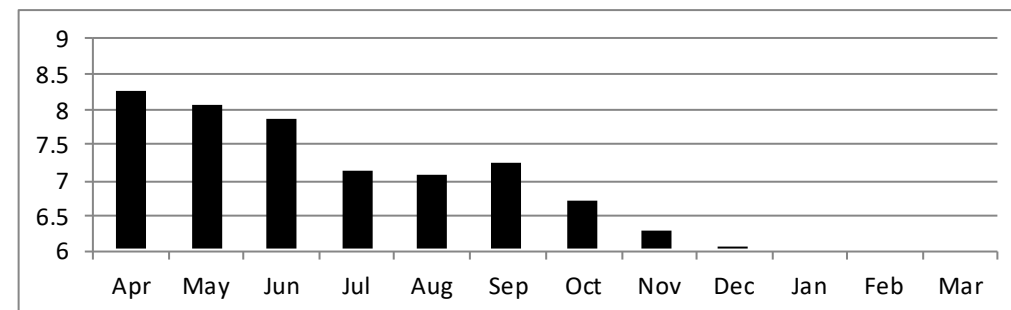
Short-term Sickness Absence

Days Per Employee



Long-term Sickness Absence

Days Per Employee



NB: Data displayed as both Short-Term (under 28 days) & Long Term (28 days & over).

Notes: - Staff sickness absence is monitored by the HR Committee, who undertake a detailed analysis of all reported figures.

Authorised Covert Surveillance (Council and Community)

Record of number of approved surveillances under the Regulation of Investigatory Powers Act 2000 (RIPA). **It is important to note that this does NOT apply to all enforcement activity and therefore, it is likely that nil or low returns will be recorded.** Council officers are in the course of investigating frauds and certain regulatory

criminal offences within the district may be required to undertake covert monitoring operations to gather evidence to present to a court. In doing so, those officers must comply with the relevant legislation i.e., the Regulation of Investigatory Powers Act 2000 (RIPA) and the associated regulations and codes of practice. RIPA provides a strict authorisation mechanism for public authorities to undertake covert surveillance in compliance with the Human Rights Act 1998. Lawful interference with Article 8 (right to respect for private and family life) rights is only permissible, if it is necessary and proportionate to do so, therefore can only be undertaken in accordance with the Council's Policy and Procedures, approved by an Authorising Officer and the Magistrates' Court. The Council is required to report the number of authorisations granted on an annually basis to the Office of Surveillance Commissioners.

Type of Surveillance	Number of Approved Authorisations											
	Monthly											
	A	M	J	J	A	S	O	N	D	J	F	M
Directed Surveillance	0	0	0	0	0	0	0	0	0			
Covert Human Intelligence Source	0	0	0	0	0	0	0	0	0			

Complaints (Delivering High Quality Services)

To measure the number of complaints received and handling of them within the prescribed time limits.

Objective: To measure the standard of performance in responding to complaints against the TDC standards.

Target: 100% within the specified timeframes for each stage of complaint.



Stage 1 Complaints Performance

	APR	MAY	JUN	JUL	AUG	SEP	OCT	NOV	DEC	JAN	FEB	MAR
No.	12	4	9	12	45	46	43	28	10			
% Time	100%	100%	100%	83%	82%	50%	56%	86%	90%			

Stage 2 Complaints Performance

	APR	MAY	JUN	JUL	AUG	SEP	OCT	NOV	DEC	JAN	FEB	MAR
No.	2	3	1	2	1	2	0	3	3			
% Time	100%	100%	100%	100%	100%	100%	100%	100%	100%			

Exception: The high level of complaints received from August 19 to date can mainly be attributed to the introduction of the new waste service, whilst the service was 'bedding in'. Current figures show a decline in the number of complaints received and those not responded to within timescale. There were no ombudsman complaints for December 19.

Complaints (Delivering High Quality Services)

To measure the number of complaints received and handling of them within the prescribed time limits.

Objective: To measure the standard of performance in responding to complaints against the TDC standards.

Target: 100% within the specified timeframes for each stage of complaint.

**Behind
Target**

Q3 October 19 - December 19	Stage 1	Stage 2	Ombudsman
Governance & Legal			
Finance, Revenues & Benefits	2	1	
Property			
People, Performance & Projects			
IT and Corporate Resilience			
Public Realm	2		
Customer and Commercial	2		
Sport & Leisure	1		
Housing & Environmental	8	2	
Building and Engineering	62	1	
Planning & Regeneration	4	2	
Leadership Support			
Total	81	6	0

Key Decision Required:	No	In the Forward Plan:	No
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CABINET
21 FEBRUARY 2020

REPORT OF THE CORPORATE FINANCE & GOVERNANCE PORTFOLIO HOLDER

PERFORMANCE REPORT OCTOBER – DECEMBER 2019 (Q3)

(Report prepared by Anastasia Simpson & Katie Wilkins)

PART 1 – KEY INFORMATION

PURPOSE OF THE REPORT

This report presents the deliverables and measurable outcomes for the Cabinets agreed Priorities and Projects 2019/20, as well as reporting the current position as at Quarter Three (October – December 2019).

EXECUTIVE SUMMARY

The Performance Reports (*Resources & Services & Community Leadership*) set out the detailed actions and targets for the delivery of the Council's priorities throughout the year.

Current Performance

The Performance Reports include both the Council's Corporate Plan 2020/24 and Priorities and Projects 2019/20.

The Quarter 3 position demonstrates that of the 22 indicators and projects where performance is measured, 21 (95%) are on, or above, their expected target, 1 (5%) is not currently in line with expected performance. The indicators and projects highlighted in the Community Leadership report are deemed 'non measurable' as Tending's role is that of influence only.

The respective report/s will be presented to the Resources and Services Committee: 17 February 2020 and Community Leadership Committee: 6 April 2020.

TRANSFORMING TENDRING

The Transformation Team has made some significant progress during the Quarter:

- Work in Pier Ave and Barnes House is complete, bar some snagging work.
- At Pier Ave: Construction works are practically complete including handover of all first and ground floor areas. A handful of snagging and completion issues are being worked on.
- Northbourne Depot: Work to create offices is complete and the new offices are occupied. Planning challenges and some staffing changes have led us to review the need for replacement kennels.
- Westleigh House: The new car park area is open to the public.
- Town Hall: Phase 1 is complete and phase 2 is due to complete in January 2020. A fixed term site manager to co-ordinate detailed work on further phases is due to start on 20 January 2020. A snag was hit in the new (old) Committee Room: the Conservation officer requested an additional Listed Building consent application for details of work in the room. It has now been prepared and submitted but work is on hold until it is approved.
- Re-designing of the IT Network and move onto the cloud is advanced with all user emails transferred but with some data storage and public accounts to follow.
- Training on the new Firmsteps Interface and resolution of some teething issues is progressing well with a small number of applications live and more are close to release.

Phase 3 applications will be developed from March 2020 onwards including some RBS and Housing functions.

- A lot of progress on Scanning and Digitisation was made by the team. The staff have now moved entirely onto the digitisation of microfiche records. Within service units the digitisation of paper records continues using the specific scanners provided.

RECOMMENDATION

It is recommended that:-

- (a) Cabinet note the current position for each performance measure as at Quarter Three (October – December 2019).**

PART 2 – IMPLICATIONS OF THE DECISION

DELIVERING PRIORITIES

The reports show the high-level projects that are being undertaken to deliver key objectives for the Council. Each project shows details of the objective, how it is being delivered and an update on progress. Furthermore, milestones detail the timeframe that is being worked to, along with the added benefit of any slippage being highlighted.

The performance indicators show key areas of performance in detail, how each is progressing, along with charts and tables to present the ongoing position.

FINANCE, OTHER RESOURCES AND RISK

Resources

The priorities highlighted within the Performance Reports for the period October – December 2019 (Quarter Three) can be delivered within the Council's existing budgets.

Risk

These priorities are all within the current TDC risk framework.

LEGAL

The actions proposed in this report are within the Council's legal powers.

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.

The implications of individual projects will need to be fully and properly assessed and approved prior to commencing.

APPENDICES

Appendix A: Performance Report (Resources and Services) October – December 2019 (Quarter Three).

Appendix B: Performance Report (Community Leadership) October – December 2019 (Quarter Three).

RESOURCES AND SERVICES OVERVIEW AND SCRUTINY COMMITTEE

17 FEBRUARY 2020

REPORT OF THE HEAD OF FINANCE, REVENUES & BENEFITS SERVICES

A.4 ANNUAL CAPITAL AND TREASURY STRATEGY FOR 2020/21 (INCLUDING PRUDENTIAL AND TREASURY INDICATORS)

(Report prepared by Richard Barrett and Wendy Borgartz)

PART 1 – KEY INFORMATION

PURPOSE OF THE REPORT

To enable the Committee to review the Annual Capital and Treasury Strategy for 2020/21 (including the Prudential and Treasury indicators).

BACKGROUND

On the 7 February 2020, the Corporate Finance and Governance Portfolio Holder agreed the Annual Capital and Treasury Strategy for 2020/21 (including the Prudential and Treasury Indicators) for consultation with the Resources and Services Overview and Scrutiny Committee.

A copy of the report to the Portfolio Holder together with the Capital and Treasury Strategy 2020/21 is attached to this report.

RECOMMENDATIONS

That the Committee reviews the Annual Capital and Treasury Strategy for 2020/21 (including Prudential and Treasury Indicators) and determines its comments to Cabinet.

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Key Decision Required:	Yes	In the Forward Plan:	Yes
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CORPORATE FINANCE AND GOVERNANCE PORTFOLIO HOLDER

5 FEBRUARY 2020

A.1 ANNUAL CAPITAL AND TREASURY STRATEGY FOR 2020/21 (INCLUDING PRUDENTIAL AND TREASURY INDICATORS)

(Report prepared by Richard Barrett and Wendy Borgartz)

PART 1 – KEY INFORMATION

PURPOSE OF THE REPORT

To seek the agreement of the Portfolio Holder for Corporate Finance and Governance to the Annual Capital and Treasury Strategy for 2020/21 (including the Prudential and Treasury indicators) for consultation with the Resources and Services Overview and Scrutiny Committee.

EXECUTIVE SUMMARY

- The Local Government Act 2003 and supporting regulations require the Council to set out its treasury strategy for borrowing, and to prepare an Annual Investment Strategy (as required by Investment Guidance subsequent to the Act) that sets out the Council's policies for managing its investments and for giving priority to the security and liquidity of those investments, "having regard" to the Chartered Institute of Public Finance and Accountancy's (CIPFA) Prudential Code and the CIPFA Treasury Management Code of Practice. Revised editions of both documents were issued in December 2017.
- From 2019/20 the Capital Strategy has been combined with the Treasury Strategy into one document, which is required to be updated / approved annually.
- The proposed Annual Capital and Treasury Strategy for 2020/21 is set out in **Appendix A**.
- The Capital Strategy element of the combined document covers the various elements surrounding capital investment decisions and the key criteria that investment decisions should be considered against.
- The Treasury Strategy element of the combined document covers the various elements that satisfy the requirements of the various codes that govern the borrowing and investment activities of the Council and has been prepared in the light of advice received from the Council's Treasury advisors and reflects the latest codes and guidance.
- Prudential and Treasury indicators are included as an Annexe to the combined strategy and are therefore included within **Appendix A**.
- Under the Prudential Code the Council has freedom over capital expenditure as long as it is prudent, affordable and sustainable. The Prudential Indicators either measure the expected activity or introduce limits upon the activity, and reflect the underlying capital appraisal systems and enable the Council to demonstrate that it

is complying with the requirements of the Prudential Code.

- The Council's investments will be undertaken in accordance with its Treasury Management Practices. These were expanded to include use of non-specified investment in property to yield both rental income and capital gains from 2016/17. If credit ratings remain at their current low levels it is likely that a significant proportion of the Council's investments will continue to be in government securities such as Treasury Bills or with other Local Authorities. The Council is also exploring the use of property investment funds as part of its wider investment portfolio from 2020/21, but due to risks, such as the potential impact on revenue resources from the accounting treatment that may be required, any associated decision would be subject to advice from the Council's external advisors and a separate Member decision. Other 'quality' investment opportunities will also be explored in consultation with the Council's external advisors to maximise returns on investments within a continuing and overall risk-averse approach.

RECOMMENDATIONS

That the Portfolio Holder for Corporate Finance and Governance approves the Annual Capital and Treasury Strategy for 2020/21 (including Prudential and Treasury Indicators) for consultation with the Resources and Services Overview and Scrutiny Committee.

PART 2 – IMPLICATIONS OF THE DECISION

DELIVERING PRIORITIES

The adoption of the Capital and Annual Treasury Strategy for 2020/21 will ensure that the Council's Investment and Treasury Management activities are carried out and managed in accordance with best practice, thereby safeguarding money held by the Council and making an appropriate contribution to the Council's overall financial position.

FINANCE, OTHER RESOURCES AND RISK

Finance and other resources

Treasury and Capital Management Strategies and procedures will ensure that the Council's investments and borrowing will be undertaken in such a way as to minimise the Council's exposure to risk. At the same time they will seek to maximise income from investments and minimise the costs of borrowing within the Council's accepted level of risk.

Risk

The placing of investments involves a number of risks. These risks and how the Council will manage them are set out in the Council's Treasury Management Practices.

LEGAL

The Local Authorities (Capital Financing and Accounting) (England) Regulations 2003 include the requirement for local authorities to have regard to CIPFA guidance. By adopting / approving an Annual Treasury Strategy and a Capital Strategy based on the requirements of the relevant and updated codes, the Council is complying with the regulations.

At its meeting on 24 January 2020, Cabinet agreed a delegation to the Portfolio Holder for Corporate Finance and Governance to approve the Capital and Treasury Strategy 2020/21 for consultation with the Resources and Services Overview and Scrutiny Committee.

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.

PART 3 – SUPPORTING INFORMATION

BACKGROUND AND CURRENT POSITION

The Annual Capital and Treasury Strategy for 2020/21 is set out in **Appendix A** and is based on the most up to date Treasury Management Code of Practice and the revised Prudential Code, both of which were published by CIPFA in December 2017.

No significant changes are proposed in the Annual Capital and Treasury Strategy for 2020/21 with limited amendments in areas such as the general economic outlook and interest rate forecasts along with reflecting the revised project management approach adopted by the Council in 2019/20 and the commitment to be carbon neutral by 2030 – the changes made to the strategy since last year are shaded in grey and are in italic font.

In respect of CIPFA's Treasury Management Code of practice, the most recent and fundamental revision to the code was in 2017 which has been incorporated within this Annual Treasury Strategies where relevant. By approving the Annual Treasury Strategy for 2018/19, the Council adopted the latest CIPFA Code of Practice for Treasury Management in the Public Services. (the '2017 code').

Although not specified within the Treasury Strategy, the need to borrow money may arise in future years to reflect the Council's current commitment to the Garden Communities project. This project will be subject to separate decision making processes as necessary and any borrowing requirements will need to be considered within the overall Treasury Strategy framework.

The Council maintains a very low risk appetite approach to its treasury activities. Given the low interest rate environment, even if the Council were to increase the level of risk it would be willing to accept, the increased returns would only be marginal and therefore would not provide a credible / alternative option at the present time. However, officers will be exploring opportunities to maximise investment returns, within this overall context, via the potential use of property funds / unit trusts in 2020/21. As set out within the strategy and within Part 2 Annex 2, if it was proposed to purchase property unit trusts, advice would be sought from the Council's external advisors and it would be subject to a separate Member decision.

Draft Prudential Indicators are set out in Annex 1 to Part 2 of the Capital and Treasury Strategy. Annex 2 to Part 2 of the Treasury Strategy sets out the specified and Non-Specified investments the Council may use in 2020/21, which now includes reference to property funds / unit trusts as mentioned above.

In accordance with the relevant codes, the Capital and Treasury Strategy is subject to consultation with the Resources and Services Overview and Scrutiny Committee before

being recommended to Council for approval before the start of each financial year.

BACKGROUND PAPERS FOR THE DECISION
None

APPENDICES
Appendix A - Annual Capital and Treasury Strategy 2020/21

Tendring
District Council



**ANNUAL CAPITAL AND
TREASURY STRATEGY
2020/21**

PART 1 – CAPITAL STRATEGY 2020/21 to 2022/23

1. Introduction

SECTION A - Achieving Outcomes / Delivering Against Priorities

2. Corporate Priorities and Links to Other Key Strategies
3. Roles and Responsibilities in Respect of the Capital Strategy and the Formulation and Monitoring of the Capital Programme

SECTION B - Capital Investment and Sources of Funding

4. Capital Investment Considerations
5. Sources of Funding

Annex 1 – Quick Reference Guide – Information Expected to be Included in Capital Investment Decisions Where Relevant

Annex 2 – General Fund and Housing Revenue Account Capital Programmes 2020/21 to 2023/24

PART 2 – TREASURY STRATEGY FOR 2020/21

1. Introduction
2. Treasury Limits for 2020/21 to 2022/23
3. Prudential and Treasury Indicators for 2020/21 to 2022/23
4. Current Portfolio Position
5. Borrowing Requirement
6. Economic Position
7. Interest Rates
8. Borrowing strategy
 - 8.1 External v internal borrowing
 - 8.2 Gross and Net Debt Positions
 - 8.3 Policy on borrowing in advance of need
9. Debt Rescheduling
10. Annual Investment Strategy
 - 10.1 Investment Policy
 - 10.2 Creditworthiness Policy
 - 10.3 Credit Limits
 - 10.4 Country Limits
 - 10.5 Investment Strategy
 - 10.6 Allocation of Investment returns between GF and HRA.
 - 10.7 End of year investment report

PART 1 – CAPITAL STRATEGY

INTRODUCTION

The Capital Strategy is an overarching document that sets out the Council's approach to Capital Investment and how it seeks to deliver value for money against the following underlying key principle, which is subject to review by the Council's External Auditor each year:

The Council has put in place 'proper arrangements' to secure economy, efficiency and effectiveness on its use of resources which comprises of:

- 1. Taking informed decisions;*
- 2. Deploying resources in a sustainable manner; and*
- 3. Working with partners and other third parties.*

Against this backdrop, the Capital Strategy is divided into two sections:

Section A provides an introduction and sets out the context for the Capital Strategy. It sets out how the plan links to corporate priorities and shows how they link to other key resource strategies and the related roles and responsibilities of members and officers.

Section B covers the framework within which capital financing decisions are considered and provides background to the funding sources available to meet the costs of capital projects that are included within the Capital Programme.

The Capital Programme is the term used for the Council's rolling plan of investment in assets. The programme spans a number of years and contains a mix of individual schemes.

Investment can include expenditure on:

- Infrastructure such as open spaces, coast protection*
- New build*
- Enhancement of buildings through renovation or remodelling;*
- Major plant, equipment and vehicles;*
- Capital contributions to other organisations enabling them to invest in assets that contributes to the delivery of the Council's priorities.*

The Capital Programme is distinct from the Council's revenue budget which funds day-to-day services, but they are both linked and are managed together.

There is a strong link with the Treasury Management Strategy set out in PART 2 that provides a framework for the borrowing and lending activity of the Council.

The Council has set a de-minimus level of £10,000, below which expenditure is not classed as capital expenditure, but is charged instead to the revenue account.

SECTION A - ACHIEVING OUTCOMES/DELIVERING AGAINST PRIORITIES

CORPORATE PRIORITIES

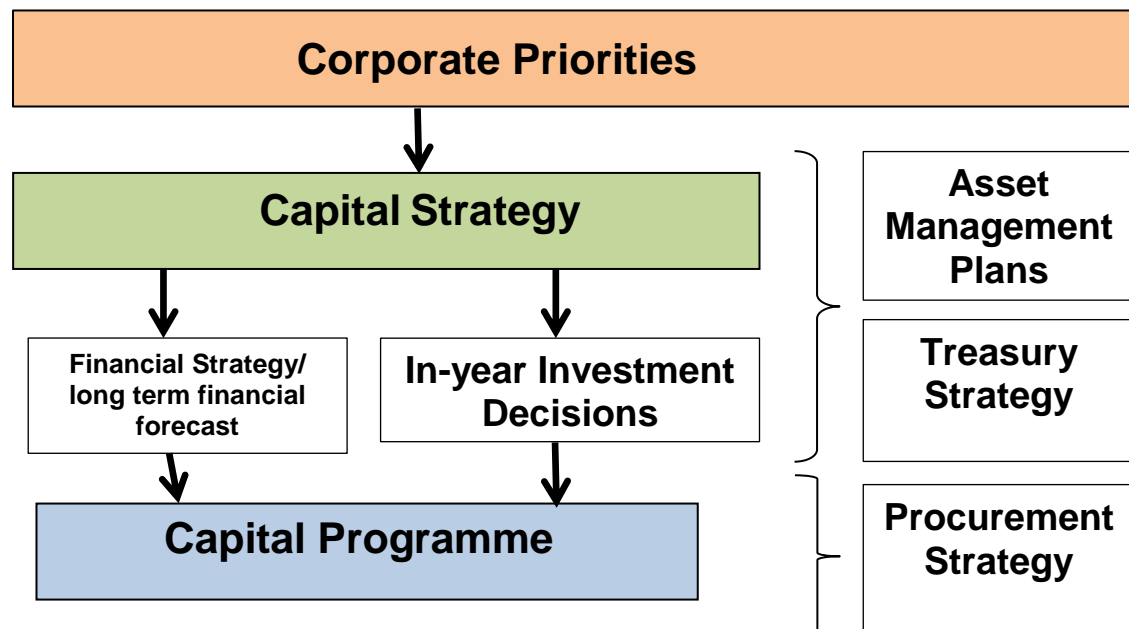
The Capital Strategy is subject to ongoing review and has a key role in supporting the delivery of the Council's Corporate Priorities

The Capital Strategy aims to set out the arrangements and processes in place to manage capital resources, the relationship with the Council's other key resource strategies and the practical/sustainable outcomes of those arrangements and processes by:

1. Setting out how schemes are evaluated and prioritised within the resources available.
2. Ensuring that any investment decision is prudent, sustainable and affordable in accordance with the prudential code and therefore represents value for money.
3. Setting out the performance processes in place to ensure that projects are delivered on time and within budget.
4. Ensuring that expected outcomes are delivered and lessons learnt from previous investment decisions.

LINKS TO OTHER KEY STRATEGIES

The ability of the Council to undertake capital investment to deliver its corporate objectives will be influenced or have direct links to a number of strategies, with the key 'links' set out below:



The above sets out the strategies/processes that are more closely aligned to the capital investment decision but are by no means exhaustive. Although subject to changes over the life of this Strategy, other key strategies and

policies may also need to be reflected in the investment decision such as those associated with workforce/staff capacity and ICT delivery. Decision making must therefore reflect these requirements where relevant/necessary.

In respect of ICT within the Council, associated strategies or requirements set out how the Council intends to use technology to support service delivery and transform the way it delivers its services. ICT is therefore recognised as a key enabler in supporting capital investment and delivering sustainable outcomes.

The **long term financial forecast** plays a pivotal role in developing and delivering capital investment. The long term financial forecast not only determines the financial resources available to fund capital investment, both in terms of the initial investment and any revenue consequences of the capital investment itself, it also provides a framework for the consideration and prioritisation of capital projects. It is however recognised that to remain flexible to take advantage of investment opportunities that may arise during the year decisions may be required in line with the Council's Financial Procedure Rules. The long term financial forecast is reported to Cabinet each quarter, which allows this flexibility. To ensure consistency, such decisions should also follow the same requirements set out within the Capital Strategy.

The Treasury Strategy is also highlighted above as a key influence as it sets out the Council's overall approach to debt and borrowing. This approach along with affordability form part of the investment decisions that are brought together via the long term financial forecast process on a rolling basis through the year.

Other significant influences include the Local Development Framework (LDF) which sets out the Council's vision for change and new growth in the Tendring District in the long term which could present the Council with investment opportunities for consideration alongside other investment options.

ROLES AND RESPONSIBILITIES IN RESPECT OF THE CAPITAL STRATEGY AND THE FORMULATION AND MONITORING OF THE CAPITAL PROGRAMME

Management Team – As the most senior officer team of the Council the Management Team approves the Capital /Treasury Strategy for submission to Cabinet and having regard to the Council's priorities, recommends projects for inclusion in the Capital Programme in consultation with Portfolio Holders/ Cabinet (via the long term financial forecast process). Management Team also considers all *significant* investment decisions via a *project initiation / development process* prior to formal reporting to Members, especially those associated with in-year investment decisions.

Departments support Management Team in the above process through the development and investigation of investments opportunities and submitting

reports / *project initiation and development documentation* in support of the associated capital projects.

Cabinet (including Portfolio Holders acting within approved delegations)

– The Cabinet recommends the 5 year capital programme to Council. The Cabinet and the *Corporate Finance and Governance* Portfolio Holder can, within the limits set by the Council's Financial Procedure Rules, approve supplementary estimates or approve virements between schemes during the year as part of separate investment decisions. The Cabinet is required to approve the Capital / Treasury Strategy each year.

Council – Approves the 5 year Capital Programme as part of the budget setting process in February each year and approves the Capital / Treasury Strategy in March each year.

Subject to the limits set out in the Council's Financial Procedure rules, Council may be required to approve supplementary estimates to increase the costs of approved schemes or add new schemes over and above amounts that individually or on aggregation are over and above those amounts ordinarily agreed by Cabinet as part of in-year investment decisions.

CONSULTATION

The views of the local community and stakeholders are an important element in developing the priorities for the Council and identifying capital investment opportunities. This can be achieved in a number of ways depending on the specific investment that is considered, which may include a budget consultation exercise as part of the long term financial forecast process.

Departments are expected to review the need to undertake consultation and the scale of that consultation, as appropriate, as part of the investment decision making process.

MONITORING OF THE CAPITAL INVESTMENT/CAPITAL PROGRAMME

In terms of performance and monitoring the delivery of capital investment, this is primarily achieved through the existing and comprehensive financial processes such as the long term financial forecast and budget setting process, outturn review and the quarterly financial performance reporting. In respect of the quarterly financial performance reports, an update on the delivery of projects and the position against the budget is included, which is reported to both Cabinet and the relevant Overview and Scrutiny Committee during the year. Some capital projects may also form part of the Council's separate Performance Monitoring process that is also reported to Members on a quarterly basis. The decision to include items in the performance report will be based on risk, materiality, scale and associated governance arrangements and will be determined as part of the annual performance plan process that involves Departments, Management Team and Members.

Where capital investment is material, the scheme or project may be subject to review by internal audit which would be at the discretion of the *Internal Audit Manager* as part of the annual Internal Audit Plan or if required by other key stakeholders.

SECTION B – CAPITAL INVESTMENT AND SOURCES OF FUNDING

CAPITAL INVESTMENT CONSIDERATIONS

The Council's capital investments are made in accordance with the Prudential Code, which aims to ensure that the capital investment plans of local authorities are affordable, prudent and sustainable, which should also include where necessary a prioritisation and appraisal process. Under the Code the Council is free to determine the amount it borrows to finance capital investment.

All of the Council's capital investment is managed in accordance with the requirements of the Prudential Code. The prioritisation of capital investment is directly linked to the long term financial forecast and/or in-year budget amendment processes as previously explained, which are undertaken in an open and transparent manner.

Schemes that are agreed but not funded as part of the long term financial forecast process should where relevant/practical be considered a prioritised list which in effect becomes a 'live' schedule of investment opportunities against which further investment opportunities should be considered during the year.

The Council faces ongoing significant financial challenges over the period of this Capital Strategy due to the significant reductions in Government Funding since 2010 and ongoing. The long term financial forecast for 2020/21 to 2026/27 is showing a net budget surplus towards the end of the forecasted period, with the Forecast Risk Fund being used to support the budget position until that time. To deliver the level of efficiencies and transformation that will in turn support the delivery of the long term forecast, the following key principles have been identified which should be a key consideration of capital investment decisions:

Design schemes/projects to limit as far as possible any negative impact on the Council's on-going revenue budget.

Promote capital investment which allows either invest to save outcomes or generates a revenue and/or capital return and/or generates additional external grant (e.g. new homes bonus) or core funding (e.g. Business Rates) whilst clearly setting out how it contributes to the Council's Corporate Priorities

Foster effective working relationships with potential funders/partners.
Carefully consider value for money and efficiency of projects and associated outcomes.
Project risk is fully explored and mitigating actions identified and taken as necessary.
Ensure appropriate project management tools <i>and documentation</i> are used and the Council has the capacity to deliver the project.
Responsibility for the delivery of the project is clearly defined and understood.
<i>How the proposed investment contributes to the Council's commitment to be carbon neutral by 2030.</i>

Although not always necessarily subject to formal reporting, *as part of the Council's project management processes*, Departments are expected to evidence the outcome from any investment undertaken against the key criteria set out within this Capital Strategy to inform future investment decisions with high level information being available within the usual performance/budget monitoring reports.

To promote consistency, a quick reference guide for detailed information that is expected to form part of any investment decisions is set out as **Annex 1**.

Impact Assessments

Impact assessments may be required depending on the specific capital investment decisions being considered. Therefore, *as part of the Council's project management processes*, Departments are expected to consider whether it is necessary to complete an impact assessment based on the Council's usual processes and documentation at the time a decision is made.

SOURCES OF FUNDING

Capital investment will have to be undertaken within the Council's limited resources and challenging financial environment.

In limited cases the cost of capital investment is supported by external grants/contributions. Any other capital investment the Council wishes to make has to be funded from its own resources or by borrowing (the revenue cost being met entirely by the Council). The Council's Financial Strategy/long term financial forecast includes consideration of a ten-year forecast, taking into account the revenue implications of capital investment plans and the resources available to fund capital investment. The level of capital investment will be constrained by the available resources identified via the long term financial forecast process including revenue contributions or the ability to attract external funding and the generation of capital receipts. Any decision to invest in capital

projects will need to match the available resources against criteria set out above, including how it meets corporate priorities.

In planning any capital investment to contribute towards the achievement of the Council's priorities, the following resources are available:

- a) **Revenue Funding (Including Reserves)** – This continues to be limited each year given the challenging financial environment and on-going government grant reductions. This funding stream will need to be considered within the overall financial planning processes each year, including that for the HRA which operates under a self-financing environment where changes in Government Policy have led to limited revenue contributions being available to support capital investment.
- b) **Capital grants/contributions** – These have contributed significantly to past and current capital projects and many aspects of the Council's and its partners' objectives can only be met if this funding source continues to be pursued. Recent community objectives have been met by successful grant applications. Section 106 money flowing from the planning process is also a significant source of external funding.
- c) **General Fund Capital Receipts** – It is acknowledged that the Council's current property/land holdings are not of significant high value or volume. Nevertheless the Council recognises this important funding source and continually reviews its assets as part of the separate asset management plans which provide the context to consider opportunities to dispose of any assets that are surplus to requirements and/or not contributing to the delivery of the Council's priorities or where they provide alternative investment opportunities.
- d) **Borrowing within the Prudential Framework (Prudential Borrowing)** – The Council has the freedom to borrow to finance its capital expenditure provided it can demonstrate the prudence of the investment and its affordability and sustainability.

CAPITAL STRATEGY CONCLUSIONS

The Capital Strategy sets out the high level arrangements and processes to ensure that capital investment is managed within the Council's overall financial framework. It aims to ensure that its limited resources are applied consistently and effectively towards delivering the priorities of the Council. It links together the capital expenditure implications of various plans and strategies.

PART 1 - ANNEX 1**QUICK REFERENCE GUIDE – Information Expected to be Included in Capital Investment Decisions Where Relevant**

Formal Investment Considerations/Decisions/Business Cases
Link to priorities (<i>including commitment to be carbon neutral by 2030</i>) and/or 'safeguarding' of a Council Asset and what are the measurable benefits of the planned investment
Return on Investment/Net Present Value
Whole Life Costing/Revenue Consequences
Payback Periods
Key risks and how they will be managed
Alternative Options/Opportunity Costs
Sustainability
Financial Resources Available/Funding Options
Impact assessment where relevant
Capacity/Deliverability
Other considerations/important information to discuss/share with relevant internal department(s) and/or for inclusion in the formal decision making process if significant
Cash Flow Forecasts
VAT Arrangements/Implications
Insurance issues
Risk Management implications
Procurement processes

PART 1 - ANNEX 2**General Fund Capital Programme 2020/21 to 2022/23**

Capital Expenditure - General Fund £000s	2018/19 Actual	2019/20 Revised	2020/21 Estimate	2021/22 Forecast	2022/23 Forecast
Total Capital Expenditure	4831	13,767	1,024	816	824
Financing - General Fund					
External contributions	(203)	(67)	-	-	-
Section 106	(168)	(15)	-	-	-
Coast protection grant	(2,609)	(2,108)	-	-	-
Other Government grants	-	(322)	-	-	-
Disabled Facilities Grant	(1,077)	(4,727)	(757)	(757)	(757)
Capital receipts	(41)	(907)	-	-	-
Direct revenue contributions	(165)	(418)	(55)	(55)	(55)
Earmarked reserves	(568)	(5,203)	(212)	(4)	(12)
Total Capital Financing	(4,831)	(13,767)	(1,024)	(816)	(824)
Net Financing need (External Borrowing)	0	0	0	0	0

HRA Capital Programme 2020/21 to 2023/24

Housing Revenue Account Capital Schemes £000	2018/19 Actual	2019/20 Revised	2020/21 Estimate	2021/22 Forecast	2022/23 Forecast
Total Capital Expenditure	4,283	6,712	3,176	3,176	3,176
Financing - Housing Revenue Account					
Major repairs reserve	(3,224)	(3,754)	(3,176)	(3,176)	(3,176)
Direct revenue contributions	(342)	(2,891)	(281)	-	-
Capital receipts	(37)	-	-	-	-
External contributions	(600)	(67)	-	-	-
Government grant	(80)	-	-	-	-
Total Capital Financing	(4,283)	(6,712)	(3,457)	(3,176)	(3,176)
Net Financing need (External Borrowing)	0	0	0	0	0

PART 2 – TREASURY STRATEGY

1. Introduction

The Local Government Act 2003 (the Act) and supporting regulations require the Council to ‘have regard to’ the CIPFA Prudential Code and the CIPFA Treasury Management Code of Practice to set Prudential and Treasury Indicators for the next three years to ensure that the Council’s capital investment plans are affordable, prudent and sustainable. Both CIPFA Codes were revised in December 2017 and this treasury strategy has been drawn up with regard to the revised Codes.

The Act therefore requires the Council to set out its treasury strategy for borrowing and to prepare an Annual Investment Strategy (as required by Investment Guidance issued subsequent to the Act) which sets out the Council’s policies for managing its investments and for giving priority to the security and liquidity of those investments.

The Council’s risk appetite is low and it takes a risk-averse approach to Treasury Management, with the security and liquidity of the investment the prime concern, and the budget for income from investments being formulated on this basis. The Annual Strategy for 2020/21 is based on this risk-averse approach continuing.

For a number of years the Council has engaged the services of treasury advisors to provide its officers with advice on treasury management issues. The current advisors are Link Asset Services, Treasury solutions. However the final decision and responsibility for the actions taken sits with the Council’s own officers after considering that advice.

The details of the delegations and responsibilities for treasury management are contained within the Council’s Constitution as follows:-

- Part 3 – delegated powers – The Executive / *Corporate Finance and Governance* Portfolio Holder
- Part 5 – Financial Procedure Rules

2. Treasury Limits for 2020/21 to 2022/23

It is a statutory duty under Section 3 of the Act and supporting regulations for the Council to determine and keep under review how much it can afford to borrow. The amount so determined is termed the “Affordable Borrowing Limit”. In England and Wales the Authorised Limit represents the legislative limit specified in the Act.

The Council must have regard to the Prudential Code when setting the Authorised Limit of external debt, which essentially requires it to ensure that total capital investment remains within sustainable limits and, in particular, that the impact upon its future council tax and council rent levels is ‘acceptable’. Capital investment must be considered in the light of the overall strategy and

resources available, with decisions made with sufficient regard to the long term financing implications and potential risks.

Whilst termed an “Affordable Borrowing Limit”, the capital plans to be considered for funding must include both external borrowing and other forms of liability, such as credit arrangements. The Authorised Limit is to be set, on a rolling basis, for the forthcoming financial year and two successive financial years. Details of the Authorised Limit can be found in Annex 1 of this part of the report.

The authorised limit reflects the additional borrowing requirement as part of the Housing Revenue Account (HRA) self-financing reforms. The Housing self-financing reforms also set an overall ‘debt cap’ for the HRA which in itself reflects an affordability level based on the Government’s model of how much debt can be supported by the HRA after considering the forecast of income from rents and management and maintenance costs over a 30 year period. The HRA debt cap for Tendring was £60,285,000, but the Government announced the abolition of the HRA debt cap from 29 October 2018.

3. Prudential and Treasury Indicators for 2020/21 to 2022/23

Prudential and Treasury Indicators are relevant for the purposes of setting an integrated Treasury Management Strategy. The latest revisions to the CIPFA Code of Practice on Treasury Management and to the CIPFA Prudential Code are effectively adopted via the approval of this Strategy which reflects the most up to date codes and guidance.

4. Current Portfolio Position

The Council’s treasury position at the end of December 2019 comprised:

- GF borrowing from The Public Works Loan Board (PWLB) of £0.257 million at fixed rates at an average rate of interest of 7.81%
- HRA borrowing from the PWLB of £40.397 million at fixed rates at an average rate of 3.42%
- Investments of cash flow surpluses, which include reserves and capital receipts, on a short-term basis (less than 1 year) totalling £66.494 million at an average rate of interest of 0.84%.

5. Borrowing Requirement

No new, alternative or replacement borrowing is currently reflected in the budgets for both the General Fund and HRA for the period **2020/21** to 2022/23. This position therefore excludes any assumptions on additional borrowing, which would be subject to further consideration as necessary set against the underlying principle of the Council’s borrowing requirement being kept under on-going review to respond to any new / future burdens or priorities and overall financial position.

6. Economic Position

The Council's Treasury Advisors provide economic updates during the year with the latest position set out as follows:

World economy

World growth fell in 2019 in all economies including the USA, the Eurozone and China. The ongoing trade dispute between the US and China is seen as depressing world growth, and in the EU it is particularly impacting on Germany. However, a phase one deal has been agreed between the US and China to roll back some of the tariffs, which gives some hope of resolving this dispute.

UK economy

The Bank of England Monetary Policy Report (formerly called the quarterly inflation report) issued on 7 November 2019 highlighted increasing concerns about weak global economic growth and the potential for uncertainties around Brexit delaying economic recovery. If global growth does not pick up or Brexit uncertainties intensify, a cut in interest rates becomes more likely, but conversely if risks do recede, then a more rapid recovery of growth will require gradual and limited rate rises. The inflation forecasts were revised down to 1.25% in 2019, 1.5% in 2020 and 2.0% in 2021.

The wage inflation three month average excluding bonuses was 3.6% in September, meaning that wage rates are higher than CPI inflation. As the UK economy is very much services sector driven, an increase in household spending power is likely to feed through into providing some support to the overall rate of economic growth in the coming months.

Investment returns are likely to remain low during 2020/21 and beyond, although the increase in the Bank Rate to 0.75% in August 2018 has led to an increase in investment income, with the base budget for 2020/21 being increased by £50,000 to £386,420. This is based on a general assumption of no change in the Base Rate from the current 0.75%. The policy of avoiding new borrowing by using cash balances has served well over the last few years. However, this needs to be carefully balanced to avoid incurring higher borrowing costs in later times, when authorities may not be able to avoid new borrowing to finance new capital expenditure and/or to refinance maturing debt. The unexpected raise in PWLB interest rates across the board in October 2019 has pushed up the potential cost of this form of borrowing.

7. Interest Rates

The following table gives the Council's External Treasury Advisor's view on Bank Rate movements and their forecast for the PWLB new borrowing rate based on that view. The PWLB rates are based on the 'Certainty Rate' introduced by the Government for local authorities providing improved information and transparency on their locally-determined long-term borrowing and associated capital spending plans. Investment returns are likely to remain low during 2020/21 and beyond.

	Bank Rate	LIBID (London Interbank Bid Rate)*			PWLB Borrowing Rate			
		3 month	6 month	12 month	5 yr.	10 yr.	25 yr.	50 yr.
Mar 2020	0.75	0.70	0.80	0.90	2.30	2.50	3.00	2.90
Jun 2020	0.75	0.70	0.80	0.90	2.30	2.50	3.00	2.90
Sep 2020	0.75	0.80	0.90	1.00	2.40	2.60	3.10	3.00
Dec 2020	0.75	0.80	1.00	1.10	2.40	2.60	3.20	3.10
Mar 2021	0.75	0.90	1.00	1.20	2.50	2.70	3.30	3.20
Jun 2021	1.00	1.00	1.10	1.30	2.60	2.80	3.40	3.30
Sep 2021	1.00	1.00	1.20	1.40	2.70	2.90	3.50	3.40
Dec 2021	1.00	1.10	1.30	1.50	2.80	3.00	3.60	3.50
Mar 2022	1.00	1.20	1.40	1.60	2.90	3.10	3.70	3.60

* LIBID – the rate at which a bank is willing to borrow from other banks

8. Borrowing Strategy

8.1 External v Internal Borrowing

The main Prudential Indicator relevant to capital investment is the Capital Financing Requirement (CFR). This is the total outstanding capital expenditure that has not yet been funded from either revenue or capital resources and is therefore a measure of the Council's underlying borrowing need after taking into account the provision included in the revenue budgets for the repayment of outstanding debt.

The borrowing to finance the capital expenditure can be either from external sources or the Council can use its own internal resources.

The planned external debt compared to the CFR over 5 years is shown in the following table, the difference between the two being the amount the Council has funded from internal resources. This is also set out separately for the GF and the HRA. This excludes other long term liabilities such as long term creditors and pensions which form part of the separate Financial Strategy process of the Council from a prudential perspective.

Total External Debt

	Actual 2018/19	Revised 2019/20	Estimate 2020/21	Forecast 2021/22	Forecast 2022/23
	£000's	£000's	£000's	£000's	£000's
Debt as at 1 April	43,898	42,076	40,313	38,592	36,921
Estimated change in debt	(1,822)	(1,763)	(1,721)	(1,671)	(2,222)
Estimated debt as at 31 March	42,076	40,313	38,592	36,921	34,699
CFR as at 31 March	47,446	45,555	43,672	41,799	39,383
Difference - internally financed	5,370	5,242	5,080	4,878	4,684

General Fund External Debt

	Actual 2018/19	Revised 2019/20	Estimate 2020/21	Forecast 2021/22	Forecast 2022/23
	£000's	£000's	£000's	£000's	£000's
Debt as at 1 April	464	306	207	151	144
Estimated repayment of debt	(158)	(99)	(56)	(7)	(8)
Estimated debt as at 31 March	306	207	151	144	136
CFR as at 31 March	5,676	5,449	5,231	5,022	4,820
Forecast of internal financing	5,370	5,242	5,080	4,878	4,684

HRA External Debt

	Actual 2018/19	Revised 2019/20	Estimate 2020/21	Forecast 2021/22	Forecast 2022/23
	£000's	£000's	£000's	£000's	£000's
Debt as at 1 April	43,434	41,770	40,106	38,441	36,777
Estimated repayment of debt	(1,664)	(1,664)	(1,665)	(1,664)	(2,214)
Estimated debt as at 31 March	41,770	40,106	38,441	36,777	34,563

CFR as at 31 March	41,770	40,106	38,441	36,777	34,563
Forecast of internal financing	0	0	0	0	0

In respect of the General Fund, the Council is currently maintaining an under-borrowed position. This means that the capital borrowing need (the Capital Financing Requirement), has not been fully funded with external loans, as cash supporting the Council's reserves, balances and cash flow has been used as a temporary measure. This strategy remains prudent, as investment returns are low and counterparty risk is *relatively* high, and will be continued.

The Council's officers have made an assessment, based on advice from treasury advisors, of the amount of internal resources that it is prudent to use to finance capital expenditure and it is felt, taking into account the Council's financial position, that approximately £4m-£5m would at the present time and over the medium term be an appropriate level of internal borrowing. A maturity loan of £1m fell due for repayment in 2014 but this was not replaced which has led to the current internal borrowing position running just ahead of the £5m level. However given the continuing low return on investments and no *significant increases* in PWLB interest rates in the immediate future, *(although 1% was unexpectedly added to all PWLB rates in October 2019)* it is felt prudent to maintain this position in the short term although this will be kept under review in consultation with the Council's external advisors.

The use of internal resources is only a temporary solution as, in time, these reserves and capital receipts will be utilised to finance service initiatives and capital investment and at that point will not be available. This will need to be balanced against the replacement external borrowing which will be required at some point in the future which may attract higher rates of interest, so timing of such borrowing will need to consider forecasted rates of interest against the various types of borrowing structure to determine the most advantageous approach. Against this approach consideration may be required to borrow in advance of need, as set out in section 8.3 below, so as to reduce the need to borrow when interest rates may be higher.

8.2 Gross Debt v Investments

A comparison between the Council's gross and net borrowing position helps to assess the credit risk that would apply if the Council has surplus resources invested at a low interest rate which could be used to repay existing debt or to negate the need for additional new debt if at higher interest rates than that being achieved on the investments.

The table below sets out the Council's probable position taking account of both the individual GF and HRA debt figures.

Comparison of gross and net debt positions at year end	2018/19	2019/20	2020/21	2021/22	2022/23
	Actual	Probable out-turn	Estimate	Estimate	Estimate
	£'000	£'000	£'000	£'000	£'000
General Fund external debt (gross)	306	207	151	144	136
HRA external debt (gross)	41,770	40,106	38,441	36,777	34,563
Investments	59,470	55,895	15,200	15,000	15,000
Net debt	(17,394)	(15,582)	23,392	21,921	19,699

The net debt positions show that the Council does not have underlying excess resources which could be used to repay long term debt – the surpluses and high current investment figures represent carry forwards and the current level of reserves / one-of budgets.

If opportunity arises, external debt will be repaid early, although this is difficult under current arrangements as set out in section 9. If borrowing is required then any requirement will be considered whilst balancing internal resources and forecasted interest rates within the parameters previously set out.

Against this background caution will be ***maintained*** within the 2020/21 treasury operations. Interest rates will be monitored and a pragmatic approach adopted to changing circumstances with appropriate action taken in accordance with the Council's Financial Procedure Rules.

8.3 Policy on borrowing in advance of need

The Council cannot borrow more than or in advance of its needs purely in order to profit from the investment of the extra sums borrowed. Any decision to borrow in advance will be considered carefully to ensure value for money can be demonstrated and that the Council can ensure the security of such funds.

In determining whether borrowing will be undertaken in advance of need the Council will;

- ensure that there is a clear link between the capital programme and maturity profile of the existing debt portfolio which supports the need to take funding in advance of need;
- ensure the ongoing revenue liabilities created, and the implications for the future plans and budgets have been considered;
- evaluate the economic and market factors that might influence the manner and timing of any decision to borrow;
- consider the merits and demerits of alternative forms of funding;

- consider the alternative interest rate bases available, the most appropriate periods to fund and repayment profiles to use;
- consider the impact of borrowing in advance on temporarily (until required to finance capital expenditure) increasing investment cash balances and the consequent increase in exposure to counterparty risk, and other risks, and the level of such risks given the controls in place to minimise them.

9. Debt Rescheduling

Officers together with the treasury advisors examine on a regular basis the potential for undertaking early repayment of some external debt to the PWLB in order to maximise any potential financial advantages to the Council. However, the continuing and significant difference between new borrowing and repayment rates has meant that large premiums would be incurred by such action and cannot be justified on value for money grounds. This situation will be monitored in case the differential is narrowed by the PWLB or repayment rates change substantially.

As short term borrowing rates will usually be cheaper than longer term rates there may be some potential for some residual opportunities to generate savings by switching from long term debt to short term debt. However, these savings will need to be considered in the light of the size of premiums incurred, their short term nature, and the likely cost of refinancing these short term loans once they mature compared to the current rates of longer term debt in the existing portfolio.

Any opportunities for debt rescheduling will be considered if such action would be advantageous to the Council. The reasons for any rescheduling to take place will include:

- the generation of cash savings and/or discounted cash flow savings
- helping to fulfil the strategy outlined above
- enhance the balance of the portfolio

Consideration will also be given to identifying if there is any residual potential left for making savings by running down investment balances to repay debt prematurely as short term rates on investments are likely to be lower than rates paid on current debt.

10. Investment Strategy

10.1 Investment Policy

The Council will have regard to the Department of Communities and Local Government's (CLG) Guidance on Local Government Investments, the latest CIPFA Treasury Management in Public Services Code of Practice and Guidance Notes (the Code) along with any relevant revisions or updates. The Council's investment priorities when investing are: -

- The security of capital and
- The liquidity of its investments.

The Council will also aim to achieve the optimum return on its investments commensurate with these main priorities. It is important to note that the borrowing of monies purely to invest or on-lend and make a return is unlawful.

Investment instruments identified for use in the financial year are listed in Annex 2 under the 'Specified' and 'Non-Specified' Investments categories. Counterparty limits will be as set through the Council's Treasury Management Practices – Schedules.

The majority of the Council's investments will be in Specified Investments although the Council has limited investments in Non- Specified investments.

During 2017/18 the Council purchased an investment property in Clacton, which is a Non-Specified investment. The historic cost (including stamp duty) of this asset was £3.245 million and it is financed from revenue. The property was purchased with the aim of yielding rental income and with the potential for capital gains. This investment does not have a defined maturity date and it is an illiquid investment as the Council would need to sell the underlying asset to redeem the investment.

The property will be subject to annual revaluation to reflect current value under the requirements of the Accounting Code of Practice and this will be reported in the Statement of Accounts. At 31 March 2019 the carrying value of the property was reduced by the Council's external Valuer to £2.300 million. The anticipated return on the property through rental income compared to the historic cost is forecast to remain in line with the figures included in the report to Cabinet where the decision to purchase was made. Although the property is currently not being used for trading, the terms of the lease require payment of the rent until the end of the lease term.

The Council has adopted a Commercial Property Investment Policy which will be maintained as a separate document within the wider Treasury Strategy framework.

The Council does not intend to use derivative instruments as part of its treasury activities during the year.

Given the above commitment relating to seeking the optimum return on its investments within the context of security and liquidity, the Council will be exploring the use of property investment funds in 2020/21. Further information and potential risks of investing in a property fund are set out in Part 2 - Annex 2. If such an investment was proposed during the year, it would be subject to a separate Member decision.

10.2 Creditworthiness Policy and changes to the credit rating methodology

This Council uses credit ratings from all three rating agencies - Fitch, Moodys and Standard and Poors. In determining the appropriate credit rating the Council will use the lowest rating available to determine the investment limits both in terms of amount and period for a particular counterparty. This is in accordance with the recommendations of The Code. Counterparties rated by only one agency will not be used.

One of the credit rating agencies may be more aggressive in giving lower ratings than the other two agencies and this could result in the Council's counterparty list becoming too restrictive. If this happens the position will be discussed with the Council's treasury advisors and the Treasury Management Practices may need to be revised in accordance with delegated powers set out in the Council's Constitution.

- All credit ratings will be monitored daily. The Council is alerted to changes to ratings of all three agencies through its use of the Creditworthiness Service provided by the Council's external advisors which is downloaded from Link Asset Services website each morning and uploaded to the Treasury Management system.
- If a downgrade results in the counterparty/investment scheme no longer meeting the Council's minimum criteria, its further use for a new investment will be withdrawn immediately.

The Code also recommends that credit ratings are not the sole determinant of creditworthiness and therefore the Council will also use available market information from a variety of sources including

1. The Creditworthiness Service utilises movements in Credit Default Swaps against the iTraxx benchmark and other market data on a weekly basis. This creditworthiness service information will be used to confirm the assessed creditworthiness derived from the three ratings agencies. Where the information from this service indicates a lower standing for a particular counterparty than that derived via the credit ratings then the investment limits and length of investments applicable to that counterparty will be adjusted accordingly or the counterparty removed from the list.
2. Market data and information,
3. Information on government support for banks and the credit ratings of that government support

10.3 Credit Limits

Through its approved Treasury Management Practices the Council will set maximum limits for the amount that can be invested with any counterparty. This limit will be determined by reference to the counterparty's credit rating

and other criteria. In addition the amount invested in building societies and Certificates of Deposit is also limited to 50% of the total investment portfolio.

100% of the Council's investments may be in Treasury Bills or Gilts or invested with the Government's Debt Management Office (DMO). Although these sums are very secure the rate of interest is usually lower than the market rate, however Treasury Bills are a valuable tool in providing security and liquidity whilst the DMO offers a variety of investment terms and is a valuable source of investment should credit ratings of other financial institutions result in a reduction in the number of counterparties that meet the Council's minimum credit rating criteria. There is no limit on the amount that can be invested with other local authorities in total, although there is a limit of £6 million with each individual local authority.

10.4 Country Limits

The Council has determined that it will only use approved counterparties from the UK and additionally those countries with a minimum sovereign credit rating of AA or equivalent from the relevant rating agencies.

In a similar way that individual counterparties have a maximum investment limit, countries other than the UK will also have a limit.

10.5 Investment Strategy

The Council's funds are managed in-house and are mainly cash flow based but there is a core balance that could be available for investment for longer periods (2-3 years). Investments will be made with reference to the core balance and cash flow requirements and the outlook for short-term interest rates (i.e. rates for investments up to 12 months) and in respect of commercial property investment, this will be limited to the amount included in the Capital Programme.

The bank rate rose in August 2018 but no further increases are forecast until March 2021 and then to remain unchanged until March 2022 with gradual steady rises from thereon expected (see Section 7). The Council will avoid locking into longer term deals while investment rates are down at historically low levels unless exceptionally attractive rates are available which make longer term deals worthwhile without compromising the Council's priority of security of the investments.

For 2020/21 the Council has budgeted for investment returns based on the principles set out in this strategy including the forecast position on interest rates.

For its cash flow generated balances the Council will seek to utilise its business reserve accounts and short dated deposits (overnight to three months) in order to benefit from the compounding of interest. At the present

time these short dated deposits are paying interest rates below base rate but they provide a good level of liquidity to help manage the Council's cash flow.

10.6 Allocation of Investment returns between GF and HRA

As part of the introduction of HRA Self Financing a policy on the allocation of investments returns across the GF and HRA now forms part of the Annual Treasury Strategy.

The HRA holds balances and would benefit from cash flow advantages, which are amalgamated for the purposes of the overall investment activity of the Council. At the end of each year the transfer to the HRA of its share of the authority's overall investment returns will be agreed by the S151 Officer in consultation with the relevant officers based on the following principles:

- Equity
- Risk Sharing
- Minimising volatility between years

Returns from *directly* investing in commercial property will be allocated to the relevant fund where the Capital Programme / investment were made from.

10.7 End of year investment report

At the end of the financial year the Cabinet will receive a report on its investment activity.

GLOSSARY OF TERMS

Affordable borrowing limit – limit that the Council has to set under the CIPFA Prudential Code that shows how much the Council considers it can afford to borrow taking all its outgoings into consideration and how much income it considers it can generate.

Alternative financing arrangements – how the Council intends to finance its capital expenditure by other means besides borrowing.

Authorised limit – the amount the Council determines is the maximum that can be borrowed that is affordable and has been calculated in accordance with the legislation behind the CIPFA Prudential Code.

Borrowing requirement – how much the Council considers it needs to borrow to fund its spending plans.

CFR – Capital Financing Requirement – this calculation shows how much the Council needs to borrow or finance by some other measure to meet its planned capital spend.

Counterparty – the other party that participates when a loan or investment is placed.

CPI – Consumer Price Index – the Government's preferred measure of inflation, based on a set basket of goods and services. It excludes housing costs such as mortgage interest payments and council tax.

Credit arrangement – any quasi-loan, to ensure the legislation and Code pick up any unusual arrangements to provide funding other than from a straightforward loan

Credit default swap - A swap designed to transfer the credit exposure of fixed income products between parties. A credit default swap is also referred to as a credit derivative contract, where the purchaser of the swap makes payments up until the maturity date of a contract. Payments are made to the seller of the swap. In return, the seller agrees to pay off a third party debt if this party defaults on the loan. A CDS is considered insurance against non-payment. A buyer of a CDS might be speculating on the possibility that the third party will indeed default.

Credit limit – the maximum amount that can be lent to an individual organisation or group of organisations.

Credit rating – provided by one of the three credit rating agencies, an assessment of how likely the organisation is to repay any monies lent to it.

Creditworthiness - An assessment of the likelihood that a borrower will default on their debt obligations. It is based upon factors, such as their history of repayment and their credit score. Lending institutions also consider the availability of assets and extent of liabilities to determine the probability of default.

Debt cap (HRA) – the limit on the amount that can be borrowed by the HRA, set by central government.

Earmarked reserves – reserves that have been set aside for a specified purpose.

GDP – Gross Domestic Product – measures the output from the economy, if it rises then the economy is growing, if it falls the economy is in recession.

iTraxx - A group of international credit derivative indexes that are monitored by the International Index Company (IIC). The credit derivatives market that iTraxx provides allows parties to transfer the risk and return of underlying assets from one party to another without actually transferring the assets. iTraxx indexes cover credit derivatives markets in Europe, Asia and Australia.

Illiquid investment – An investment that cannot easily be sold or exchanged for cash without a substantial loss in value.

Non-specified investment – as defined in Annex 2.

Prudential indicators – a series of calculated figures specified in the CIPFA Prudential Code which are used to assess how affordable and realistic the Council's spending and financing plans are.

PWLB – Public Works Loans Board – central government lending to other public sector bodies, specifically local government.

PWLB Certainty Rate – The PWLB sets various rates for borrowing. From 1 November 2012 the Government reduced the interest rates on loans from PWLB to Councils who provide information as required on their planned long-term borrowing and capital spending by 0.20%. This reduced rate is called the Certainty Rate.

Replacement borrowing – borrowing taken out to replace other borrowing or other forms of credit that have been repaid.

RPI – Retail Price Index – another inflation index, this one includes the cost of housing.

Specified investments – as defined in Annex 2.

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Proposed Prudential Indicators 2019/20 revised, 2020/21 and forecasts for 2021/22 to 2022/23

Indicators for Prudence

CAPITAL EXPENDITURE

This is an estimate of the amount of investment planned over the period. As can be seen, not all investment necessarily has an impact on the Council Tax, schemes funded by grants, capital receipts or external contributions mean that the effect on the Council Tax is greatly reduced.

Capital Expenditure - General Fund	2018/19	2019/20	2020/21	2021/22	2022/23
£000s	Actual	Revised	Estimate	Forecast	Forecast
Total Capital Expenditure	4,831	13,767	1,024	816	824
Financing - General Fund					
External contributions	(203)	(67)	-	-	-
Section 106	(168)	(15)	-	-	-
Coast protection grant	(2,609)	(2,108)	-	-	-
Other Government grants	-	(322)	-	-	-
Disabled Facilities Grant	(1,077)	(4,727)	(757)	(757)	(757)
Capital receipts	(41)	(907)	-	-	-
Direct revenue contributions	(165)	(418)	(55)	(55)	(55)
Earmarked reserves	(568)	(5,203)	(212)	(4)	(12)
Total Capital Financing	(4,831)	(13,767)	(1,024)	(816)	(824)
Net Financing need (External Borrowing)	0	0	0	0	0

Housing Revenue Account Capital Schemes	2018/19	2019/20	2020/21	2021/22	2022/23
£000	Actual	Revised	Estimate	Forecast	Forecast
Total Capital Expenditure	4,283	6,712	3,457	3,176	3,176
Financing - Housing Revenue Account					
Major repairs reserve	(3,224)	(3,754)	(3,176)	(3,176)	(3,176)
Direct revenue contributions	(342)	(2,891)	(281)	-	-
Section 106	-	-	-	-	-
Capital receipts	(37)	-	-	-	-
External contributions	(600)	(67)	-	-	-
Government grant	(80)	-	-	-	-
Total Capital Financing	(4,283)	(6,712)	(3,457)	(3,176)	(3,176)
Net Financing need (External Borrowing)	0	0	0	0	0

CAPITAL FINANCING REQUIREMENT

Each year, the Council finances the capital programme by a number of means, one of which could be borrowing. The Capital Financing Requirement (CFR) represents the cumulative amount of borrowing that has been incurred to pay for the Council's capital assets, less amounts that have been set aside for the repayment of debt over the years. The Council is only allowed to borrow long term to support its capital programme. It is not allowed to borrow long term to support its revenue budget.

CAPITAL FINANCING REQUIREMENT	2018/19	2019/20	2020/21	2021/22	2022/23
	Actual	Revised	Estimate	Forecast	Forecast
	£000	£000	£000	£000	£000
General Fund	5,676	5,449	5,231	5,022	4,820
Housing Revenue Account	41,770	40,106	38,441	36,777	34,563
Total	47,446	45,555	43,672	41,799	39,383

GROSS DEBT AND THE CAPITAL FINANCING REQUIREMENT

This indicator compares the Capital Financing Requirement to the level of external debt and shows how much of the capital programme is financed from internal resources. The capital programme is partially funded in the short to medium term by internal resources when investment interest rates are significantly lower than long term borrowing rates. Net interest payments are, therefore, optimised.

PRUDENTIAL INDICATOR	2018/19	2019/20	2020/21	2021/22	2022/23
	Actual	Revised	Estimate	Forecast	Forecast
	£000	£000	£000	£000	£000
Capital Financing Requirement	47,446	45,555	43,672	41,799	39,383
External debt	42,076	40,312	38,592	36,921	34,699
Internal borrowing	5,370	5,243	5,080	4,878	4,684

OPERATIONAL BOUNDARY AND AUTHORISED LIMIT

The Council must set an operational boundary and authorised limit for external debt. The operational boundary is based on the Council's estimate of most likely, i.e. prudent, but not worst case scenario for external debt. It reflects the decision on the amount of debt needed for the Capital Programme for the relevant year. It also takes account of other long term liabilities, which comprise finance leases, Private Finance Initiative and other liabilities that are not borrowing but form part of the Council's debt. The Council has none of these at present.

The authorised limit is the affordable borrowing limit determined in compliance with the Local Government Act 2003. It is the maximum amount of debt that the Council can legally owe. The authorised limit provides headroom over and above the operational boundary for unusual cash movements.

PRUDENTIAL INDICATOR	2018/19	2019/20	2020/21	2021/22	2022/23
	Actual	Revised	Estimate	Forecast	Forecast
	£000	£000	£000	£000	£000
Operational boundary - borrowing	67,861	67,704	67,525	67,469	68,012
Authorised limit - borrowing	80,505	76,455	76,156	76,112	76,821

Indicators for Affordability

RATIO OF FINANCING COSTS TO NET REVENUE STREAM

This is an indicator of affordability and highlights the revenue implications of existing and proposed capital expenditure by identifying the proportion of the revenue budget required to meet financing costs, net of investment income.

ESTIMATE OF THE RATIO OF FINANCING COSTS TO NET REVENUE	2018/19	2019/20	2020/21	2021/22	2022/23
	Actual	Revised	Estimate	Forecast	Forecast
	%	%	%	%	%
General Fund	-1.91	-0.64	-1.61	-1.19	-1.26
Housing Revenue Account	47.89	46.23	45.05	43.90	46.55

INTEREST RATE EXPOSURE

Tendring District Council currently has all its borrowings at fixed rate and usually has a mixture of fixed and variable rate investments. This indicator is set to control the Council's exposure to interest rate risk.

PRUDENTIAL INDICATOR	2018/19	2019/20	2020/21	2021/22	2022/23
	Actual	Revised	Estimate	Forecast	Forecast
	£000	£000	£000	£000	£000
Upper limit for Fixed Interest Rates on debt	47,446	45,555	43,672	41,799	39,383
Upper limit for Variable Interest Rates on debt (based on 30% of the fixed rate limit)	14,234	13,667	13,102	12,540	11,815

TOTAL PRINCIPAL SUMS INVESTED FOR PERIODS LONGER THAN 364 DAYS (excluding property)

Interest rate risk is also affected by the proportion of the investments invested at fixed rates for longer periods, especially in a period when rates are expected to rise.

PRUDENTIAL INDICATOR	2018/19	2019/20	2020/21	2021/22	2022/23
	Actual	Revised	Estimate	Forecast	Forecast
	£000	£000	£000	£000	£000
Limits on the total principal sum invested to final maturities longer than 364 days	3,500	3,500	3,500	3,500	3,500

MATURITY STRUCTURE OF FIXED RATE BORROWING

This indicator is set to control the Council's exposure to refinancing risk. The limits are set for each age range to ensure that the Council avoids too many fixed rate loans being matured at one time and spreads the maturity across several periods. The percentages for the upper and lower limits do not add up to 100% as they do not represent an actual allocation.

PRUDENTIAL INDICATOR	Upper limit	Lower limit	Estimated outstanding debt maturity % at			
	%	%	31/03/2020	31/03/2021	31/03/2022	31/03/2023
Under 12 months	25	0	4.27%	4.33%	6.02%	4.10%
12 months and within 24 months	30	0	4.15%	5.76%	3.85%	7.56%
24 months and within 5 years	60	0	15.55%	16.76%	20.22%	17.10%
5 years and within 10 years	75	0	20.13%	17.57%	14.76%	14.60%
10 years and above	95	25				
10-20 years			16.89%	15.76%	14.52%	13.41%
20-30 years			1.82%	0.95%	18.96%	25.94%
>30 years			37.21%	38.87%	21.67%	17.29%

TREASURY INDICATOR - EXPOSURE TO CREDIT RISK

The Council has adopted a voluntary measure of its exposure to credit risk by monitoring the value-weighted average score of its investment portfolio. This is calculated by applying a score to each investment (AAA=1, AA+=2, etc.) using the rating applicable when it is taken out and taking the arithmetic average, weighted by the size of each investment. Investments in government instruments such as DMO, treasury bills and in local authorities are scored as 1.

TREASURY INDICATOR	2018/19	2019/20 to	2020/21
	Actual	31/12	Upper limit
Average credit score for investments	1.43	1.31	2.00

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SPECIFIED AND NON-SPECIFIED INVESTMENTS

This schedule sets out the specified and Non-Specified investments the Council may use in 2020/21.

Investments may be in the form of direct deposits, Certificates of Deposits (CDs), property (including property funds) or the purchase of financial instruments such as Treasury Bills, Bonds and Gilts.

SPECIFIED INVESTMENTS:

An investment is a Specified Investment if all of the following apply

1. The investment is denominated in sterling and any payments or repayments in respect of the investment are payable only in sterling
2. The investment is not a long term investment which is one that is due to be repaid within 12 months of the date on which the investment is made or one which the local authority may require to be repaid within that period.
3. The investment is not defined as capital expenditure by regulations
4. The investment is made with a body or in an investment scheme of high credit quality or the investment is made with the following public sector bodies.
 - a. UK Government
 - b. Local authority
 - c. Parish council or community council

Where an investment is being made with a UK nationalised or part nationalised bank this will be treated for the purposes of classification as a Specified or Non-specified investment as being invested with the UK Government.

High credit quality

For a counterparty to meet the high credit quality criteria for specified investments, that counterparty must meet as a minimum the ratings of the three credit rating agencies listed below, and not be the subject of any adverse indications from the following sources.

- Credit Default Swap index
- The quality financial press
- Market data
- Information on government support for banks and
- The credit ratings of that government support

Ratings	Fitch	Moody's	Standard & Poors
Short term	F1	P-1	A-1
Long term	A-	A3	A

NON SPECIFIED INVESTMENTS

A maximum of £3.5m may be held, in aggregate, in Non-Specified Investments

The only Non-Specified investments that the Council will use in 2020/21 are investments for periods of longer than 12 months with any institution or investment instrument that would have been classed as a Specified Investment if the investment had been for less than 12 months or property. The Council currently holds an investment property in Clacton. The historic cost of this property (including stamp duty) is £3.245 million, but this was revalued at 31 March 2019 at £2.300 million by the Council's external valuer. The purchase of the property was financed from revenue resources.

The Council is also exploring the use of property funds / unit trusts as part of its wider investment portfolio. To manage the risks of holding property fund investments, they should be viewed as a longer term investment and hence a non-specified investment.

As with all property related investments, there is a risk that such an investment could go down as well as up in value. The accounting standards relating to such investments require that they be classified in such a way that any increase or decrease in the value of the fund during an individual year would be a direct charge to the General Fund revenue balance.

However, there is currently a statutory regulation issued by the Ministry for Housing, Community and Local Government (MHCLG) in force until 31 March 2023 which states that these charges should not go directly to the General Fund balance but be reversed out through the Movement in Reserves Statement to a unuseable reserve and held until such time as the investment is sold – by managing the overall liquidity of its overall investment portfolio, the Council would remain in control of when to sell its property unit trust holding(s) and would not look to do so until there was net gain in value rather than a loss. (at which point the cumulative gains or losses then fall to the General Fund). It is not known whether MHCLG would extend this regulation in 2023, although it was issued to allow authorities to make an orderly withdrawal from such funds, or whether from that date forwards the charge would go straight in year to the General Fund and have to be directly financed.

The use of a property fund can be deemed capital expenditure, and as such will be a spending of capital resources. Given the risks and potential complexities of investing in unit trusts, any decision to enter into a property fund investment would therefore be made after further consultation with the Council's external advisors, undertaking of appropriate due diligence, and would be subject to a separate Member decision, which would include approval to increase the current £3.5m limit for non-specified investments highlighted above.

OVERVIEW AND SCRUTINY PROCEDURE RULE 13 – SCRUTINY OF PROPOSED DECISIONS

In presenting the following, the Committee's attention is drawn to the agenda item notes in respect of Overview and Scrutiny Procedure Rule 13.

DESCRIPTION OF DECISION	KEY DECISION – YES/NO	DECISION MAKER
Granting of a right of way and easement for services over land off Barrack Lane, Harwich	NO	CORPORATE FINANCE & GOVERNANCE PORTFOLIO HOLDER
Revised terms for repurchase of access land at Mill Lane Walton	NO	CORPORATE FINANCE & GOVERNANCE PORTFOLIO HOLDER
Grant of an Easement over land off Colchester Road, Ardleigh	NO	CORPORATE FINANCE & GOVERNANCE PORTFOLIO HOLDER
New lease of 2 Nayland Drive, Clacton-on-Sea	NO	CORPORATE FINANCE & GOVERNANCE PORTFOLIO HOLDER
New lease over land in Windsor Avenue, Clacton-on-Sea to Clacton Sea Cadets Corps	YES	CORPORATE FINANCE & GOVERNANCE PORTFOLIO HOLDER
New lease over land at Low Road Recreation Ground to Harwich and Dovercourt Rugby Club	YES	CORPORATE FINANCE & GOVERNANCE PORTFOLIO HOLDER
Award of a new five year contract to the Council's existing bankers	YES	CORPORATE FINANCE & GOVERNANCE PORTFOLIO HOLDER

The Council's notice of forthcoming decisions can be found on the Council's Website at:-

<https://tdcdemocracy.tendringdc.gov.uk/mgDelegatedDecisions.aspx?XXR=0&&DR=19%2f07%2f2004-19%2f07%2f2019&ACT=Find&RP=0&K=0&V=0&DM=0&HD=0&DS=1&Next=true&NOW=19072019151542&META=mgforthcomingdecisions>

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Resources and Services Overview and Scrutiny Committee

Work Programme 2019/2020

PROGRAMMED SCRUTINY BY THE COMMITTEE FOR THE REMAINDER OF THE MUNICIPAL YEAR

Rule 7 of the Overview and Scrutiny Procedure Rules in the constitution require Overview and Scrutiny Committees to co-ordinate and prioritise their work programmes on an ongoing basis. In presenting this work programme, the Committee is invited to determine whether the programme needs to be adjusted; including items covered, the scope of the programmed reviews and whether Portfolio Holders or others are to be invited to present to them. Specific information requirements of Councillors to undertake the programmed reviews should also be identified as should any Councillor development needs.

In undertaking the review of its work programme, and generally, the Committee must have regard to the role, functions and principles for overview and scrutiny as set out at Article 6 of the Constitution.

Meeting Date	Topics	Detail	Portfolio Holder (and whether to be invited)	Lead Officer
17 February 2020	Annual Capital and Treasury Strategy Scrutiny	To present the Annual Strategy for to consider: <ul style="list-style-type: none">• Key changes since last year• Adequacy of resources / internal expertise to deliver against the Strategy• Key Investment and borrowing assumptions• Advice from external treasury advisors• The level of accepted risk• Key investment / borrowing criteria	Cllr G Guglielmi (invitation position to be determined)	Richard Barrett

	Performance Report 2019/20 Third Quarter	To enable the Committee to scrutinise the performance monitoring system and identify from the relevant performance data future work programme scrutiny items. (see fuller detail for 16 December meeting)	Cllr G Guglielmi (invitation position to be determined)	Katie Wilkins Anastasia Simpson
	Scrutiny of the implementation of the new waste and recycling collection service	<ul style="list-style-type: none"> • Emphasis should be on the implementation and planning of the roll out of the service. • Focus on the results that we have -recycling performance data compared to expected data, • waste minimisation, • And overview of the roll out of the service. • Waste on the A120 left by those travelling to and from the Waste Transfer Station. • Clinical Waste Collection – possible expansion • the numbers subscribing to the green waste service, how has that compared over time, what is the tonnages of waste collected, what is the cost-income assessment for the service and how do charges compare with similar schemes? • The use of non-compostable bags • An assessment of the numbers of properties on black sack collections and the extent to which they are utilising red/green recycling boxes compared with those using wheelie bins and the measures taken/planned to increase recycling amongst this group. 	Cllr Michael Talbot	Paul Price Jonathon Hamlet

	Future use of Spendells House, Walton-on-the-Naze – the proposed decision by Cabinet on 20 March 2020 on the future use of this building following the Council's previous decision to cease to use it. [Notice first published 19/08/2019]	<p>This review is under the provisions of Procedure Rule 13. The Committee may question members of the Cabinet and Officers and seek the views of local stakeholders and/or other interested parties. Cabinet must take into account any recommendations expressed by this Committee when determining the final decision on this matter.</p> <p><i>[Note: The inclusion in its work programme of a review of the Spendells proposed capital scheme and the contribution the scheme is intended to make to address homelessness was referred by this Overview and Scrutiny Committee (OSC) on 8 January 2020 to the Community Leadership OSC on 13 January 2020 (Minute 87 refers).]</i></p>	Paul Honeywood	Tim R Clarke
23 March 2020	Corporate Budget and Financial Forecast Monitoring 2019/20 Third Quarter	<p>To present the financial performance report for the third quarter of 2019/20 to consider:</p> <p><i>In respect of the in-year budget position to date:</i></p> <ul style="list-style-type: none"> Any adverse issues emerging during the quarter and the action taken to manage / mitigate the associated risk. Any emerging issues / themes that may have an impact on future quarters / years and what information the Committee requires to help them 	Cllr G Guglielmi (invitation position to be determined)	Richard Barrett

		<p>support the Council in responding to the associated risk.</p> <p><i>In respect of the updated financial forecast:</i></p> <ul style="list-style-type: none"> • Key assumptions within the forecast to gain assurance that the forecast is broadly robust / resilient. • External influences – have they been reflected within the forecast. • Achievement against the savings delivery plan. • Cost pressures and mitigation action taken to support the overall forecast • Strategic review of service areas and the potential impact any associated plans on the forecast / detailed budget 		
	Review of the Year and Work Programme 2020/21	To review this year's work and to seek Members' approval to a draft programme of work for the Resources and Services Overview and Scrutiny Committee for the coming municipal year for recommendation to the Annual Council meeting 2020.	Not applicable	Keith Simmons
	Energy Efficiency	<p>To enable the Committee to scrutinise the work that the Council has undertaken in respect to Climate Change and Energy efficiency. The main focus should be on</p> <ul style="list-style-type: none"> • Scrutiny of the work undertaken by the Climate Change Working Party. • Home energy efficiency, in particular the Eco3 initiative. 	Cllr Neil Stock OBE (invitation position to be determined)	Tim R Clarke

SCRUTINY TO BE PROGRAMMED

Topic	Detail and Comments	Lead Officer(s)
Review of the Councils Public Convenience Strategy	To be programmed once the announced Business Rate Relief on Public Toilets is introduced. Minute 112 of Cabinet on 15 February 2019 refers.	Richard Barrett
Council House Building Programme	As referenced by the Community Leadership Overview and Scrutiny Committee. Minute 64 of the Community Leadership Overview and Scrutiny Committee on 5 August 2019 refers	Paul Price

SCRUTINY UNDERTAKEN TO THIS POINT IN THE MUNICIPAL YEAR

Meeting Date	Topics	Detail
24 June 2019	Careline Computer System	The Committee undertook pre-decision scrutiny of the then forthcoming decision by the Corporate Finance and Governance Portfolio Holder and Housing Portfolio Holder on the Replacement of Careline Computer and Call Handling System. The Council's Head of Customer and Commercial Services (Mark Westall) attended the meeting and answered Members' questions on the then proposed decision.
	Performance Report 2018/19 (Resources & Services) for the period January to March 2019 (Quarter 4 - Outturn).	The Committee scrutinised the performance monitoring system with a view to identifying, from the relevant performance data, future work programme scrutiny items.
29 July 2019	Financial Outturn for the year 2018/19 and General Fund Variance.	The Committee scrutinised the Council's financial outturn for the year 2018/19 and the allocation of the associated General Fund Variance for the year.

	North Essex Garden Communities Ltd and its Business Plan	The Committee reviewed the scrutiny arrangements for the company and determined to establish a joint Scrutiny Panel for this work.
	Ground Maintenance (Including Weed Spraying)	The Committee scrutinised the arrangements for, funding of and delivery of the public realm grounds maintenance service and, within this, the weed control on highways.
	New statutory guidance on overview and scrutiny.	The Committee considered the content of the new statutory guidance on the operation of overview and scrutiny functions in local authorities.
14 October 2019	Performance Report 2019/2020 First Quarter	The Committee scrutinised the performance monitoring system with a view to identifying, from the relevant performance data, future work programme scrutiny items.
	Corporate Budget and Financial Forecast Monitoring 2019/20 first Quarter	<p>The Committee scrutinised the corporate budget and financial forecast for the first quarter of 2019/20 as follows:</p> <p><i>In respect of the in-year budget position to date:</i></p> <ul style="list-style-type: none"> Any adverse issues emerging during the quarter and the action taken to manage / mitigate the associated risk. Any emerging issues / themes that may have an impact on future quarters / years and what information the Committee requires to help them support the Council in responding to the associated risk. <p><i>In respect of the updated financial forecast:</i></p> <ul style="list-style-type: none"> Key assumptions within the forecast to gain assurance that the forecast is broadly robust / resilient. External influences – have they been reflected within the forecast. Achievement against the savings delivery plan. Cost pressures and mitigation action taken to support the overall forecast Strategic review of service areas and the potential impact any associated plans on the forecast / detailed budget

	Review of the Business Case for the future of publicly owned leisure centres within the District	The Committee considered an outline of the proposed Business Case for the Future of publicly owned leisure centres within the district and the specific business case presented to it for investment at Clacton Leisure Centre.
	Corporate Plan (Subject to agreement	The Committee undertook pre-decision scrutiny of the emerging Corporate Plan 2020-24 and Priorities and Projects for 2020/21.
16 December 2019	Performance Report 2019/20 Second Quarter	The Committee scrutinised the performance monitoring system with a view to identifying, from the relevant performance data, future work programme scrutiny items.
	Corporate Budget and Financial Forecast Monitoring 2019/20 Second Quarter	The Committee scrutinised the corporate budget and financial forecast for the second quarter of 2019/20.
16 December 2019 6 and 8 January 2020	Initial Budget 2020/21 and Financial Forecast Scrutiny Detailed Review	The Committee undertook a detailed examination of the underlying budget and the proposed adjustments to it for 2020/21. The Committee developed lines of enquiry and officers and Cabinet Members were able to consider these and respond in the narrow time frame. The Committee then explored further with those officers and Cabinet members the responses provided. A series of recommendations were then submitted to cabinet as part of its preparation for the Budget 2020/21.

Resources and Services Overview and Scrutiny Committee

Work Programme 2020/2021

SCRUTINY PROPOSALS FOR THE NEXT MUNICIPAL YEAR

Article 6.01 of the Council's Articles and Rule 7 of the Council's Overview and Scrutiny Procedure Rules both require each Overview and Scrutiny Committee to submit a work programme for the year ahead and a review of the previous year's activities to the Annual Meeting of the Council for approval.

The Committee will need to determine its programme for scrutiny in 2020/21; including items covered, the scope of the programmed reviews and whether Portfolio Holders or others are to be invited to present to them. Specific information requirements of Councillors to undertake the programmed reviews should also be identified as should any Councillor development needs.

The following have been identified to this point:

Topics	Detail/Purpose of scrutiny and Comments	Lead Officer
The £1 Princes Theatre Ticket Levy/Transformation Programme for the Town Hall	Refurbishment of the Town Hall/Princes Theatre Toilets in 2020/21 and the funding of future projects through the £1 ticket levy. As identified by this Committee at its meeting on 8 January 2020 (Minute 45 refers)	Corporate Director (Operational Services)
Office Transformation - Progress	Use of the available budget for the project and its deliverables in terms of service improvements and monetarised savings. This will also look at planning for this work and the extent to which it was realistic and oversight of delivery. As identified by this Committee at its meeting on 8 January 2020 (Minute 45 refers)	Head of Property Services
IT Transformation – original plans, progress, and deliverables	Use of the available budget for the project and its deliverables in terms of service improvements and monetarised savings. This will also look	Head of IT and Corporate Resilience

	<p>at planning for this work and the extent to which it was realistic and oversight of delivery.</p> <p>As identified by this Committee at its meeting on 8 January 2020 (Minute 45 refers)</p>	
Clacton cemetery – preparation of the anticipated expansion site for the cemetery and use of that budget.	<p>Progress with the extension (and plans for further extensions) to meet expectations, with the anticipated tender process before March 2020, with commencement of work in summer 2020 and project completion within 2020/2021.</p> <p>As identified by this Committee at its meeting on 8 January 2020 (Minute 45 refers)</p>	Corporate Director (Operational Services)
Fees and Charges Setting – rationale for decisions to increase/not increase	<p>To examine the overriding principles that services need to take into account when setting fees and charges and the extent to which significant reviews take place when exploring and developing commercial ideas such as crematorium expansion / car park improvements.</p> <p>As identified by this Committee at its meeting on 8 January 2020 (Minute 45 refers)</p>	Head of Finance, Revenues and Benefits
Additional Council House delivery	<p>Specifically looking at arrangements for financing the 100 new homes. The delivery of the 10 new homes in Jaywick Sands in 2020 will be reviewed and the Committee will consider the emerging spatial plan for that area and, specifically, the intentions and timings for the next phase of development.</p> <p>As identified by this Committee at its meeting on 8 January 2020 (Minute 45 refers)</p>	Corporate Director (Operational Services)
Disabilities Facilities Grant	<p>Looking at numbers of requests over time, targets for completing assessments of requests, commissioning the works, undertaking of the works and payment for those works.</p> <p>As identified by this Committee at its meeting on 8 January 2020 (Minute 45 refers)</p>	Corporate Director (Operational Services)

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