



## CABINET

**DATE:** Friday, 19 March 2021

**TIME:** 10.30 am

**VENUE:** Meeting to be held pursuant to statutory Instrument 2020/392. Link to live stream will be found at <https://www.tendringdc.gov.uk/livemeetings>

### MEMBERSHIP:

Councillor Stock OBE	- Leader of the Council
Councillor C Guglielmi	- Deputy Leader; Corporate Finance & Governance Portfolio Holder
Councillor P Honeywood	- Housing Portfolio Holder
Councillor McWilliams	- Partnerships Portfolio Holder
Councillor Newton	- Business & Economic Growth Portfolio Holder
Councillor Porter	- Leisure & Tourism Portfolio Holder
Councillor Talbot	- Environment & Public Space Portfolio Holder

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For further details and general enquiries about this meeting, contact Ian Ford Email: [democraticservices@tendringdc.gov.uk](mailto:democraticservices@tendringdc.gov.uk) or Telephone on 01255 686584.

**DATE OF PUBLICATION: WEDNESDAY, 10 MARCH 2021**

## AGENDA

### **1 Apologies for Absence**

The Cabinet is asked to note any apologies for absence received from Members.

### **2 Minutes of the Last Meeting (Pages 1 - 12)**

To confirm as a correct record the minutes of the last meeting of the Cabinet held on Friday 19 February 2021.

### **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 Announcements by the Leader of the Council**

The Cabinet is asked to note any announcements made by the Leader of the Council.

### **5 Announcements by Cabinet Members**

The Cabinet is asked to note any announcements made by Members of the Cabinet.

### **6 Matters Referred to the Cabinet by the Council**

There are none on this occasion.

### **7 Matters Referred to the Cabinet by a Committee - Reference from the Overview & Scrutiny Committees - A.1 - Scrutiny of Priority for Actions 2021/22 and Monitoring the Delivery of those Actions (Pages 13 - 16)**

To enable the Cabinet to consider the recommendations made by the Community Leadership Overview & Scrutiny Committee and the Resources and Services Overview & Scrutiny Committee following those Committees' scrutiny of the Cabinet's proposed key priority actions for 2021/22.

### **8 Matters Referred to the Cabinet by a Committee - Reference from the Overview & Scrutiny Committees and the Audit Committee - A.2 - Scrutiny of NEGC Ltd and Governance of Future Council Controlled Companies (Pages 17 - 20)**

To enable the Cabinet to consider the recommendations made by the Resources and Services Overview & Scrutiny Committee, the Community Leadership Overview & Scrutiny Committee and the Audit Committee following those Committees' scrutiny of NEGC Ltd and the future governance arrangements for any Council controlled companies.

### **9 Leader of the Council's Items - A.3 - Executive Decision(s) taken as a matter of Urgency (Pages 21 - 22)**

To notify Members of recent urgent Executive Decision(s) taken by the Leader of the Council on behalf of the Cabinet.

**10 Leader of the Council's Items - A.4 - Priority Actions for 2021/22 and Monitoring Delivery of those Actions (Pages 23 - 44)**

To receive the outcome of consultation with the two Overview and Scrutiny Committees on provisional key priority actions and performance monitoring arrangements agreed at its meeting on 29 January 2021. Cabinet is then invited to determine its key priority actions for 2021/22 and the means by which performance against the priorities will be monitored and reported on in that year.

**11 Cabinet Members' Items - Report of the Corporate Finance and Governance Portfolio Holder - A.5 - Programme of Meetings: 2021/2022 Municipal Year (Pages 45 - 50)**

To enable Cabinet to give consideration to the programme of meetings for the 2021/2022 Municipal Year.

**12 Cabinet Members' Items - Report of the Partnerships Portfolio Holder - A.6 - Determination of a Nomination to Register an Asset of Community Value: The Never Say Die, 24 Broadway, Jaywick Sands, Clacton-on-Sea CO15 2EH (Pages 51 - 64)**

To determine whether The Never Say Die meets the criteria set out in the Localism Act 2011 and the Assets of Community Value (England) Regulations 2012 following its nomination as an Asset of Community Value by the Jaywick Sands Revival Community Interest Company and Charity Based Society. No other criteria are pertinent.

**13 Cabinet Members' Items - Joint Report of the Corporate Finance & Governance Portfolio Holder and the Housing Portfolio Holder - A.7 - Freehold Purchase of a Residential Property in Clacton-on-Sea (Pages 65 - 68)**

To seek approval from Cabinet to agree, in principle, the freehold purchase of a three-bedroomed residential property in Clacton-on-Sea to meet local housing needs.

**14 Cabinet Members' Items - Joint Report of the Corporate Finance & Governance Portfolio Holder and the Housing Portfolio Holder - A.8 - Houses in Multiple Occupation (HMO) Policy (Pages 69 - 86)**

To recommend a Houses in Multiple Occupation (HMO) Policy for adoption.

**15 Cabinet Members' Items - Report of the Corporate Finance & Governance Portfolio Holder - A.9 - Financial Performance Report: In-Year Performance against the Budget at the end of the Third Quarter 2020/21 & Long Term Financial Forecast Update (Pages 87 - 134)**

To provide an overview of the Council's financial position against the budget as at the end of December 2020 and to present an updated long term forecast.

**16 Management Team Items**

There are none on this occasion.

**17 Exclusion of Press and Public**

The Cabinet is asked to consider passing the following resolution:

“That under Section 100A(4) of the Local Government Act 1972, the press and public be excluded from the meeting during consideration of Agenda Items 18 and 19 on the grounds that they involve the likely disclosure of exempt information as defined in paragraph 3 of Part 1 of Schedule 12A, as amended, of the Act.”

**18 Exempt Minute of the Meeting held on Friday 19 February 2021 (Pages 135 - 138)**

To confirm as a correct record the exempt minute of the meeting of the Cabinet held on Friday 19 February 2021.

**19 Cabinet Members' Items - Joint Report of the Corporate Finance & Governance Portfolio Holder and the Housing Portfolio Holder - B.1 - Terms for the Freehold Purchase of a Residential Property in Clacton-on-Sea (Pages 139 - 162)**

To approve terms for the freehold purchase of a three-bedroomed residential property in Clacton-on-Sea.

## **Date of the Next Scheduled Meeting**

*The next scheduled meeting of the Cabinet is to be held at 10.30 am on Friday, 23 April 2021.*

### **The Local Authorities (Executive Arrangements) (Meetings and Access to Information) (England) Regulations 2012**

## **Notice of Intention to Conduct Business in Private**

Notice is hereby given that, in accordance with Regulation 5 of the Local Authorities (Executive Arrangements) (Meetings and Access to Information) (England) Regulations 2012, Agenda Item Nos. 18 and 19 are likely to be considered in private for the following reason:

The items detailed below will involve the disclosure of exempt information under Paragraph 3 (Information relating to the financial or business affairs of any particular person (including the authority holding that information)) to Schedule 12A, as amended, to the Local Government Act 1972:

Agenda Item 18 - Exempt Minute of the Meeting held on Friday 19 February 2021; and

Agenda Item 19 - Cabinet Members' Items - Joint Report of the Corporate Finance & Governance Portfolio Holder and the Housing Portfolio Holder - B.1 - Terms for the Freehold Purchase of a Residential Property in Clacton-on-Sea

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**MINUTES OF THE MEETING OF THE CABINET,  
HELD ON FRIDAY, 19TH FEBRUARY, 2021 AT 10.30 AM  
MEETING WAS HELD PURSUANT TO STATUTORY INSTRUMENT 2020/392.**

**Present:** Councillors Neil Stock OBE (Leader of the Council)(Chairman), Carlo Guglielmi (Corporate Finance & Governance Portfolio Holder, Paul Honeywood (Housing Portfolio Holder), Lynda McWilliams (Partnerships Portfolio Holder), Mary Newton (Business & Economic Growth Portfolio Holder), Alex Porter (Leisure & Tourism Portfolio Holder) and Michael Talbot (Environment & Public Space Portfolio Holder)

**Group Leaders Present by Invitation:**

Councillors Terry Allen (Leader of the Tendring First Group), Jayne Chapman (Leader of the Independent Group), Ivan Henderson (Leader of the Labour Group) and Councillor Mark Stephenson (Leader of the Tendring Independents Group)

**Also Present:** Councillor Graham Steady (Deputy Leader of the Independent Group)

**In Attendance:** Ian Davidson (Chief Executive), Lisa Hastings (Assistant Director (Governance) & Monitoring Officer), Richard Barrett (Assistant Director (Finance and IT) & Section 151 Officer), Michael Carran (Assistant Director (Economic Growth and Leisure)), Andy White (Assistant Director (Building and Public Realm)), Tim Clarke (Assistant Director (Housing and Environment)), Keith Simmons (Head of Democratic Services and Elections), Ian Ford (Committee Services Manager), Saira Mahboob (Senior Property Lawyer) and Keith Durran (Democratic Services Officer)

**128. APOLOGIES FOR ABSENCE**

There were no apologies for absence submitted on this occasion.

**129. MINUTES OF THE LAST MEETING**

It was **RESOLVED** that the minutes of the meeting of the Cabinet, held on Friday 29 January 2021, be approved as a correct record and be signed by the Chairman.

**130. DECLARATIONS OF INTEREST**

There were no declarations of interest made at this time.

**131. ANNOUNCEMENTS BY THE LEADER OF THE COUNCIL**

Litter and other Detritus on the A120 & A133

The Leader of the Council (Councillor Stock OBE) referred to numerous communications that he had received regarding the appalling and unacceptable amount of litter and detritus that was currently strewn along the A120 and the A133. There was also a concern that some of this rubbish was being deposited by refuse collection vehicles as they transited to the waste collection facility on the A120.

Councillor Stock indicated that he would be writing to the Highways Agency to request that they did something to alleviate this situation.

**132. ANNOUNCEMENTS BY CABINET MEMBERS**

There were no announcements made by Cabinet Members on this occasion.

**133. MATTERS REFERRED TO THE CABINET BY THE COUNCIL**

There were no matters referred to the Cabinet by the Council on this occasion.

**134. MATTERS REFERRED TO THE CABINET BY A COMMITTEE - REFERENCE FROM THE COMMUNITY LEADERSHIP OVERVIEW & SCRUTINY COMMITTEE - A.1 - SCRUTINY OF THE HEALTH PROVISION AND CARE RESPONSE**

Cabinet was aware that, at the meeting of the Community Leadership Overview and Scrutiny Committee held on 13 January 2021 (Minute 84 referred) that Committee had been provided with an overview of the issues around deprivation, health measures and the proposed integrated neighbourhood team for Tendring South. Also included within that overview was the issue was funding for primary care on the Clacton Hospital site and the operation of GP services from Kennedy House. That meeting had also considered the Covid-19 measures to control spread and identify those most at risk and how to protect them and to also consider the role of community groups and volunteers.

After deliberation the Committee had recommended to Cabinet that:-

- *the suggestion from the Chief Operating Officer for the North East Essex Clinical Commissioning Group (CCG) to create a forum across North East Essex that will allow Councillors to communicate the views of their constituents with the GP practice leads directly be supported and the CCG urged to implement this as soon as possible.*
- *the continued hard work of the North East Essex Clinical Commissioning Group and local NHS providers, Dr Gogarty and the Public Health team at Essex County Council as well as this Council's redeployed/redirected staff supporting those in need due to Covid-19 restrictions be recognised.*

The Cabinet had before it the following response thereto which had been submitted by the Portfolio Holder for Partnerships (Councillor McWilliams):-

*"The CCG are keen to create a forum across North East Essex for Councillors to be able to directly communicate the views of their constituents to GP practice leads and I warmly welcome this opportunity which I believe will allow our councillors to raise issues of concern and also understand the issues GPs face. It will also allow us to address together how we can support each other to achieve our shared aims. I am aware that our CCG wanted to progress this but I do understand in the current pandemic situation this has not been able to be delivered yet but look forward to future progress in this area".*

Having considered the recommendations submitted by the Community Leadership Overview & Scrutiny Committee together with the Portfolio Holder for Partnerships response thereto:



It was moved by Councillor McWilliams, seconded by Councillor P B Honeywood and:-

**RESOLVED** that the recommendations of the Community Leadership Overview and Scrutiny Committee be noted and the comments of the Partnerships Portfolio Holder, in response thereto, be endorsed.

**135. MATTERS REFERRED TO THE CABINET BY A COMMITTEE - REFERENCE FROM THE COMMUNITY LEADERSHIP OVERVIEW & SCRUTINY COMMITTEE - A.2 - SCRUTINY OF THE TENDRING MENTAL HEALTH HUB**

Cabinet was aware that, at the meeting of the Community Leadership Overview and Scrutiny Committee held on 30 November 2020, the Committee had been provided with an overview of the Mental Health Hub which had been launched by the Tendring branch of the Citizens' Advice Bureau in 2015 with support from Active Essex, Essex County Council, Essex's Police and Crime Commissioner and Tendring District Council. The hub, located in Clacton, offered an easy single point of entry for referrals from GPs, health professionals, police, and self-referrals. The idea of the hub was to carry out "holistic assessments" of people with mental ill health taking into account all the various factors behind their situation and point them in the right direction for help.

It had been also reported to the Committee that the hub was also staffed mainly by volunteers who had experience of mental ill-health issues, including problems with homelessness, social isolation or income, and helped to give them the confidence to go on to volunteer elsewhere. Volunteers also gained key personal skills, had social contact, and made friends. More than 20% of the volunteers had gone on to mainstream charities, while 12% had gone on to paid employment.

After deliberation the Committee had recommended to Cabinet that:

- *the suggestion from the Chief Officer at Tendring Citizen's Advice Bureau that the Mental Health Hub services/reach could be expanded if premises closer to the Town Centre in Clacton could be found be actively supported.*

The Committee had also formally recorded its support for the hard work carried out by the Citizens Advice Bureau, and its officer, staff and volunteers in delivering the Mental Health Hub in Clacton to address, in part, the challenges of mental health locally.

The Cabinet had before it the following response thereto which had been submitted by the Portfolio Holder for Partnerships:-

*"Thank you for your comments about the hard work of the Tendring Citizen's Advice Bureau. I understand that the Assistant Director, Buildings and Public Realm and Officers in the Regeneration Team have provided advice and guidance to Tendring's Citizen's Advice Bureau regarding alternative premises and sites across Clacton."*

Having considered the recommendation submitted by the Community Leadership Overview & Scrutiny Committee together with the Portfolio Holder for Partnerships response thereto:

It was moved by Councillor McWilliams, seconded by Councillor P B Honeywood and:-

**RESOLVED** that the recommendation of the Community Leadership Overview and Scrutiny Committee be noted and the comments of the Partnerships Portfolio Holder, in response thereto, be endorsed.

**136. MATTERS REFERRED TO THE CABINET BY A COMMITTEE - REFERENCE FROM THE RESOURCES AND SERVICES OVERVIEW & SCRUTINY COMMITTEE - A.3 - SCRUTINY OF HOUSING MATTERS**

Cabinet was aware that, at the meeting of the Resources and Services Overview and Scrutiny Committee held on 1 February 2021, that Committee had been provided with a report in response to the enquiry scope set out in the Committee's Work Programme.

In respect of this item, that Committee heard how the housing acquisition strategy had been adopted by Cabinet in October 2020 which set out a framework around which the council owned housing stock would be increased to achieve a target of 200 additional homes.

Members of the Committee were informed that, when added to the housing stock held within the Council's Housing Revenue Account (HRA), the impacts of right to buy had to be taken into consideration and factored into the financial planning.

The total discount figure was essentially the financial loss to the HRA compared to the market value of the properties sold. Sales had peaked in 2017/18 and had now returned to a lower level. The addition of newer and more desirable properties to the Council's housing stock could have led to an increase in sales.

The current maximum discount was £84,200 or £112,300 if you lived in London.

Houses: Discounts started at 35% when you have been a public sector tenant for three years and the discount remained at 35% until five years spent as a public sector tenant. After year five, the discount went up by 1% for every year up until a maximum of 70% or £84,200 across England (excluding London) whichever was the lower.

Flats: Discounts started at 50% for three years as a public sector tenant and remained at 50% until five years spent as a public tenant. After year five, the discount went up by 2% for every year until a maximum of 70% or £84,200

Cost floor rule: Discounts could be reduced by the 'cost floor' rule. That may apply if the property had recently been purchased or built by a landlord or they had spent money on repairing or maintaining it. Discount could be reduced to nil if the cost floor was more than the value.

It was reported to the Committee that the cost floor period for council properties was either a 10 year period prior to receipt of the RTB application form or 15 years if the home was built or acquired by the Council after 2 April 2012.

That meant that a house bought through right to buy after year 15 could subject the HRA to a loss of over £80k.

Extending the cost floor to 30 years would alleviate that risk and put the Council onto a much lower risk position. Officers had discussed that with civil servants however it required a change of Government policy and legislation so at this time all decisions

around acquisitions and development had to be taken on the basis of the current 15 year cost floor.

The Committee welcomed the Portfolio for Housing and the Assistant Director for Housing and the Environment to the meeting and they were asked questions including on:

- The use of the 21 years lower limit for acquisitions of properties within the Housing Acquisitions Policy.
- The demand for, and supply of, affordable housing referenced in the Housing Acquisitions Policy.
- The level of Council housing that was unoccupied (“voids”) and the time between those properties being tenanted.
- The recently outsourced contract to prepare properties vacated by one tenant ready for the property to be tenanted again.
- The extent to which those on the housing waiting list were likely to be offered housing.
- The small housebuilding project that the Council was a pilot in.
- The accounting for housing acquisitions and improvements to transparency in the HRA around this.
- The use of section 106 Planning monies/gifted properties to acquire Council Housing.

During the consideration of this report the Committee had made the following recommendations to Cabinet:-

- *the quarterly Housing Revenue Account monitoring report (and the Out-turn HRA report) should include specific detail on the spend and funding for housing acquisitions to that point in the year and comparable data from previous years.*
- *the Small Housebuilding Scheme Pilot the Council was participating in continue to be given the full support of the Council as a tangible measure to getting local construction firms back working at capacity and helping to provide good quality homes for local people.*
- *representations be made, or continue to be made, to Government to adjust the Cost Floor Period for new Council Housing from 15 years to 30 years and thereby mitigate the risks to Council Housing supply from the “Right to Buy” and consequently positively contribute to the (re-) provision of Council Housing as an element of a vibrant mixed economy in housing.*

The Cabinet had before it the following response thereto which had been submitted by the Portfolio Holder for Housing:-

*“It is great to have the Committee’s support for our SME builder project, something that I am optimistic will enable us to deliver some new council homes – contributing to our 200 home target - whilst at the same time supporting local firms. There is also a strong alignment to the Council’s Back to Business initiative.*

*Quarterly reporting on our spending on housing acquisitions is something that I support and I am told this can be incorporated into the existing reporting process relatively easily.*

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*The Right to Buy does present a risk to any house building or acquisition programme. With careful budgeting the risk can be minimised but an extension of the cost floor to 30 years would prove to be enormously helpful. I therefore welcome the support for making further representations to Government in that respect.”*

Having considered the recommendations submitted by the Resources and Services Overview & Scrutiny Committee together with the Portfolio Holder for Housing's response thereto:

It was moved by Councillor P B Honeywood, seconded by Councillor G V Guglielmi and:-

**RESOLVED** that the recommendations of the Resources and Services Overview and Scrutiny Committee be noted and the comments of the Housing Portfolio Holder, in response thereto, be endorsed.

**137. LEADER OF THE COUNCIL'S ITEMS - A.4 - BACK TO BUSINESS DELIVERY PLAN**

The Cabinet gave consideration to a report of the Leader of the Council (A.4) which requested it to adopt a Delivery Plan for their Back to Business agenda, to support the District's recovery from the ongoing Covid-19 pandemic.

Cabinet was informed that to date the Council had processed vital grants to the value of around £38m to support the local economy, since the start of the Covid-19 pandemic. Building on a period of unprecedented engagement with local business, focus had now turned to supporting them to flourish through a range of measures targeted at fuelling the wider economic recovery.

Cabinet recalled that it had adopted the 'Back to Business' agenda at its meeting held on 13 November 2021, which set out how the Council would work across its range of services and portfolios to support the local economy, Tending businesses and residents in recovering from the Covid-19 pandemic.

Members were reminded that Cabinet had allocated £862,000 to the Back to Business agenda, in order to fund an action plan in support of this process, which was apportioned to the various projects listed in the delivery plan (Appendix A to the Leader's report).

It was reported that the Back to Business agenda not only targeted interventions to support Tending businesses and our local economy, it also set out a number of measures targeted at improvements to the environment/quality of life and support for residents in recovering from the challenges of the pandemic. The three areas of focus were as follows:

*“STRIVE (support for our businesses)*

*Throughout the pandemic the Council has been working hard preparing for how we can support our economy through the challenges it undoubtedly faces. We have updated our economic development strategy and are concentrating resources to support the local recovery, whilst recognising it is Tending's businesses that will deliver economic growth;*

THRIVE (support for our residents)

*Many residents of all ages have been adversely affected by the impact of the Covid-19 pandemic, whether through being furloughed, feeling isolated while shielding or being home-schooled during lockdown. We are looking at measures to support our residents through these difficult times, towards a positive future;*

LIVE (pride in our District)

*Alongside economic recovery, we will continue to focus on the importance of pride in where we live, celebrating our culture and heritage and improving quality of life. There has never been a more appropriate time to focus on all the things that make Tendring special."*

Cabinet was advised that due to the many uncertainties which remained after almost a year of national restrictions, a balance of the overall budget had been held in reserve and would be utilised for the Back to Business agenda as and when appropriate. To date £1.95m of external funding had been levered in to support the Back to Business approach. Further opportunities were actively being developed to increase monies levered in to support the District's recovery.

Having considered the contents of the report and its appendix:

It was moved by Councillor Stock OBE, moved by Councillor G V Guglielmi and:-

**RESOLVED** that –

- a) the content of the Council's 'Back to Business' delivery plan be approved;
- b) where noted on the delivery plan, the approval of Project Initiation Documents (PID) be delegated to the appropriate Portfolio Holder; and
- c) if virements are required to realign the budget between projects, as set out in Appendix A to the Report of the Leader of the Council, authority for such virements be delegated to the Portfolio Holder for Corporate Finance & Governance, in consultation with the appropriate Portfolio Holder.

**138. CABINET MEMBERS' ITEMS - REPORT OF THE CORPORATE FINANCE AND GOVERNANCE PORTFOLIO HOLDER - A.5 - REVIEW OF THE COUNCIL'S CONSTITUTION**

The Cabinet gave consideration to a detailed report of the Corporate Finance & Governance Portfolio Holder (A.5) which sought its approval for the recommended changes to the Constitution for referral onto Full Council following a review undertaken by the Portfolio Holder for Corporate Finance and Governance through a Working Party constituted for this purpose.

It was reported that the main proposals covered a number of miscellaneous amendments to the Council Procedure Rules, Article 10 of the Constitution and the Property Dealing Procedure in order to ensure the Council's Constitution remained effective, efficient and consistent at an operational level. The key changes to each of those documents were highlighted within the body of the Portfolio Holder's report.

A summary of the proposed changes compared to the existing Parts of the Constitution was provided under each heading in the Current Position section of the report and in each case, the content had been revised to provide greater clarity, ensure effectiveness and efficient up to date working practices for both Members and Officers and also to ensure it was in accordance with legislation, where necessary.

Having considered the contents of the report and its appendices:-

It was moved by Councillor G V Guglielmi, seconded by Councillor McWilliams and:-

**RESOLVED** that Cabinet –

1. RECOMMENDS TO COUNCIL:

- (a) that the Council's Constitution be amended to reflect the proposed changes as set out in the Portfolio Holder's report and the appendices attached hereto;
- (b) that the previously approved provisions (i) and (ii), as set out below, should be discontinued:-
  - (i) *Members who were following the proceedings of a meeting via the public 'live stream' should inform Officers that they were doing so via an email to democratic services or to the contact Officer listed on the agenda for that meeting and that they should send a second email when they have ceased to follow the proceedings; and*
  - (ii) *in order for that attendance referred to in (i) above to 'count' such attendance must be for a minimum period of time e.g. 30 minutes.*
- (c) that all changes come into effect on 28<sup>th</sup> April 2021 i.e. the day after the Annual Meeting of the Council.

2. RESOLVES that:

- (a) the Standards Committee be requested to examine whether a change to the Members' Code of Conduct is required in relation to Members' Declarations of Interest in virtual meetings and that, in the meantime, the Monitoring Officer be requested to issue a guidance note to Members to re-iterate that Members should adhere to Paragraph 9 of the Code and should withdraw from the meeting connection/link at the appropriate juncture; and
- (b) the views and wishes expressed by the Review of the Constitution Portfolio Holder Working Party in relation to Members' training and development be endorsed and that the Head of Democratic Services & Elections be requested to take all necessary action to implement those wishes as soon as possible.

**139. CABINET MEMBERS' ITEMS - JOINT REPORT OF THE CORPORATE FINANCE & GOVERNANCE PORTFOLIO HOLDER AND THE HOUSING PORTFOLIO HOLDER - A.6 - FREEHOLD PURCHASE OF TWO BUNGALOWS IN CLACTON-ON-SEA**

The Cabinet gave consideration to a joint report of the Housing Portfolio Holder and the Corporate Finance & Governance Portfolio Holder (A.6) which sought its approval in

principle, for the freehold purchase of two two-bedroomed residential properties in Clacton from a developer in order to bring them into the Council's housing stock.

Members were aware that the Council had a target to bring 200 additional homes into the council housing stock in order to meet rising demands for high quality, affordable housing in the District. Those homes would be acquired or built via a range of approaches.

It was reported that a development of new housing in Clacton had presented the Council with an opportunity to purchase two brand new bungalows directly from the developer. The homes were designated as affordable homes, a requirement of the planning consent granted for the development, and as such were available to Council with a discount on the market value.

It was felt that this was an exciting opportunity to add two new homes to the council housing stock in order to meet the needs of two families currently on the Housing Register.

Cabinet was advised that these properties met the criteria set out in the Council's Housing Acquisitions and Development Strategy that had been approved in late 2020.

The terms of the purchase were set out in the related Part B report that was to be considered later in the meeting.

Having considered all of the information and advice contained in the Portfolio Holders' joint report:-

It was moved by Councillor P B Honeywood, seconded by Councillor G V Guglielmi and:-

**RESOLVED** that Cabinet –

- (a) authorises, in principle, the freehold purchase of the two properties for inclusion into the Council's housing stock; and
- (b) authorises, in principle, the Corporate Director (Operations and Delivery) to enter into a contract and transfer deed to complete the purchase of the properties (including the completion of all necessary statutory agreements prior to the completion of the purchase), subject to the Cabinet's decision to be taken later in the meeting (following the exclusion of the press and public) in respect of the related Part B report.

**140. CABINET MEMBERS' ITEMS - JOINT REPORT OF THE CORPORATE FINANCE & GOVERNANCE PORTFOLIO HOLDER AND THE HOUSING PORTFOLIO HOLDER - A.7 - MOTION BY COUNCILLOR PLACEY - PROPOSED DEVELOPMENT OF SURPLUS SITES FOR HOUSING OR DISPOSAL**

The Cabinet gave consideration to a joint report of the Corporate Finance & Governance Portfolio Holder and the Housing Portfolio Holder (A.7) which provided it with additional information prepared in relation to the motion put forward by Councillor Placey to Full Council on 24 November 2020 and to enable it to make a recommendation to the Full Council meeting on 16 March 2021.

Cabinet recalled that, at its meeting held on 18 December 2020 (Minute 97 referred), it had considered the motion put forward by Councillor Placey to the meeting of the Full Council held on 24 November 2020 and which had then been referred to the Cabinet for its consideration. Council Placey's motion had stated that three potential sites for disposal (complete with planning permission) namely those at Crome Road, Clacton-on-Sea; Dover Road, Brightlingsea; and at Hilton Close Manningtree should be considered suitable for Council housing development in line with the Council's adopted Housing Strategy.

At that meeting Cabinet had resolved to thank Councillor Placey for her input; had noted a number of factors around disposals of pieces of land; and had requested a further report to this meeting with a view to presenting the outcome of Cabinet's deliberations on this matter to the meeting of the Full Council on 16 March 2021.

Having duly considered the further information and advice contained in the Portfolio Holders' joint report:-

It was moved by Councillor G V Guglielmi, seconded by Councillor P B Honeywood and:-

**RESOLVED** that Cabinet –

- (a) again thanks Councillor Placey for her motion and, whilst welcoming its spirit proposes an amended motion to better achieve the desired outcomes;
- (b) notes and supports the ongoing work by Officers in relation to identifying potential sites for development or disposal; identifying potential purchases of dwellings on the market; and establishing processes and resources for the construction of new Council Housing;
- (c) instruct Officers to continue to investigate potential sites and acquisitions, wherever they may be located within the District, reporting to the Cabinet and Portfolio Holders in their exercise of executive functions and Scheme of Delegation;
- (d) determines that each report and decision should have regard to the adopted Housing Strategy and:
  - a. addressing housing need in the District and area concerned;
  - b. potential receipts to fund housing construction, acquisition or other Council priorities; and
  - c. the specific characteristics of the site and area under consideration including (but not limited to) the current use and contribution to Council Priorities, costs of operation, the proximity of other services and uses, the economic viability of development, and whether a transfer to another organisation in current form would better promote the Council's priorities.

**RECOMMENDS TO COUNCIL** that the following amended motion be adopted by Full Council, in accordance with the provisions of Council Procedure Rule 12.5:-

*“That the Council:*



- 
- i) *notes and supports the ongoing work by Officers in relation to identification of potential sites for development or disposal, identifying potential purchases of dwellings on the market and establishing processes and resources for the construction of new Council Housing; and*
  - ii) *notes the instruction from Cabinet to Officers to continue to investigate all potential sites and acquisitions, wherever they may be located within the District, reporting to the Cabinet and Portfolio Holders in accordance with their Executive functions and Scheme of Delegation including the various criteria outlined in the Cabinet's decision taken on 19 February 2021 including reference to housing, financial and other priorities and the specific characteristics of the sites and area under consideration and the identified needs of those areas."*

**141. MANAGEMENT TEAM ITEMS**

There were none on this occasion.

**142. EXCLUSION OF PRESS AND PUBLIC**

It was moved by Councillor Stock OBE, seconded by Councillor G V Guglielmi and:-

**RESOLVED** that, under Section 100A(4) of the Local Government Act 1972, the press and public be excluded from the meeting during consideration of Agenda Item 16 on the grounds that it involves the likely disclosure of exempt information as defined in paragraph 3 of Part 1 of Schedule 12A, as amended, of the Act.

**143. CABINET MEMBERS' ITEMS - JOINT REPORT OF THE CORPORATE FINANCE & GOVERNANCE PORTFOLIO HOLDER AND THE HOUSING PORTFOLIO HOLDER - B.1 - TERMS FOR THE FREEHOLD PURCHASE OF TWO BUNGALOWS IN CLACTON-ON-SEA**

It was moved by Councillor Stock OBE, seconded by Councillor G V Guglielmi and:-

**RESOLVED** that Cabinet –

- (a) approves acceptance of the transfer of the two bungalows to the Council as Affordable Housing Dwellings at the agreed purchase;
- (b) approves the use of one-for-one capital receipts and Section 106 affordable housing contributions to meet the total purchase price; and
- (c) authorises the Corporate Director (Operations and Delivery) to enter into a contract and transfer deed to complete the purchase of the properties on the agreed terms and subject to such other terms that he considers necessary.

The Meeting was declared closed at 11.18 am

**Chairman**

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## CABINET

19 MARCH 2021

### REFERENCE REPORT FROM THE COMMUNITY LEADERSHIP AND RESOURCE AND SERVICES OVERVIEW & SCRUTINY COMMITTEES

#### A.1 SCRUTINY OF PRIORITY FOR ACTIONS 2021/22 AND MONITORING DELIVERY OF THOSE ACTIONS

(Report prepared by Keith Durran)

##### **BACKGROUND**

The Community Leadership Overview & Scrutiny Committee, at its meeting held on 8 February 2021 heard how the Council had previously approved a Corporate Plan for 2020/24 and that it had established Council's strategic direction for those four years. That strategic direction itself sought to reflect the issues that mattered most to local people, the national requirements from Government and the challenges that faced the District over that time period. The Corporate Plan had been adopted unanimously at the Council meeting held on 21 January 2020 (Minute 78 referred).

The themes of the 2020/24 Corporate Plan were:

- Delivering High Quality Services
- Building Sustainable Communities for the Future
- Strong Finance and Governance
- Community Leadership through Partnerships
- A Growing and Inclusive Economy

Members were informed that Cabinet established each year its priority actions to deliver against the Corporate Plan and thereby ensured that the ambition of that Plan remained central to its work. The priority actions did not cover every separate element of the ambition of the four year Corporate Plan; nor were they intended to indicate that other projects, schemes or activities were not being pursued. They were though intended to reflect imperatives across the Council and for the District and actions that it was right to focus on in that year.

Members also heard that 2020 had been an exceptional year not only nationally but globally. The Council's Community Leadership role had never been more important. The Council had taken on additional responsibilities and supported its residents and businesses through the COVID-19 pandemic. Whilst Tendring District Council had not formally reported on its performance against its priorities during 2020, much had been achieved including but not limited to:

- The roll out of numerous grants in excess of £38million to businesses
- The adoption of a local Back to Business Agenda which not only supported businesses to survive but prepared to help them flourish.
- An Economic Growth Strategy focused on recovery for the future.
- Allocation of monies from the Tendring Community Fund to Ward Councillors that provided grants to local organisations that enabled them to respond to the pandemic locally.
- Business continuity arrangements had immediately been invoked to ensure Council services remained in place where they were able to do so and for

those services impacted by the various lockdowns, staff were redeployed to work with different teams in response to the pandemic, such as the Community Hub.

- Adoption of a Climate Change Action Plan to meet the Council's aspirations towards the Climate Emergency.
- Section 1 of the Local Plan had been found sound by the Planning Inspectorate thereby establishing the 5 year housing supply of 550 dwellings per annum, a North Essex vision and the Garden Community at Tendring Colchester Borders
- A balanced budget and revised governance arrangements had ensured democratic decision making continued throughout.
- Council had adopted a Corporate Housing Strategy in order to deliver homes to meet the needs of local people, making the best use of, and improving, existing housing and supporting people in their homes and communities. Separate strategies and policies had been introduced to assist in reducing homelessness and rough sleeping in the District, providing financial assistance policies for private sector housing and acquiring land and buildings to increase council housing stock.

All of those had provided a strong foundation on which the Council would continue to deliver its priorities during the remaining years of the Corporate Plan. The 2021/22 actions would, of themselves, underpin further actions in 2022/23. As such, it was appropriate to invest time and energy to delivering them.

A provisional list had been prepared following consultation with individual Portfolio Holders and the Leader of the Council and that was set out at Appendix A to the report before the Committee.

#### **COMMUNITY AND LEADERSHIP OVERVIEW AND SCRUTINY COMMITTEE'S RECOMMENDATION(S) TO CABINET**

During the consideration of this matter it was **RECOMMENDED** to **CABINET** that:

- Any specific schemes that Members wish to be considered be submitted to the appropriate Portfolio Holder for an initial evaluation and then submitted to Cabinet for its formal decision.
- Cabinet re-examines its position with the view to establishing a wider focus in relation to the expenditure of monies.

#### **RESOURCES AND SERVICES OVERVIEW & SCRUTINY COMMITTEE'S RECOMMENDATIONS TO CABINET**

The Resource and Services Overview & Scrutiny Committee, at its meeting held on 1 February 2021 heard the same report and **RESOLVED** that the Committee notes and fully endorses this report and thanks the Cabinet for bringing forth this piece of work.

#### **LEADER OF THE COUNCIL'S COMMENT(S) AND RECOMMENDATION(S) TO CABINET**

##### **Leader of the Council's Comment(s)**

The comments of the Leader are as follows:-

*“I welcome the fact that Council’s Overview and Scrutiny Committees have been able to contribute to the discussion on the key priority actions for 2021/22. This matter is addressed in the report later in the agenda and the views of the Overview and Scrutiny Committees will be taken into account at that point in the meeting.”*

**Recommendation(s) to Cabinet**

That the Overview and Scrutiny Committees be thanked for the views submitted and the comments of the Leader of the Council be endorsed.

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## CABINET

19 MARCH 2021

### REFERENCE REPORT FROM THE OVERVIEW & SCRUTINY COMMITTEES AND THE AUDIT COMMITTEE

#### A.2 SCRUTINY OF NEGC LTD AND GOVERNANCE OF FUTURE COUNCIL CONTROLLED COMPANIES

(Report prepared by Keith Durran and Ian Ford)

##### **BACKGROUND**

At the meeting of the Resources and Services Overview and Scrutiny Committee held on 16 November 2020 (Minute 99 refers) the Committee was provided with an overview of NEGC Ltd and Governance of Future Council Controlled Companies.

The Committee heard that the Joint Scrutiny Panel had looked at the various responsibilities of the Council as community leader, shareholder of NEGC Ltd and having a Director of the Board of that Company. The inherent conflicts and the management of those conflict points were also mentioned.

The absolute importance of Part 1 of the Local Plan in the critical path for Garden Communities and NEGC Ltd (and any future delivery vehicle for the Communities) was referenced at the meetings. NEGC Ltd had been commissioned by the partner Councils (Braintree, Colchester, Essex and Tendring) to undertake work for those partner Councils as part of the work of those Councils to secure approval of Part 1 of their Local Plans.

While the process of adoption of the Local Plan was underway, the NEGC Ltd had developed interim business plans only. The Interim Business Plans for NEGC Ltd from 2018/19 and 2019/20 had been submitted to the Panel for consideration.

It was reported to the Committee that the work of the Council's Monitoring Officer and Section 151 Officer with their colleagues in the other partner Councils in respect of protecting the interests of this Council in relation to NEGC Ltd and the governance arrangements were reflected on several times.

The Panel had also looked briefly at possible future delivery vehicles for the Garden Communities.

Members were informed that across all meetings of the Joint Scrutiny Panel there was reference to best practice models for governance arrangements for Council controlled companies such as NEGC Ltd. In part that discussion was about what might be appropriate for the future development of governance around NEGC Ltd, but, also around future companies that the Council may have established or participated in where the Company was a Council controlled company.

At the Joint Scrutiny Panel's last meeting, it noted the decision of the North Essex Garden Communities Ltd Board on 6th July 2020 to take all the necessary steps to wind up its three Local Delivery Vehicles. The three Councils concerned had also all approved that NEGC Ltd itself cease trading on 31 August 2020 and that the necessary winding up procedures for it be undertaken, subject to the Leader of the Council, in consultation with the Section

151 Officer and the Monitoring Officer, being satisfied around the final accounting processes.

The Committee was informed that the Panel had been advised that NEGC Ltd had been solvent and, that after settling any outstanding liabilities, the remaining assets of the company would be apportioned to the shareholders.

On the basis that the NEGC Ltd was being wound up the Joint Scrutiny Panel had concluded its work based on the approved scope and terms of reference for the Panel.

## **RESOURCES AND SERVICES OVERVIEW & SCRUTINY COMMITTEE'S RECOMMENDATIONS TO CABINET**

During the consideration of this report the Resources and Services Overview & Scrutiny Committee made the following:-

### **RECOMMENDATIONS TO CABINET:**

- (1) To note that the winding up of NEGC Ltd meant that the rationale for establishing the Joint Scrutiny Panel, and the approved scope of the Panel, had also ended and that this Committee and the Community Leadership Overview and Scrutiny Committee would formally note that the Panel was being dissolved.
- (2) That this Committee having received the following recommendations from the Joint Scrutiny Panel and submits (a), (b) and (d) below to the Cabinet for its consideration:
  - (a) To record and applaud the hard work of officers in respect of the development of the Tendring-Colchester Borders Garden Community that resulted in the proposals for the Garden Community being accepted by the Local Plan Inspector in his enquiry into the draft Local Plan.
  - (b) To note that there is important work being undertaken on various work streams to secure an exemplar development through the Tendring-Colchester Borders Garden Community.
  - (c) To establish a further Joint Scrutiny Panel at an appropriate time in the future to monitor, examine and review arrangements for delivery of the Tendring-Colchester Borders Garden Community (and particularly the commitments and financial expose of the Council to any external body established by the Council to lead on the development of that Garden Community).
  - (d) **To endorse the principle that where the Council establishes a company limited by shares (on its own or with other bodies) that it also establishes a Shareholder Group (either solely or with the other public bodies where the company established jointly) and that, the terms of reference similar to those set out at Appendix A to this report should form the terms of reference for that Shareholder Group, adjusted as necessary to the particular circumstances, business of the Company and consideration of such matters as:**
    - (i) How any co-opted members are used and how they are defined in the terms of reference;



- (ii) The Chairman of the relevant overview and scrutiny committee **and the Chairman of the Audit Committee being appointed to the Shareholder Group as non-voting members**; and
- (iii) Ensuring that any “invitations to attend” issued to councillors or officers etc. must be provided to such persons at least five working days in advance of the meeting.

#### **AUDIT COMMITTEE’S RECOMMENDATIONS TO CABINET**

The Audit Committee, at its meeting held on 25 February 2021, considered the above recommendations of the Resources and Services Overview & Scrutiny Committee insofar as they related to the Audit Committee (i.e. those paragraphs highlighted in bold above).

Having expressed its concern and determination that the independence of the Audit Committee should be maintained the Committee:-

**“RESOLVED** that the Audit Committee -

- (a) *notes the contents of the report and the suggestion from the Resources and Services Overview and Scrutiny Committee that, in principle, a Shareholder Group should be formed where the Council establishes a company;*
- (b) *whilst supporting the principle of the Shareholder Group, does not agree, that the terms of reference of that Group should be established at this stage; and therefore*
- (c) *recommends to Cabinet that further work be undertaken by a small group made up of representatives from Cabinet, the Chairmen of the two Overview and Scrutiny Committees and the Chairman of the Audit Committee, together with the Monitoring Officer and the Section 151 Officer to look into the concerns raised in a joined up approach prior to further recommendations being submitted to the Cabinet.”*

#### **COMMUNITY LEADERSHIP OVERVIEW & SCRUTINY COMMITTEE’S RECOMMENDATIONS TO CABINET**

The Community Leadership Overview & Scrutiny Committee, at its meeting held on 1 March 2021, also considered the final report of the Joint Scrutiny Panel and the above recommendations of the Resources and Services Overview & Scrutiny Committee and it was:-

**RESOLVED -**

1. Notes that the Joint Scrutiny Panel has been dissolved following the decision for NEGC Ltd to cease trading (and for it to be wound up) as the rationale for establishing the Panel (and the approved scope of the Panel), has ended and that Cabinet be requested to note the same.
2. Notes the following recommendations from the Joint Scrutiny Panel and formally submits (a), (b), (d) and (e) below to the Cabinet for its consideration:
  - (a) To record and applaud the hard work of officers in respect of the development of the Tendring-Colchester Borders Garden Community that resulted in the

proposals for the Garden Community being accepted by the Local Plan Inspector in his enquiry into the draft Local Plan.

- (b) To note that there is important work being undertaken on various work streams to secure an exemplar development through the Tendring-Colchester Borders Garden Community.
- (c) To establish a further Joint Scrutiny Panel at an appropriate time in the future to monitor, examine and review arrangements for delivery of the Tendring-Colchester Borders Garden Community (and particularly the commitments and financial expose of the Council to any external body established by the Council to lead on the development of that Garden Community).
- (d) To endorse the principle that where the Council establishes/joins a company limited by shares (on its own or with other bodies) that it also establishes a Shareholder Group (either solely or with the other public bodies where the company established jointly) **and that a recommendation be submitted to Council to include this in the Constitution for when the Council does establish/join such a company.**
- (e) That the broad approach to the terms of reference of any such Shareholder Group, as submitted to the Joint Scrutiny Panel based on the good practice identified by Lawyers in Local Government, be referred to a small group made up of representatives from Cabinet, the Chairmen of the two Overview and Scrutiny Committees and the Chairman of the Audit Committee, together with the Monitoring Officer and the Section 151 Officer prior to further a further recommendation being submitted to the Cabinet.

## **PORTFOLIO HOLDER'S COMMENTS AND RECOMMENDATIONS TO CABINET**

### **Portfolio Holder Comments**

*"I thank the Overview and Scrutiny Committees and Audit Committee for their review of governance arrangements for local authority companies. A small group being set up, with those representatives identified in the recommendations, is a sensible approach to undertake a joined up consideration of the detail and implications, before any potential Shareholder Group terms of reference are proposed. Any consequential changes to the Constitution can be included through the annual review led by the Portfolio Holder for Corporate Finance and Governance, together with the Monitoring Officer, with the necessary reports following."*

### **Recommendations to Cabinet**

That the recommendations of the Overview and Scrutiny Committees and the Audit Committee be noted and the comments of the Corporate Finance & Governance Portfolio Holder, in response thereto, be endorsed.

<b>Key Decision Required:</b>	<b>NO</b>	<b>In the Forward Plan:</b>	<b>NO</b>
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## CABINET

19 MARCH 2021

### REPORT OF THE LEADER OF THE COUNCIL

#### A.3 **EXECUTIVE DECISION(S) TAKEN AS A MATTER OF URGENCY** (Report prepared by Ian Ford, Committee Services Manager)

#### **PART 1 – KEY INFORMATION**

##### **PURPOSE OF THE REPORT**

To notify Members of recent urgent Executive Decision(s) taken by the Leader of the Council on behalf of the Cabinet.

##### **EXECUTIVE SUMMARY**

In accordance with the procedures contained in the Note on Decision Making Business Continuity Arrangements issued by the Monitoring Officer (Lisa Hastings) on Friday 20 March 2020, this report formally notifies Members of recent urgent Executive Decision(s) taken by the Leader of the Council on behalf of the Cabinet.

##### **RECOMMENDATIONS**

- (a) That the contents of the report be noted; and**
- (b) That the urgent decision(s) taken by the Leader of the Council, on behalf of the Cabinet, as detailed in this report, be formally endorsed.**

#### **PART 2 – SUPPORTING INFORMATION**

##### **BACKGROUND**

As part of the Council’s response to the COVID-19 public health emergency the Council’s Monitoring Officer produced a formal “Note on Decision Making Business Continuity Arrangements” which set out the ways in which the normal operational business could continue in relation to decisions which would normally be referred to Cabinet, Council or Committees.

In relation to Cabinet decisions the Monitoring Officer’s formal Note included, inter alia, the following information and advice:-

*“The Constitution requires certain matters to be decided by Cabinet collectively. The Leader of the Council may exercise any of the powers delegated to the Cabinet:*

- a. Following a resolution of the Cabinet (subject to the Constitution), or*
- b. In cases of urgency, in consultation with the Monitoring Officer and/or Section 151*

Officer.

*In cases of urgency the decision of the Leader of the Council will be recorded and published in accordance with the Constitution. The Leader of the Council will also be required to make a public statement at the next formal meeting of the Cabinet which will explain why they had taken the decision as a matter of urgency.*

*Therefore, following consultation with the Leader of the Council, it is recommended that to enable formal decisions to be made on behalf of Cabinet the following procedure should be adopted:*

- *a formal decision will be published recording the matters taken into account;*
- *at the first formal meeting of Cabinet a report of the decisions taken by the Leader under urgency powers will be produced; and*
- *if it was necessary for a key decision to be made under urgency provisions this must be reported to Full Council (in accordance with the Access to Information Procedure Rules 15 & 16.2).*

*Whilst it is anticipated that decisions taken during urgency provisions would be limited or uncontroversial in nature, it must be highlighted that the ability of Members to undertake the statutory overview and scrutiny function is not removed.”*

The Monitoring Officer considered that, in responding to COVID-19, the Council was in exceptional times which therefore satisfied the grounds of urgency.

In making the decision(s) in question the Leader of the Council exercised his delegated power as set out in the Council's Constitution in Part 3, Schedule 3 (Responsibility for Executive Functions) - Section 3 (General Principles Regarding Decision Making by the Cabinet) – Principle 4b [Part 3.28].

#### **DECISION(S) TAKEN AS A MATTER OF URGENCY**

**Extension of the Additional Restrictions Support Grant Scheme** [Published 25 February 2021]

**Decision:** To extend the current Additional Restrictions Business Grant Scheme to 31 March 2021 (from 15 February 2021) to ensure it remains in line with the Government's Mandatory 'National Restrictions' Schemes

#### **BACKGROUND PAPERS**

Note on Decision Making Business Continuity Arrangements issued by the Monitoring Officer (Lisa Hastings) on Friday 20 March 2020.

Executive Decision(s) taken by the Leader of the Council published on 25 February 2021.

#### **APPENDICES**

None.

<b>Key Decision Required:</b>	<b>NO</b>	<b>In the Forward Plan:</b>	<b>NO</b>
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## CABINET

**19 MARCH 2021**

### REPORT OF THE LEADER OF THE COUNCIL

#### **A.4 PRIORITY ACTIONS FOR 2021/22 AND MONITORING DELIVERY OF THOSE ACTIONS**

(Report prepared by Keith Simmons and Lisa Hastings)

#### **PART 1 – KEY INFORMATION**

##### **PURPOSE OF THE REPORT**

To receive the outcome of consultation with the two Overview and Scrutiny Committees on provisional key priority actions and performance monitoring arrangements agreed at its meeting on 29 January 2021. Cabinet is then invited to determine its key priority actions for 2021/22 and the means by which performance against the priorities will be monitored and reported on in that year.

##### **EXECUTIVE SUMMARY**

The Council approved a Corporate Plan for 2020/24 and this established its strategic direction for those four years. That strategic direction itself seeks to reflect the issues that matter most to the local people, the national requirements from Government and the challenges that face the District over that time period. The Corporate Plan was adopted unanimously at the Council meeting on 21 January 2020 (Minute 78 refers).

The themes of the 2020/24 Corporate Plan are:

- Delivering High Quality Services
- Building Sustainable Communities for the Future
- Strong Finance and Governance
- Community Leadership through Partnerships
- A Growing and Inclusive Economy

The Corporate Plan shapes and directs the Council's work and an extensive range of actions will be undertaken across the 2020-24 life of the Plan to deliver against its themes and priorities.

Each year, Cabinet establishes its priority actions to deliver against specific elements of the Corporate Plan and thereby ensure that the ambition of that Plan is central to its work. Each year those priority actions will obviously change as we move through cycles of planning, delivery and evaluation across the life of the Corporate Plan. As such, the priority actions for 2021/22 do not cover every separate element of the ambition of the four year Corporate Plan; nor are they intended to indicate that other projects, schemes or activities are not being pursued. They are though intended to reflect imperatives across the Council and for the District and actions that it is right to focus on in this year.

2020 was an exceptional year not only nationally but globally. In Tending our Community Leadership role has never been more important. Working with our Councillors we took on additional responsibilities in supporting our residents and businesses through the COVID-

19 pandemic. While Tendring District Council did not formally report on its performance against priorities during 2020, much was achieved including but not limited to:

- The roll out of numerous grants in excess of £38million to businesses
- The adoption of a local Back to Business Agenda which not only supports businesses to survive but preparing to help them flourish.
- An Economic Growth Strategy focusing on recovery for the future.
- Allocation of monies from the Tendring Community Fund to Ward Councillors to provide grants to local organisations to enable them to respond to the pandemic locally.
- Business continuity arrangements immediately being invoked to ensure Council services remained in place where they were able to do so and for those services impacted by the various lockdowns, staff were redeployed to work with different teams in response to the pandemic, such as the Community Hub.
- Adoption of a Climate Change Action Plan to meet the Council's aspirations towards the Climate Emergency.
- Section 1 of the Local Plan was found sound by the Planning Inspectorate establishing the 5 year housing supply of 550 dwellings per annum, a North Essex vision and the Garden Community at Tendring Colchester Borders
- A balanced budget and revised governance arrangements to ensure democratic decision making continued throughout.
- Getting ready to build or acquire new council homes. We adopted a Corporate Housing Strategy to deliver homes to meet the needs of local people, making the best use of and improving existing housing and supporting people in their homes and communities. Separate strategies and polices were introduced to assist reducing homeless and rough sleeping in the district, providing financial assistance polices for private sector housing and acquiring land and buildings to increase council housing stock. In 2020/21, 12 Council homes were added to the Council's Housing stock through purchase or gifting (and these do not include those units built in Jaywick Sands).
- Successfully securing in excess of £2m in external funding to deliver schemes such as the Jaywick Sands Covered Market.

All of these provide a great foundation on which the Council will continue to deliver its Corporate Plan over its life until 2024. The 2021/22 actions will, of themselves, underpin further actions in 2022/23. As such, it is appropriate to invest time and energy to delivering them.

On 29 January 2021, Cabinet considered a provisional list of priority actions which had been prepared following consultation with individual Portfolio Holders and the Leader of the Council and this is set out at Appendix A to this report. These were then submitted to the two Overview and Scrutiny Committees to engage with those Committees on the priority actions to be adopted and the performance monitoring of the delivery of those actions.

The Resources and Services Overview and Scrutiny Committee considered Cabinet's request for feedback on 1 February 2021. The Committee resolved to note and fully endorse the proposals as approved by Cabinet on 29 January to record its thanks to the Cabinet for bringing forth this piece of work.

The Cabinet's request for feedback was then submitted to the Community Leadership Overview and Scrutiny Committee on 8 February 2021. That Committee requested the development of priority actions should be open to all Members to submit actions to the

appropriate Portfolio Holder for an initial evaluation and then submitted to Cabinet for its formal decision. The Committee also requested that Cabinet re-examines its position with the view to establishing a wider focus in relation to the expenditure of monies. The full references from the Overview and Scrutiny Committees are set out elsewhere on the agenda for this meeting.

The feedback is presented to Cabinet for it to consider before it determines its priority actions for 2021/22. In looking specifically at the points raised by the Community Leadership Overview and Scrutiny Committee, the Leader has on a number of occasions invited the submission of proposals from all Councillor and this remains the open position available to all Councillors. The consultation with the Overview and Scrutiny Committee was in addition to that open position.

On the issue of the spread of expenditure identified in the key priority actions across the District, it would be an artificial separation to look just at these actions away from the overall budget of the Council and delivery of services to all residents wherever they live in the District. In addition, where the Council is successful in securing funds from outside bodies such as SELEP, the Heritage Lottery Fund or the Environment Agency these will be applied in accordance with the constraints on the funding secured and it would be entirely inappropriate to apply those funds to areas away from the geographical locations the funding was designed for. A number of the key priority actions are externally funded. Nevertheless, it is always the case that investment in one area will have a consequential benefit much wider than that area. Cabinet takes its District-wide responsibilities for the delivery of services and functions very seriously and does seek to ensure that the resources it has are applied equitably across the District.

The opportunity provided by approving a provisional list of priorities on 29 January and of seeking views through the two Overview and Scrutiny Committees in February has also allowed time for Cabinet members and officers to reflect on the provisional list prior to the list set out at Appendix B being presented to this meeting. Those changes are summarised here:

- In respect of one of the actions to deliver the Climate Change Action Plan - (d) Addressing Tending-wide emissions - Develop and publish a collaborative action plan and/or form an alliance with all partners that seeks to use our combined powers, duties, influence and leadership to work with others towards the net zero ambition for emissions from all of Tending. – The outcomes section has been extended from being “Clear policies and protocols around reducing emissions associated with travel” to correctly identify actions in a range of areas including travel
- In respect of the delivery of the Jaywick Sands Covered Market and Commercial space – this important work is perhaps more appropriately recorded as supporting “D1 - Develop and attract new businesses” rather than “B2 - Jaywick Sands - more and better housing; supporting the community” albeit the investment is likely to have consequential benefits for the area and thereby support more and better housing in Jaywick Sands. In addition, revised delivery milestones have been submitted to align with the updated position and understanding about the project and decision making to successfully achieve the project.

## **RECOMMENDATION(S)**

- (a) That the outcome of the consultation with the Overview and Scrutiny Committees on the provisional list of key priority actions agreed by Cabinet on 29 January 2021 be received and welcomed.
- (b) That, following consideration of the submitted views referred to in (a) above:
- i. The key priority actions for 2021/22, as set out at Appendix A to this report, be adopted by Cabinet.
  - ii. The means by which performance against the priority actions will be monitored and reported on in that year be determined on the basis set out in Appendix B to this report.

## **PART 2 – IMPLICATIONS OF THE DECISION**

### **DELIVERING PRIORITIES**

The key actions set out at Appendix A seeks to deliver in the year 2021/22 on the ambitions of the four year Corporate Plan. Other actions in 2021/22 will also be undertaken as the Council applies the strategic direction of the Corporate Plan to its work overall. In addition, Cabinet will establish a further set of key actions for 2022/23 to further advance achievements against the Corporate Plan.

### **FINANCE, OTHER RESOURCES AND RISK**

The key actions set out at Appendix A includes the delivery of the financial savings target within the Medium Term Financial Strategy. In considering all matters it is vital that the balance of resources can be accommodated by this Council and that it does not put further strain on the Council being able to balance its budget each year.

A key risk as Cabinet determines its key actions for 2021/22 is the continuing impact of the Covid-19 pandemic and the restrictions imposed to address the pandemic. These risks will need to be assessed in a dynamic way as infection and hospitalisation rates change and vaccination levels increase and the restrictions are adjusted over time. There may yet be further work for the Council to achieve, such as new grant schemes, as there has been in 2020/21 and this too will impact on the capacity of the Council to achieve the Cabinet's adopted key actions.

### **LEGAL**

The legal implications of individual actions will be assessed when they are brought forward for formal decisions to be made. A number of these decisions will be designated 'Key' Decisions.

### **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.**

In preparing this report, due regard has been given to the likely effect of the exercise of the Council's functions on, and the need to do all that it reasonably can to prevent, crime and disorder in its area. In addition, due consideration has been given to the District Council's statutory Equality Duty to eliminate unlawful discrimination, advance equality of opportunity and foster good relations, as set out in Section 149(1) of the Equality Act 2010.



The report has also had regard to the Climate Change Strategy and Action Plan as adopted by the Council. A key action proposed in Appendix A is to take forward the delivery of the actions under that Strategy/Action Plan and thereby achieve its objectives as approved by Council.

## **PART 3 – SUPPORTING INFORMATION**

### **BACKGROUND**

The proposals set out in this report have been anchored in the findings from the last Peer Challenge Review of the Council.

In 2018, through the Local Government Association, the Council benefitted from a 'Peer Challenge Review'. Peer Challenges provide a robust and effective improvement tool managed and delivered by the local government sector, for the sector. Peers are at the heart of the peer challenge process and provide a 'practitioner perspective' and 'critical friend' challenge. The Review considered five key strands that all Peer Challenges cover:-

- Understanding of the local place and priority setting
- Leadership of place
- Financial planning and viability
- Organisational leadership and governance
- Capacity to deliver

Following the Peer Challenge Review, the Council was recommended to:

- Improve how we tell the story of what we are achieving
- Devise an approach to programme management and project delivery
- Bring the four strands of transformation – customers, property, digital and people – together
- Review how we deal with underspends, savings and financial risk and look at the phasing of our capital programme
- Add housing as a strand to our community leadership focus alongside education, health and community safety
- Be confident in our plans for Jaywick

In respect of programme management and project delivery the following detailed recommendations were identified to strengthen governance:

- Be clear from outset of projects re desired outputs / outcomes.
- Establish a clear decision making process re priorities / projects and ensure it is understood by Members, staff and partners.
- Develop a TDC approach to Project Governance – e.g. business cases, PID, risk, dependencies, budget, tolerances, milestones, performance management.
- Set out clear “golden thread” to members / staff / partners linking Corporate Plan, annual priorities, budgets, performance monitoring.

- Quarterly Performance report should cover all Cabinet priorities and projects.
- Strengthen role of Members on Performance Management - ensure new O+S arrangements add value and align strongly with key priorities and projects.

Building on the changes made already since the Peer Challenge Review, the proposals now submitted seek to:

- Ensure that success measures and key milestones for delivery are built into the project/priority before it is/they are approved so that implications for resource allocation and other consequences can be factored in.
- Align the Cabinet's Annual Priority Actions with the Budget approval process and thereby to clarify decision making. Likewise the six monthly review provides the opportunity to reset projects/priorities to take account of events.
- Strengthen further project governance by giving greater clarity as to the measures of success and the key milestones in delivery of the Cabinet's priority actions.
- Link back the annual priority actions to at least one Corporate Plan Priority Theme. The golden thread approach is further enhanced through the alignment with the budget timetable to ensure there is clarity that both have been developed to the same aim around achieving the Corporate Plan.
- Cover all Cabinet approved Priority Actions in the Quarterly reporting to Portfolio Holders and then publishing that data.
- Enhancing the role of Members in Performance Management so that OSCs will be free to review and scrutinise individual matters through bringing forward those matters in a more timely way following publication (one month after the end of the quarter concerned). And otherwise ensuring that review items approved for the OSC work programme include relevant performance data.
- Requiring OSC's, in submitting their work programmes each year to Council, how the items in the work programme address the Corporate Plan ambitions.

## **CURRENT POSITION**

For the reasons set out here it is opportune to revisit the development of Priority Actions on an annual basis within the ambition of the Corporate Plan.

The Cabinet priorities for 2019/20 were, for obvious reasons, delayed due to the 'all-out' elections to the Council in May that year and then by the postponed elections for St Osyth Ward. It was also necessary to refresh the Corporate Plan and adopt a new Plan for 2020-24. The impact then of the Covid-19 Pandemic from early 2020 meant there was further disruption to the implementation of new performance management arrangements to enhance policies, procedures and practices at the Council to take further the recommendations from the 2018 LGA Peer Challenge Review recommendations.

In addition, there is a recognised need for performance data on the Cabinet's key annual priority actions to be provided in a timely way to the relevant Portfolio Holders and then by the 'critical friend' in the Council's Overview and Scrutiny Committees.

The priority actions for 2021/22 were considered by Cabinet on 29 January 2021 and were submitted to the two Overview and Scrutiny Committees for comment; alongside proposed performance management arrangements for those highlighted key priorities in 2021/22 (and services more generally).

A number of changes to the draft key priorities as submitted to the 29 January 2021 meeting of Cabinet have been made to the key priorities set out in this report. These are summarised in the Executive Summary above.

#### **BACKGROUND PAPERS FOR THE DECISION**

None

#### **APPENDICES**

A – Key Actions for 2021/22 in support of the Corporate Plan themes  
B - Monitoring Delivery of the Corporate Plan Priority Themes and the Cabinet's Annual Key Priority Actions

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## A.4 APPENDIX A Tendring District Council's Key Priority Actions for 2021/22

[Note - These are drawn from the wider set of actions identified in the relevant theme of the Corporate Plan Priorities Actions]

Relevant Corporate Plan Priority Theme	Relevant Corporate Plan Priority	Key Actions to support the Corporate Plan Priority in 2021/22	Included in the Key Priority Actions	Budget	Lead Officer	Portfolio Holder	Milestones in the delivery of the Key Actions	Intended Outcome
Delivering high quality services	<b>A7 - Carbon Neutral by 2030</b>	<b>To deliver key actions identified in the Climate Change Action Plan</b>  <b>(a) Buildings &amp; Energy</b>  i) Undertake energy audits of all council owned buildings and compile a carbon reduction plan for each one. Continue work to improve the performance of our buildings towards achieving net zero emissions by 2030 and maximise funding opportunities such as SALIX (a non-departmental Government owned company that provides interest free loans to fund measures to reduce energy bills in the public sector). ii) Move to the purchase of 100% renewable electricity iii) Maximise onsite renewable energy generation opportunities iv) Explore carbon offsetting options and develop an implementation plan (Solar farm).	*	(i) £43K for surveys  (ii) Existing budget – potential increase in contract (iii) Within existing budgets (iv) £10K consultancy fees	(i) Andy White  (ii) Richard Barrett  (iii) Andy White (iv) Andy White	Cllr. Michael Talbot	(i) - 31 December 2020 – Energy Audits commissioned and commenced - 28 February 2021 - First Energy Audit reports submitted - 30 April 2021 - SALIX Funding bids prepared  (ii) Renewal date to be inserted for 2021- 100% renewable energy purchased at next contract renewal (iii) 30 April 2021 - Options scoped out on solar Photo-voltaic options for council housing and other council buildings (iv) 31 December 2021 - Options appraisal completed in respect of developing a council owned solar farm in the district	(i) Reduction carbon emissions and energy cost savings  (ii) Reduction in carbon emissions (iii) Detailed options ready for decision making (iv) Detailed options ready for decision making
		<b>(b) Procurement</b>  (i) Update procurement guidance and standard contractual terms to include climate change impacts and mandatory carbon reporting, with the aim of delivering net zero emissions in procurement (Scope 3) by 2030. (ii) Develop a recording and monitoring process to identify embedded emissions within the procurement of goods and services.		(i) Within existing budgets  (ii) Within existing budgets	(i) Richard Barrett  (ii) Richard Barrett		(i) 31 October 2021 -Updated procurement guidance and contractual terms completed  (ii) 31 October 2021 - Recording and performance monitoring framework in place	(i) Procurement includes robust carbon impact assessments and performance measures – reduction in Scope 3 emissions (ii) Ongoing monitoring of emissions created by contractors

	<p><b>(c) Supporting staff and councillors</b></p> <p>(i) Deliver carbon literacy training courses and workshops, open to all staff and councillors, on climate change mitigation and other key environmental policies - for delivery in 2021.</p> <p>(ii) Develop new home working and travel for work guidance by the end of 2021, learning from the COVID-19 lockdown, which aims to dramatically reduce the requirement to commute to offices and travel for meetings and visits.</p>		<p>(i) Within existing budgets / £5K for training material</p> <p>(ii) Within existing budgets</p>	Anastasia Simpson		<p>(i) 31 December 2021 - Carbon literacy training delivered to staff and Cllrs</p> <p>(ii) 31 December 2021 - New home working and travel guidance in place</p>	<p>Increased staff and Member awareness of climate issues and clear policies and protocols around reducing emissions associated with travel.</p>
	<p><b>(d) Addressing Tending-wide emissions</b></p> <p>Develop and publish a collaborative action plan and/or form an alliance with all partners that seeks to use our combined powers, duties, influence and leadership to work with others towards the net zero ambition for emissions from all of Tending.</p>		<p>Within existing budgets</p>	Tim Clarke		<p>31 March 2022 - Action plan / alliance formed</p>	<p>Greater engagement and collaboration with wider district partners, businesses and residents over climate issues.</p>
<p><b>A6 - Effective Regulation and Enforcement</b></p>	<p>(a) To introduce a revised process for the issue, payment and appeal of Fixed Penalty Notices</p>	<p>*</p>	<p>To be met from within existing budgets</p>	Russell Cole	Cllr. Giancarlo Guglielmi	<p>30 April 2021 - Fixed Penalty Notices and associated policy available to all accredited officers.</p> <p>31 July 2021 - Community Safety Accreditation Scheme (CSAS) training delivered to additional officers to increase internal capacity and refresher training provided to existing CSAS accredited staff.</p> <p>31 October 2021 - Briefing note to Corporate Enforcement Group evaluating the effectiveness of the activity and reviewing options linked to streamlining the process and consideration of a more automated solution, if achievable.</p>	<p>Effective enforcement action resulting in reduced environmental crime and Anti-Social behaviour and safer, cleaner, more attractive town centres, communities and spaces across the district.</p>
	<p>(b) To manage and plan for anticipated increase in seasonal challenges across the district between May and September 2021 due to a high volume of visitors.</p>		<p>To be met from within existing budgets</p>	Russell Cole	Cllr. Giancarlo Guglielmi	<p>30 April 2021 - Develop a tactical "summertime" partnership plan and disseminate to internal and external stakeholders</p> <p>30 June 2021 - Briefing note to Corporate Enforcement Group evaluating activities/Outcomes and lessons learned over the Easter and May Bank holidays</p> <p>31 October 2021 - Briefing note to Corporate Enforcement Group evaluating activities and Outcomes during the peak summer period</p>	<p>A reduction in the issues witnessed during 2020 as a result of increased visitors to our seafronts, town centres and other public spaces</p>
	<p>(c) To introduce re-deployable (mobile) CCTV capacity for enforcement purposes</p>		<p>£50K</p>	Russell Cole	Cllr. Giancarlo Guglielmi	<p>30 April 2021 - Briefing note to Corporate Enforcement Group to secure agreement for the funding of equipment and setting out proposed</p>	<p>Targeted surveillance which will assist in the detection and prevention of crime and the</p>

							deployment guidelines 30 September 2021 - Equipment procured and deployable in accordance with adopted deployment guidelines 31 December 2021 - Briefing note to Corporate Enforcement group evaluating incidences of crime in deployment locations and local satisfaction rates	collection of evidence for prosecutions resulting in safer, cleaner spaces and communities for residents and visitors.
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## Building Sustainable Communities

Relevant Corporate Plan Priority Theme	Relevant Corporate Plan Priority	Key Actions to support the Corporate Plan Priority in 2021/22	Included in the Key Priority Actions	Budget	Lead Officer	Portfolio Holder	Milestones in the delivery of the Key Actions	Intended Outcome
Building Sustainable Communities	<b>B6 - Effective planning policies</b>	<p><b>Implementation of Local Plan Part 1 following Inspector's approval and move to formal examination of Part 2</b></p> <p>Formal adoption of the modified Section 1 Plan in January 2021 will enable the Council to maintain a 5 year supply of housing, progress work on the Garden Community Development Plan Document (DPD) in partnership with Colchester BC and allow the examination of Section 2 of the Local Plan (containing policies and proposals specific to Tendring) to proceed in 2021.</p>	*	£750K (of which £150K already committed) to cover consultancy, temporary staffing and examination costs for the Local Plan and which will be utilised, in part, for work on the Garden Community DPD and the statutory stages of Neighbourhood Plan production. £175K base budget per annum to fund continued work on the Local Plan, future reviews and associated work.	Gary Guiver	Cllr. Neil Stock OBE	<p>26 January 2021 - Adoption, by Full Council, of Section 1 of the Local Plan for North Essex following the Planning Inspector's final report and recommended modifications.</p> <p>4 March 2021 – Complete examination hearings for Section 2 of the Local Plan (for Tendring) (provisional).</p> <p>30 September 2021 - Receipt of Inspector's Section 2 report and consultation on modifications.</p> <p>31 March 2022 – Adoption of Section 2 Local Plan.</p>	<ul style="list-style-type: none"> <li>• 11,000 new homes and 9,800 jobs between 2013 and 2033 including early phases of development at the Garden Community.</li> <li>• £99million government (HIF) investment in the A120/A133 link road and rapid transit system.</li> <li>• Protection against unwanted and speculative development proposals that run contrary to the Local Plan.</li> <li>• Establishment of the foundations for future review of Local Plan, Neighbourhood Plans and regeneration projects in Jaywick Sands, Clacton, Dovercourt and other locations.</li> <li>• Establishment of statutory development plan for the purposes of seeking and securing additional public and private funding.</li> </ul>
	<b>B5 - Building and managing our own homes</b>	<p><b>Delivering 10 more Council homes</b></p> <p>(a) Complete a review of the Housing Revenue Account estate and identified surplus property to identify any potential development or intensification sites.</p> <p>(b) In respect of sites identified as suitable for development, draw up plans for the housing that could be developed on them ready for financial consideration and planning approval.</p> <p>(c) Continue with a programme of property acquisitions where suitable existing (such as ex RTB stock) or new build housing, available for purchase, is identified as suitable to bring into the housing stock. This may include design and purchase arrangements with local</p>	*	<p>(a) and (b) Existing Service Budget</p> <p>(c) Existing Service budget and c£2M per annum</p>	Tim Clarke, Andy White, Damian Williams	Cllr. Paul Honeywood	<p>(a) 31 October 2021</p> <p>(b) 31 December 2021</p> <p>(c) As and when opportunities arise</p>	<p>(a) Identify a future pipeline of development sites</p> <p>(b) Plans prepared for suitable development sites, including property archetypes and specifications. To meet the identified housing needs in the locality of the site.</p> <p>(c) Suitable properties purchased and brought into the housing stock.</p>



		(d) Identify and approve funding arrangements to facilitate construction and acquisition	*	TBC: c£2M per annum	Richard Barrett	Cllr. Giancarlo Guglielmi	30 June 2021	Identify a budget for acquisition/development
		(e) Establish a revised team structure for the carrying out of housing and other construction projects	*	Subject to restructure	Andy White, Damian Williams	Cllr. Paul Honeywood	31 October 2022	Establish a team for acquisition/development
	<b>B3 - Vibrant Town Centres</b>	<b>Deliver the Starlings Project</b> This project will establish improved Public Realm and Car Park at the Starlings site on the Dovercourt High Street. Delivery will encourage and foster economic growth through enhanced, invigorated and focussed business activity and improve the appearance of one of the District's key town centre locations.	*	£1.595M for land acquisition and development. Of which approximately £600K will be for construction.	Mike Carran	Cllr. Mary Newton	4 November 2020 – Appointment of Lead Design Team	<ul style="list-style-type: none"> <li>• Creating confidence in the development market, and encouraging private sector investment;</li> <li>• Giving the town's existing traders the confidence to invest in their businesses and in their property;</li> <li>• Creating new public realm and amenity space, providing the opportunity for greater animation thereby creating a more vibrant town centre;</li> <li>• Bringing back into productive use a vacant and derelict site, which currently blights the town and has a negative impact on Dovercourt High Street;</li> </ul>
9 September 2021 – Commence Construction								
21 December 2021 – Remedials and Completion								

Relevant Corporate Plan Priority Theme	Relevant Corporate Plan Priority	Key Actions to support the Corporate Plan Priority in 2021/22	Included in the Key Priority Actions	Budget	Lead Officer	Portfolio Holder	Milestones in the delivery of the Key Actions	Intended Outcome
<b>Strong finances and governance</b>	<b>C1 - Balanced annual budget</b>	<b>Deliver the savings required in this year</b>  To develop a framework against which savings proposals can be identified for inclusion within the long-term forecast.	*	To achieve on-going savings equal to at least the £250K allowance currently included within the long term forecast.	Richard Barrett	Cllr. Giancarlo Guglielmi	31 March 2021 - To agree the framework with MT and Cabinet against which savings opportunities can be identified and explored	<ul style="list-style-type: none"> <li>The required level of savings set out in the long term plan are successfully delivered over the remaining years of the forecast.</li> </ul>
							31 April 2021 – Directors / Assistant Directors to have actively commenced the process of exploring savings ideas and opportunities within the framework agreed.	
							31 July 2021 – MT/ PFH's – Initial review of the proposed savings generated to date and the key Milestones to enable them to be implemented.	
							31 October 2021 – The savings ideas and opportunities identified for implementation in 2022/23 be agreed by MT/ PFH's for inclusion in the budget.  Work to remain on going in respect of potential savings opportunities that may not be able to be implemented until 2023/24 and beyond.	

A growing and inclusive economy

Relevant Corporate Plan Priority Theme	Relevant Corporate Plan Priority	Key Actions to support the Corporate Plan Priority in 2021/22	Included in the Key Priority Actions	Budget	Lead Officer	Portfolio Holder	Milestones in the delivery of the Key Actions	Intended Outcome
A growing and inclusive economy	D1 - Develop and attract new businesses	<p><b>Deliver the Jaywick Sands Covered Market and Commercial Space</b></p> <p>Whilst the intention is to build at least 100 new high quality, flood resilient new homes on the land held within the Housing revenue account it is also vital that economic support through the creation of job opportunities is embodied within the regeneration of Jaywick sands to support occupants of the new homes.</p> <p>The intention is to construct 13 affordable rent business units offering 9,500 sq.ft let-able area and a covered local market of 10 affordable pitches. Alongside this, the public realm in the area will be improved including the creation of a new community garden and a multipurpose hard landscaped area which can be used for outdoor markets and seasonal events.</p> <p>The economic regeneration of Jaywick sands also supports “a growing and inclusive economy” Corporate Priority.</p>	*	<p>£2.128M for full project comprised of: £106K from this Council (including capital and revenue costs in first year of operation) £50K from Essex CC for regen of market site and public realm £1.972M from SELEP – to be spent by March 2022</p>	Mike Carran	Cllr. Mary Newton	30 April 2021 - Planning Application submitted	<ul style="list-style-type: none"> <li>• Around 40 FTE jobs will be directly created and brought into the area at c£20kpa with an additional economic impact to the local economy of £1.7m per annum</li> <li>• Indirect and induced impacts are estimated to comprise around 16 FTE jobs</li> </ul>
							24 September 2021 – Contractor procured	
							27 September 2021 – Construction commences	
							25 April 2022 – Handover to the Council	
	D2 - Support existing businesses	<p><b>To deliver the key actions identified as part of the Back to Business Agenda</b></p> <p>Complete and deliver a Council wide plan to support the District’s recovery from the ongoing Covid-19 pandemic, to be targeted at improvements to the District’s environment/quality of life and support for our residents, businesses and wider local economy.</p>	*	£862K will cover a series of District wide projects	Mike Carran	Cllr Neil Stock OBE	29 January 2021 - Adoption of Delivery Plan	<ul style="list-style-type: none"> <li>• Positive impact on the local economy and business confidence</li> <li>• Increase in the number of young people accessing Clacton Skate Park</li> <li>• Increase in the number of young people accessing mental health services</li> </ul>
							30 March 2021 – Money distributed to mental health services to enable more young people to access professional support	
							31 August 2021 – Complete refurbishment of Clacton Skate Park	
D4 - Promote Tendring’s tourism, cultural and heritage offers	<p><b>To deliver the range of activities to celebrate Clacton 150 in conjunction with partners</b></p> <p>2021 marks the 150<sup>th</sup> anniversary of Clacton on Sea. The Council have been successful in applying for £250k to develop plans for a number of projects to mark this occasion and use it as a means to stimulate the local economy at the start of the key tourism season.</p>	*	£250K, which is fully funded by the National Lottery Heritage Fund.	Mike Carran	Cllr. Alex Porter	28 February 2021 – Employ two designated members of staff to oversee this project	<ul style="list-style-type: none"> <li>• Increase the number of visitors to the District’s seafronts</li> <li>• Increase in volume and value to the local tourism economy</li> </ul>	
						1 April 2021 – Install a new heritage trail from Jaywick Sands to Holland Haven		
						31 May 2021 – Organise a launch event for Clacton 150 (subject to national guidelines at that time)		
	<p><b>To deliver the range of activities to celebrate the Mayflower 400 in conjunction with partners</b></p>		£30K for the Mayflower Illuminate Festival	Mike Carran	Cllr. Alex Porter	30 April 2021– Open the house of Christopher Jones and the Mayflower Visitor Centre (subject to national guidelines at that time)	<ul style="list-style-type: none"> <li>• 10 travel operators bringing visitors to</li> </ul>	

		<p>2020 marked the 400<sup>th</sup> anniversary of the sailing of the Mayflower to America. Harwich played a key role in this story and the Council has been working with partner destinations around the country to create a new visitor trail, to promote to the American travel trade. Due to the Covid-19 pandemic, the international tours scheduled for 2020 were postponed and will now take place in 2021 and beyond. The Harwich trail is now complete and the 3 physical attractions will open in 2021, as soon as restrictions allow.</p>	*	<p>The budget for the series of Mayflower attractions has been spent, as all the projects are now complete. There is no further budgetary provision required.</p>			<p>30 April 2021 - Complete the Harwich Mayflower Heritage Trail</p> <p>31 May 2021 – Organise the Harwich Illuminate Festival (subject to national guidelines at that time)</p> <p>30 Sept 2021 – Together with partners and the travel trade, organise a structured series of tours for visitors.</p>	<p>Harwich for the Mayflower exhibitions</p> <ul style="list-style-type: none"> <li>• Increase in volume and value to the local tourism economy</li> <li>• Create relationships with travel trade to develop new markets</li> </ul>
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Relevant Corporate Plan Priority Theme	Relevant Corporate Plan Priority	Key Actions to support the Corporate Plan Priority in 2021/22	Included in the Key Priority Actions	Budget	Lead Officer	Portfolio Holder	Milestones in the delivery of the Key Actions	Intended Outcome
Community Leadership	<b>E5 - Sport England and Active Essex- for physical activity and wellbeing</b>	<p><b>Sport England Local Delivery Pilots and the delivery of a number of key schemes to improve physical activity within the District</b></p> <p>The Council is working with Active Essex and partners in Colchester and Basildon to build healthier, more active communities in those respective Districts, through the Sport England Local Delivery Pilots Scheme focussing on deprived areas.</p>	*	£1.6M initially allocated as available to spend within Tendring including for community hubs, a community chest, test and learn, scale and replicate and community infrastructure	John Fox	Cllr. Lynda McWilliams	30 June 2021 – Deliver the first 120 bikes roll out to the community as part of the Essex Pedal Power project in Jaywick and West Clacton which includes SELEP funding of £600K for bikes. (There is also a wider infrastructure project with £1.7M SELEP funding).	Increase cycling and active travel and providing an opportunity for residents to access employment and cheaper food at supermarkets improve their physical health and therefore reduce pressure on services
							30 June 2021 – work with Heritage Lottery Fund Clacton 150 project around a pump track feasibility study for a site in Jaywick and gamification project to get people active	Increase physical activity to improve health including mental health and increase number of people accessing the coast
							30 September 2021 – deliver an older persons outdoor gym in Holland/Clacton area to support in maintaining mobility for older people	Provide physical opportunity for older people to help support improving strength and balance and to encourage people to access the site

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### Monitoring Delivery of the Corporate Plan Priority Themes and the Cabinet's Annual Key Priority Actions

The overarching strategic direction of the Council is encapsulated in the themes of the 2020/24 Corporate Plan are:

- Delivering High Quality Services
- Building Sustainable Communities for the Future
- Strong Finance and Governance
- Community Leadership through Partnerships
- A Growing and Inclusive Economy

More detail of how the framework the Council operates in and how it will seek to deliver its legal obligations and ambition of the Council for the District are set out in a range of key Strategies and Policies, including:

- Transformation Strategy
- Back to Business
- Housing Strategy
- Tending 4 Growth
- Tourism Strategy
- Heritage Strategy
- Culture Strategy
- Asset Strategy
- Corporate Enforcement Strategy
- Local Plan
- Climate Change Action Plan
- Economic Growth
- Leisure Strategy
- Equality and Diversity Policy

Together the Corporate Plan and the key Strategies and Policies of the Council provide the direction of the Council across its many service areas, namely:

- Property and Asset management
- coast protection,
- council housing and assistance to private sector,
- customer services,
- economic development and growth,
- electoral registration/elections (providing resources to the Electoral Registration Officer/Returning Officer),
- local planning, land charges and building control,
- environmental health,
- off-street car parking,
- refuse collection and recycling,
- cemeteries and crematoria,
- leisure services,
- public realm,

- port health authority,
- public conveniences,
- street cleaning, and
- tourism.

The Council is responsible for its own performance and for leading the delivery of improved outcomes for local people in the District. Performance data gives the Council the best chance of improving its services by understand its own strengths and areas for improvement and take steps to deal with any problems.

Performance information has many audiences, including senior managers, Portfolio Holders/Cabinet, Overview and Scrutiny, other partners of the Council and the wider public/businesses who receive services from the Council. Ensuring appropriate information is gathered is as important as making it available in a timely way to support consideration of it.

In so far as the Cabinet's Annual Key Priority Actions are concerned, the following approach is proposed:

1. Proposals must have a description of the action for the year in question, the milestones towards achieving the action, the intended outcome, the budget and who is the responsible senior manager and Portfolio Holder.
2. Initial draft proposals for the Annual Key Priority Actions for the following financial year will be considered at the meeting of Cabinet that also considers the Initial budget for the Council for the same year (in December).
3. The Proposals will be considered by Overview and Scrutiny Committees and views submitted on the initial draft proposals.
4. The finalised Proposals for the Annual Key Priority Actions for the following financial year will be considered at the meeting of the Cabinet that also considers the draft budget for the Council for that same year (at the end of January). This will include Quarter 3 report on performance against the Annual Key Priority Actions for the current year.
5. Following the adoption of the Annual Key Priority Actions, the performance triggers will be built into the performance monitoring system of the Council based on the milestones approved as part of those Priority Actions.
6. Officers will report to the relevant Portfolio Holder on delivery of the Priority Actions and Portfolio Holders will determine, by exception, if issues need to be reported to Cabinet throughout the year.
7. Each quarter, a summary report on delivery against all of the Cabinet's Annual Key Priority Areas for the year will be reported to Portfolio Holders and then published as part of the Council's transparency data. Overview and Scrutiny Committee members may then identify specific key actions where there is performance against relevant milestones that should be subject to further enquiry and these may then be referred to the next relevant meeting of the Committee.
8. A half yearly report on performance against the Annual Key Priority Actions will be submitted to the relevant Cabinet Meeting (in October). This not only enables the Cabinet to consider the delivery of key actions in that year but also to encourage the start of the process to set key actions for the following financial year.
9. The half yearly report will be available for Overview and Scrutiny Committees to include in their work programmes so as they can consider the likely achievement of the envisaged outcomes envisaged.
10. The Outturn position on performance against the Cabinet's Annual Key priority actions for the previous financial year will be timed to be reported to the Cabinet Meeting at which budget Outturn for that year will be reported.



In addition to the performance data on the above Annual Key Priorities, data is also provided to Government Departments on a range of services. This will be gathered corporately and reported as part of the transparency data (excluding personalised data provided – and in these cases a numerical summary will be collated). As the data concerned is already provided annually, half yearly, quarterly or more frequently to Central Government, the collation of the information will involve limited additional work. For items that are provided to Central Government more frequently than quarterly we will collate a snapshot of the data at that point in time. Other than data provided to Central Government, there is information such as the number of Ombudsman complaints (and upheld) and planning appeals (and dismissed) which will be held corporately and contribute to the overall performance of the Council. This will be published annually as part of the Council's commitment to transparency. It will also be available to be reported on when items are to be submitted on the services/functions to Cabinet or a relevant Committee.

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<b>Key Decision Required:</b>	<b>NO</b>	<b>In the Forward Plan:</b>	<b>YES</b>
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## CABINET

19 MARCH 2021

### REPORT OF CORPORATE FINANCE AND GOVERNANCE PORTFOLIO HOLDER

#### **A.5 PROGRAMME OF MEETINGS 2021/2022 MUNICIPAL YEAR**

(Report prepared by Ian Ford)

#### **PART 1 – KEY INFORMATION**

##### **PURPOSE OF THE REPORT**

To enable Cabinet to give consideration to the programme of meetings for the 2021/2022 Municipal Year.

##### **EXECUTIVE SUMMARY**

This report will enable Cabinet, as required by the Constitution, to submit for formal approval to the Annual Meeting of the Council a programme of meetings for the 2021/2022 Municipal Year.

##### **RECOMMENDATIONS**

- (a) That the programme of meetings for the Council and Committees, as set out in the Appendix to this report, be agreed, in principle, and be submitted to the Annual Meeting of the Council for formal approval; and**
- (b) that the proposed dates for All Member Briefings for Members be noted.**

#### **PART 2 – SUPPORTING INFORMATION**

##### **BACKGROUND**

In accordance with the Constitution a draft programme of meetings has been prepared and approved and is set out as an Appendix to this report.

The meetings of the Full Council, the Community Leadership Overview and Scrutiny Committee, the Human Resources and Council Tax Committee, the Licensing and Registration Committee and the Resources and Services Overview and Scrutiny Committee will normally commence at 7.30 p.m.

Meetings of the Planning Committee and the Planning Policy and Local Plan Committee will normally commence at 6.00 p.m. Meetings of the Planning Policy and Local Plan Committee and the Licensing & Registration Committee (other than the meeting arranged for July 2021) will be arranged as and when required.

Meetings of the Standards Committee will normally commence at 10.00 a.m.

Meetings of the Audit Committee will normally commence at 10.30 a.m.

Cabinet meetings are fixed by the Leader of the Council in accordance with Article 7.08 Cabinet Procedures Rule sub-section 1.1 of the Council's Constitution and therefore the scheduling et cetera may change. The public meetings of the Cabinet listed will normally commence at 10.30 a.m.

The programme does not show meetings of the Sub-Committees, which are arranged either at meetings of the relevant Sub-Committee or from time to time when required.

Dates for All Member Briefings have been included in order to assist Members in keeping their diaries up-to-date.

#### Venues for Meetings of the Council, Cabinet and Committees Etc.

Meetings of the full Council, the Cabinet and the Committees etc. will be held either remotely online via Microsoft Teams (with a live stream to the public via Facebook), or in a physical location (such as at Clacton Town Hall in the Princes Theatre for full Council meetings or in the Essex Hall for Cabinet meetings), or by a combination of the two (the so-called 'hybrid' approach). The actual mechanism by which meetings will be held will be dependent on the prevailing circumstances at the time in relation to the Covid-19 pandemic together with the statutory powers that are available to the Council in relation to the holding of meetings.

Cabinet will be aware that, as part of the "Transforming Tending" project, the Council Offices at Weeley will be closed and the site disposed of, with the departments currently based at Weeley being moved to Clacton-on-Sea. This will obviously mean that the current Council Chamber at Weeley would then no longer be available for Committee etc. meetings.

In preparation for this disposal a phased programme of office accommodation works has been underway for some time at the Town Hall, Clacton-on-Sea. Included within these works is the provision of a new Committee Room within the Town Hall in Clacton and it is currently anticipated that the new Committee will be operationally available during the Summer (subject to any Covid-19 restrictions (if any)). At that time a transition of Committee etc. meetings from Weeley to Clacton will take place.

#### **BACKGROUND PAPERS FOR THE DECISION**

None.

#### **APPENDICES**

Timetable of Meetings for the 2021/22 Municipal Year.

**TIMETABLE OF MEETINGS – 2021/2022 MUNICIPAL YEAR**

**2021**

<b>Body</b>	<b>Time</b>	<b>Day</b>	<b>Date</b>	<b>Notes</b>
<b>ANNUAL COUNCIL (Already agreed)</b>	7.30 p.m.	Tuesday	27 April	
Community Leadership Overview & Scrutiny Committee	7.30 p.m.	Monday	10 May	
Planning Committee	6.00 p.m.	Tuesday	11 May	
ALL MEMBER BRIEFING	6.00 p.m.	Thursday	13 May	
<b>COUNCIL</b>	7.30 p.m.	Tuesday	18 May	
Cabinet	10.30 a.m.	Friday	21 May	
Resources and Services Overview & Scrutiny Committee	7.30 p.m.	Monday	24 May	
Planning Committee	6.00 p.m.	Tuesday	8 June	
ALL MEMBER BRIEFING	6.00 p.m.	Wednesday	16 June	
Cabinet	10.30 a.m.	Friday	18 June	
Resources and Services Overview & Scrutiny Committee	7.30 p.m.	Monday	5 July	
Planning Committee	6.00 p.m.	Tuesday	6 July	
Human Resources & Council Tax Committee	7.30 p.m.	Wednesday	7 July	
<b>COUNCIL</b>	7.30 p.m.	Tuesday	13 July	
Licensing & Registration Committee	7.30 p.m.	Wednesday	14 July	
Cabinet	10.30 a.m.	Friday	16 July	
Community Leadership Overview & Scrutiny Committee	7.30 p.m.	Monday	19 July	
ALL MEMBER BRIEFING	6.00 p.m.	Wednesday	21 July	
Standards Committee	10.00 a.m.	Wednesday	28 July	
Audit Committee	10.30 a.m.	Thursday	29 July	
Planning Committee	6.00 p.m.	Tuesday	3 August	
ALL MEMBER BRIEFING	6.00 p.m.	Wednesday	18 August	
Planning Committee	6.00 p.m.	Wednesday	1 September	Note 1
ALL MEMBER BRIEFING	6.00 p.m.	Wednesday	8 September	
Cabinet	10.30 a.m.	Friday	10 September	
<b>COUNCIL</b>	7.30 p.m.	Tuesday	14 September	
Resources and Services Overview & Scrutiny Committee	7.30 p.m.	Monday	20 September	
Community Leadership Overview & Scrutiny Committee	7.30 p.m.	Monday	27 September	
Planning Committee	6.00 p.m.	Tuesday	28 September	
Cabinet	10.30 a.m.	Friday	8 October	
Human Resources & Council Tax Committee	7.30 p.m.	Wednesday	20 October	
ALL MEMBER BRIEFING	6.00 p.m.	Thursday	21 October	
Planning Committee	6.00 p.m.	Tuesday	26 October	
Standards Committee	10.00 a.m.	Wednesday	27 October	
Audit Committee	10.30 a.m.	Thursday	28 October	
Resources and Services Overview & Scrutiny Committee	7.30 p.m.	Monday	1 November	
Community Leadership Overview & Scrutiny Committee	7.30 p.m.	Monday	8 November	

Cabinet	10.30 a.m.	Friday	12 November	
ALL MEMBER BRIEFING	6.00 p.m.	Wednesday	17 November	
Planning Committee	6.00 p.m.	Tuesday	23 November	
<b>COUNCIL</b>	7.30 p.m.	Tuesday	30 November	

Community Leadership Overview & Scrutiny Committee	7.30 p.m.	Monday	13 December	
ALL MEMBER BRIEFING	6.00 p.m.	Wednesday	15 December	
Cabinet	10.30 a.m.	Friday	17 December	
Resources and Services Overview & Scrutiny Committee	7.30 p.m.	Monday	20 December	
Planning Committee	6.00 p.m.	Tuesday	21 December	

## 2022

Resources and Services Overview & Scrutiny Committee	9.30 a.m.	Wednesday	12 January	Note 2
Planning Committee	6.00 p.m.	Tuesday	18 January	
ALL MEMBER BRIEFING	6.00 p.m.	Wednesday	19 January	
<b>COUNCIL</b>	7.30 p.m.	Tuesday	25 January	

Audit Committee	10.30 a.m.	Thursday	27 January	
Cabinet	10.30 a.m.	Friday	28 January	
Community Leadership Overview & Scrutiny Committee	7.30 p.m.	Monday	31 January	
Standards Committee	10.00 a.m.	Wednesday	2 February	
Resources and Services Overview & Scrutiny Committee	7.30 p.m.	Monday	7 February	
<b>COUNCIL</b>	7.30 p.m.	Tuesday	15 February	Note 3

Planning Committee	6.00 p.m.	Wednesday	16 February	Note 4
ALL MEMBER BRIEFING	6.00 p.m.	Wednesday	23 February	
Human Resources & Council Tax Committee	7.30 p.m.	Thursday	24 February	Note 5
Cabinet	10.30 a.m.	Friday	25 February	
<b>COUNCIL (PROVISIONAL)</b>	7.30 p.m.	Tuesday	1 March	Note 6

Community Leadership Overview & Scrutiny Committee	7.30 p.m.	Monday	14 March	
Planning Committee	6.00 p.m.	Tuesday	15 March	
Resources and Services Overview & Scrutiny Committee	7.30 p.m.	Monday	21 March	
Cabinet	10.30 a.m.	Friday	25 March	
<b>COUNCIL</b>	7.30 p.m.	Tuesday	29 March	

Audit Committee	10.30 a.m.	Thursday	31 March	
Standards Committee	10.00 a.m.	Wednesday	6 April	
Planning Committee	6.00 p.m.	Tuesday	12 April	
ALL MEMBER BRIEFING	6.00 p.m.	Wednesday	13 April	
<b>ANNUAL MEETING OF THE COUNCIL</b>	7.30 p.m.	Tuesday	26 April	

## 2022/2023 MUNICIPAL YEAR

(Provisional dates for early cycles of meetings in 2022/2023 – for information only, subject to change)

Cabinet	10.30 a.m.	Friday	29 April	
Community Leadership Overview & Scrutiny Committee	7.30 p.m.	Monday	9 May	
Planning Committee	6.00 p.m.	Tuesday	10 May	
ALL MEMBER BRIEFING	6.00 p.m.	Thursday	12 May	
<b>COUNCIL</b>	7.30 p.m.	Tuesday	17 May	

Resources and Services Overview & Scrutiny Committee	7.30 p.m.	Monday	23 May	
Cabinet	10.30 a.m.	Friday	27 May	
Planning Committee	6.00 p.m.	Tuesday	7 June	
ALL MEMBER BRIEFING	6.00 p.m.	Wednesday	15 June	
Cabinet	10.30 a.m.	Friday	24 June	
Resources and Services Overview & Scrutiny Committee	7.30 p.m.	Monday	27 June	
Community Leadership Overview & Scrutiny Committee	7.30 p.m.	Monday	4 July	
Planning Committee	6.00 p.m.	Tuesday	5 July	
Human Resources & Council Tax Committee	7.30 p.m.	Wednesday	6 July	
<b>COUNCIL</b>	7.30 p.m.	Tuesday	12 July	

ALL MEMBER BRIEFING	6.00 p.m.	Wednesday	20 July	
Cabinet	10.30 a.m.	Friday	22 July	
Standards Committee	10.00 a.m.	Wednesday	27 July	
Audit Committee	10.30 a.m.	Thursday	28 July	
Planning Committee	6.00 p.m.	Tuesday	2 August	
Resources and Services Overview & Scrutiny Committee	7.30 p.m.	Monday	8 August	
ALL MEMBER BRIEFING	6.00 p.m.	Wednesday	17 August	
Planning Committee	6.00 p.m.	Wednesday	31 August	Note 1
ALL MEMBER BRIEFING	6.00 p.m.	Wednesday	8 September	
Cabinet	10.30 a.m.	Friday	9 September	
Resources and Services Overview & Scrutiny Committee	7.30 p.m.	Monday	12 September	
<b>COUNCIL</b>	7.30 p.m.	Tuesday	20 September	

Community Leadership Overview & Scrutiny Committee	7.30 p.m.	Thursday	22 September	Note 7
Planning Committee	6.00 p.m.	Tuesday	27 September	
Cabinet	10.30 a.m.	Friday	7 October	
Human Resources & Council Tax Committee	7.30 p.m.	Wednesday	12 October	
Audit Committee	10.30 a.m.	Thursday	13 October	
ALL MEMBER BRIEFING	6.00 p.m.	Wednesday	19 October	
Planning Committee	6.00 p.m.	Tuesday	25 October	
Standards Committee	10.00 a.m.	Wednesday	26 October	
ALL MEMBER BRIEFING	6.00 p.m.	Wednesday	16 November	
ALL MEMBER BRIEFING	6.00 p.m.	Wednesday	14 December	

## **Notes**

1. Meeting scheduled to be held on the Wednesday as the Monday of that week is a Bank Holiday.
2. Meeting arranged to allow the Resources and Services Committee to consider and then formally comment on the Cabinet's Financial Forecast and initial budget and special expenses proposals. Also, to allow the Committee to discuss those proposals with Portfolio Holders. Portfolio Holders are requested to reserve this date in their diaries in the likelihood that the meeting will take place.
3. Meeting of the Council to approve the Cabinet's budget proposals and set the Council Tax but excluding County, Fire and Police Council Tax calculations.
4. Meeting scheduled to be held on the Wednesday due to the Full Council meeting on the Tuesday.
5. Meeting to formally confirm the implications of the County, Fire and Police precepts on the Council's Collection Fund and for each Council Tax band in the parished and unparished areas of the District.
6. Provisional extra meeting of the Council arranged in order to allow the Council to meet and consider the Cabinet's revised budget proposals or the Cabinet's disagreement with the Council's budget objections (which may arise following the Council meeting referred to in note 3 above.)
7. Meeting scheduled to be held on the Thursday due to the Full Council meeting on the Tuesday.



<b>Key Decision Required:</b>	<b>No</b>	<b>In the Forward Plan:</b>	<b>No</b>
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## CABINET

19 MARCH 2021

### REPORT OF THE PORTFOLIO HOLDER FOR PARTNERSHIPS

**A.6. DETERMINATION OF A NOMINATION TO REGISTER AN ASSET OF COMMUNITY VALUE: THE NEVER SAY DIE PUBLIC HOUSE, 24 BROADWAY, JAYWICK SANDS, CLACTON-ON-SEA CO15 2EH**

(Report prepared by Andy White and Gill Burden)

#### **PART 1 – KEY INFORMATION**

<b>PURPOSE OF THE REPORT</b>
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<p>To determine whether The Never Say Die meets the criteria set out in the Localism Act 2011 (“the Act”) and the Assets of Community Value (England) Regulations 2012 (“the Regulations”) following its nomination as an Asset of Community Value by Jaywick Sands Revival Community Interest Company (CIC) and Charity Based Society (CBC). No other criteria are pertinent.</p>
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<b>EXECUTIVE SUMMARY</b>
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<p>A valid nomination to register an asset of community value has been received for The Never Say Die as shown identified in the plan included within Appendix A.</p>
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<p>If a local authority receives a valid nomination, it must determine whether the land or building nominated meets the definition of an asset of community value as set out in Section 88 of the Localism Act 2011 and The Assets of Community Value Regulations 2012.</p>
---

<p>The Government’s non statutory guidance defines an asset of community value as: “Building or other land whose main (i.e. “non-ancillary”) use furthers the social wellbeing or social interests of the local community, or has recently done so and is likely to do so in the future”. The Report provides an assessment of the nomination.</p>
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<p>The Cabinet should consider the content of the nomination against the statutory criteria (and no other factors) and determine whether the asset should be included within the Council’s List of Assets of Community Value.</p>
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<p>Taking the evidence provided into account it is recommended that the building nominated does meet the criteria set out Section 88 of the Localism Act 2011. Accordingly it is recommended that the criteria are met and that the building should be listed as an Asset of Community Value.</p>
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<b>RECOMMENDATION(S)</b>
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<p><b>That Cabinet determines that The Never Say Die Public House, 24 Broadway, Jaywick Sands, Clacton-on-Sea CO15 2EH meets the definition of an Asset of Community Value, as set out in Section 88 of the Localism Act 2011, and that the asset be added to the Council’s list of Assets of Community Value.</b></p>
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## PART 2 – IMPLICATIONS OF THE DECISION

### DELIVERING PRIORITIES

Assets of Community Value exist in a range of forms and functions. Individual properties may contribute in different ways across the spectrum of Council priorities.

### FINANCE, OTHER RESOURCES AND RISK

#### Finance and other resources

There are circumstances where the Council may be required to pay compensation. It is hard to quantify this risk and it is therefore not proposed to make a specific allocation.

#### Risk

The nominating body are the current occupiers of the The Never Say Die with a lease granted for five years which commenced 31<sup>st</sup> July 2020. It is still operating as a community hub supporting the local community with a range of endeavours such as Food Bank, Clothes Bank and Hygiene Bank. Jaywick Sands Revival also ran the community pub from July 2020 and intend to re-open initially outside and fully open when restrictions are lifted further.

There is always some risk that the decision in relation to the nomination will be controversial whether it is listed or not.

### LEGAL

If a local authority receives a valid nomination, it must determine whether the land or building nominated meets the definition of an asset of community value as set out in Section 88 of the Localism Act 2011:

- (1) A building or other land in a local authority's area is land of community value if in the opinion of the authority —
  - (a) an actual current use of the building or other land that is not an ancillary use furthers the social wellbeing or social interests of the local community, and;
  - (b) it is realistic to think that there can continue to be non-ancillary use of the building or other land which will further (whether or not in the same way) the social wellbeing or social interests of the local community.

Section 88(2) of the Act extends this definition to land which has furthered the social wellbeing or social interests of the local community in the recent past, and which it is realistic to consider will do so again during the next five years.

Under Schedule 2 of the Local Authorities (Functions and Responsibilities) Regulations 2000, as amended, the determination of an appeal against any decision made by or on behalf of the authority can be made by the Executive or another Committee. It is considered that as Cabinet will be the decision maker of the outcome of the nomination, any review received should be considered and referred to the Community Leadership and Partnerships Overview and Scrutiny Committee, which already includes within its terms of reference review of Cabinet decisions.

The Assets of Community Value (England) Regulations 2012 ("the Regulations") provide procedural detail to give effect to the assets of community value scheme. An earlier report

on this subject set out a proposed procedure for dealing with the nomination of Assets of Community Value in accordance with the Regulations and Officers have adhered to the procedure and it is now proposed that Cabinet considers the nomination in accordance with the procedure.

#### **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.**

Assets of Community Value exist in a range of forms and functions. Individual properties may contribute in different ways across the spectrum of implications. The Act and Regulations are intended to increase public engagement.

#### **Area or Ward Affected**

West Clacton and Jaywick Sands

### **PART 3 – SUPPORTING INFORMATION**

#### **BACKGROUND**

The Act and Regulations, also collectively known and described as Community Right to Bid place a duty on local authorities in England and Wales to maintain a list of land in their areas that is land of community value as nominated by the local community.

The local authority must consider only if the nominated asset meets the criteria set out in Section 88 Localism Act 2011 in that it is satisfied:

- (a) the actual use, not an ancillary one, that furthers social wellbeing or social interest of the local community; and
- (b) that there can continue to be a non-ancillary use, which will further the social well-being or social interests of the local community.

The Council must maintain:

- A list of assets that are held to be of community value; and
- A list of assets identified in unsuccessful nominations.

If land or buildings are placed on the list of assets of community value:

- They remain on the list for five years;
- They are subject to a local land charge;
- If the owner wishes to sell (some exemptions apply) the asset they must notify the Council;
- The Council must notify the nominator and publicise the potential sale;
- All community groups have a six week window to register their intent to bid for the asset;
- If no registration of intent is received the owner may then sell the asset as they see fit (subject to any normal legal processes);

- If intent is registered community groups are then allowed a further 20 weeks (strictly 6 months from the date of the owner's notice) to raise money, reach agreement or otherwise bid for the asset;
- The owner may sell to a community group at any time but is never obliged to do so;
- If no community bid is made or accepted within the six months the owner may then sell the asset as they see fit;
- No further bid or moratorium can be made for a period of 18 months from the owner's notice; and
- If the owner suffers financial loss as a result of the imposition of either moratorium the Council must compensate the owner.

The provisions of the community right to bid does not:

- Restrict who the owner of a listed asset can sell their property to, nor at what price;
- Confer a right of first refusal to community interest groups,
- Enable a community group to trigger disposal of a site;
- Place any restriction on what an owner can do with their property, once listed, if it remains in their ownership.

Only the owner of the land has the right to seek a review of the decision to include any land on the list in accordance with Section 92 of the Localism Act 2011. This must be done in writing within 8 weeks of the written notice of inclusion of the land in the list.

The table below, based on guidance produced by the Public Law Partnership sets out an overview of what the Act and Regulations intend to constitute as an Asset of Community Value”.

The Act intends to apply to Land and Buildings Where:

1. The main use of the land or building **furtheres the social wellbeing or social interests of the local community** at the present time AND it is realistic to think that this can continue into the near future (even if the type of social use or benefit might change), or;
2. The main use of the land or building **furthered the social wellbeing or social interests of the local community** in the recent past AND it is realistic to think that this could again happen **in the next five years** (even if the type of social use or benefit might change).

The Act does not intend to apply to land where:

1. The main use of the land or **building furthered the social wellbeing or social interest of the local community *some years ago*** but is not presently in use for a social purpose, or;
2. The land or building has **not recently been, and is not currently, in use for a primarily social purpose**, or;
3. The land or building has been **empty or derelict** for many years and remains so today.

In their Guidance Public Law Partnership provide some helpful interpretation of these terms:

“This could apply to a broader set of activities and not just cultural, recreational and sport interests as provided by the Act. Working with local communities it could include: any land or building where the main purpose is for the provision of public services for education, health and wellbeing or community safety e.g. nurseries, schools, children's centres, health centres, surgeries, hospitals, day care centres, and residential care homes. Sport,

recreation & culture e.g. parks and open green spaces, sports and leisure centres, libraries, theatres, museums and heritage sites, cinemas, swimming pools. Community services e.g. community centres, youth centres, and public toilets. Any economic use which also provides important local social benefits e.g. village shops, pubs, markets.

“What does it mean “realistic to think that this can continue into the near future”? For the use which is **currently ongoing**, the working assumption should be that the present use can continue into the future, unless the local authority is able to identify evidence that is unlikely to be the case. In other words where the asset is presently in social use there should be a **presumption of continued viability**, unless clear evidence suggests otherwise. For a **social use which has lapsed** and needs to be re-established the local authority will need to take a view on the realism of re-establishing this. A new approach can help to re-establish services that were previously not viable.”

Whilst COVID-19 restrictions including socially distancing are having a huge impact on the ability of pubs to function safely and viably, the ACV Legislation does not currently address recent COVID-19 restrictions. Therefore when considering if the nominated asset meets the criteria only the issued legislative guidance can be applied.

### **CURRENT POSITION**

The Nomination Form has been submitted by Jaywick Sands Revival CIC (attached at Appendix A), and contains at B4 and B5 reasons why the nominators consider that the building is of community value and how the land could be acquired and used in the future.

The nomination states that the building is currently used to further the social wellbeing and interests of the local community in various ways. The nominating body state they provide vital practical support through the Community Hub they have established in the premises which includes Food, Clothes and Hygiene Bank, advice and support, social events and space for outreach services to hold surgeries such as Age Concern. In addition the Community Pub once re-opened will provide a safe environment for local people to meet. It is also intended to establish a local football team and there is a community farm being developed already.

In addition the Jaywick Sands Revival have stated their plans to develop a café for the elderly, annual street parties and engage with local vendors and businesses to help them promote and build awareness of their businesses.

The nominating body are also registered as a Charity Based Society through which they run the Community Pub and have been working with the Plunket Foundation to acquire funding to support a potential purchase of the premises. They are also actively engaging with other community based grant funding bodies.

In accordance with the Regulations the landowner has been notified and been given a period of time to make representation. To date no response has been received but if a formal response is received before the Cabinet meeting this will be included at the time.

It is recommended that the building does meet the criteria set out in Section 88 (2) (a) of the Act:

*there is a time in the recent past when an actual use of the building or other land that was not an ancillary use furthered the social wellbeing or interests of the local community*

The Nomination request is being sought with the stated intention of continuing the current use and activities which further the social wellbeing and interests of the local community.

Taking the above into account it is recommended that the matter for consideration is whether the building nominated does meet the criteria set out in Section 88 (2) (b) of the Localism Act 2011, specifically:

*it is realistic to think that there is a time in the next five years when there could be non-ancillary use of the building or other land that would further (whether or not in the same way as before) the social wellbeing or social interests of the local community.*

#### **BACKGROUND PAPERS FOR THE DECISION**

**Non-statutory advice note for local authorities produced by DCLG  
Community Right to Bid – October 2012**

#### **APPENDICES**

**Appendix A – Nomination Form (Redacted)**

**Asset of Community Value Nomination Form**

**: You and your organisation**

Your Name: Redacted
Your Organisation (full official name) Jaywick Sands Revival CIC
Your position in the organisation:
Organisation address (including postcode) 24 Broadway, Jaywick, CO152EH
Daytime telephone no.: 01255479090
Email address: Jaywicksandscic@gmail.com
How and when can we contact you?*
Monday, Tuesday, Thursday, Friday between 10am-3pm

\*other correspondence address or preferred way or time for us to contact you

**Type of organisation**

Description	Put a cross <b>X</b> against all those that apply	Registration number of charity and/or company (if applicable)
Neighbourhood forum		
Parish Council		
Charity	X	
Community interest company	X	11328700
Unincorporated body		
Company limited by guarantee		
Industrial and provident society		

Unincorporated bodies only:

In the case of an unincorporated body, at least 21 of its members must be registered to vote in the Tendring District or an adjoining authority. If relevant, please confirm the number of such members. If they are registered to vote in the area of a neighbouring local authority, rather than in Tendring, please confirm which area that is.

### **Local connection**

We as a community company and CBS have a massive connection to the community. We run a community hub which acts as an anchor within our community to bring people together through different endeavours such as, Food bank, clothes bank, baby bank, Hygiene bank school uniform drives, local events that help everyone in the community including the elderly, the disadvantaged and long term ill. We also run a community pub which is completely run and subsidised by the local community and grants we receive. The pub is a place for people in our community to come together in a safe place and find help and advice when needed. We also house Age concern once a month as well as having plans to start a local football team with mixed sexes as well as being open every day for people to come in and get help and advice whenever needed which is manned by volunteers. We also work with local groups to bring local resources to the community such as helping set up and run a local community farm, which is in the process of happening as well as giving opportunities to local people for job and skill training.

### **A6 Distribution of surplus funds (certain types of organisation only)**

If your organisation is an unincorporated body, a company limited by guarantee, or an industrial and provident society, its rules must provide that surplus funds are not distributed to members, but are applied wholly or partly for the benefit of the local area (i.e. within the administrative area of Tendring or a neighbouring local authority). If relevant, please confirm that this is the case, and specifically which area this applies to.

All our excess funds, when we have some, will be going back into the community. As a CIC we have an asset lock and as a CBS we also have an asset lock.

### **A7 More about your organisation**



What are the main aims and activities of your organisation?

The Main Aims of our organisation is to help alleviate the deprivation in Jaywick Sands by helping its people improve their lives through self-sufficiency as well as make Jaywick Sands a safe and better place to live, work and visit, to hopefully increase our tourism rate.

We plan to bring our community together and make Jaywick Sands, as much as possible, self-sufficient and be able to help the local community without having to branch outside to ask for assistance.

We also run local events for people to create both social cohesion and self-reliance. We run affordable events, every year such as our Christmas Grotto, Santa's Sleigh ride to Jaywick and Clacton, Easter and Halloween events and anything we think could benefit our community.

We deliver food and hygiene parcels locally to those that cannot go out to get one, as well as helping the local elderly by linking them with Age concern and getting them the help and support to enable them to stay at home safely.

**A8 Your organisation's rules**

<b>Please send us a copy of the relevant type of document for your organisation, and put a cross in the next column to indicate which one this is</b>	X
Memorandum and Articles of Association (for a company)	X
Trust Deed (for a trust)	
Constitution and/or rules (for other organisations)	X

**Part B: About the land or building(s) you are nominating**

**B1 Description and address**

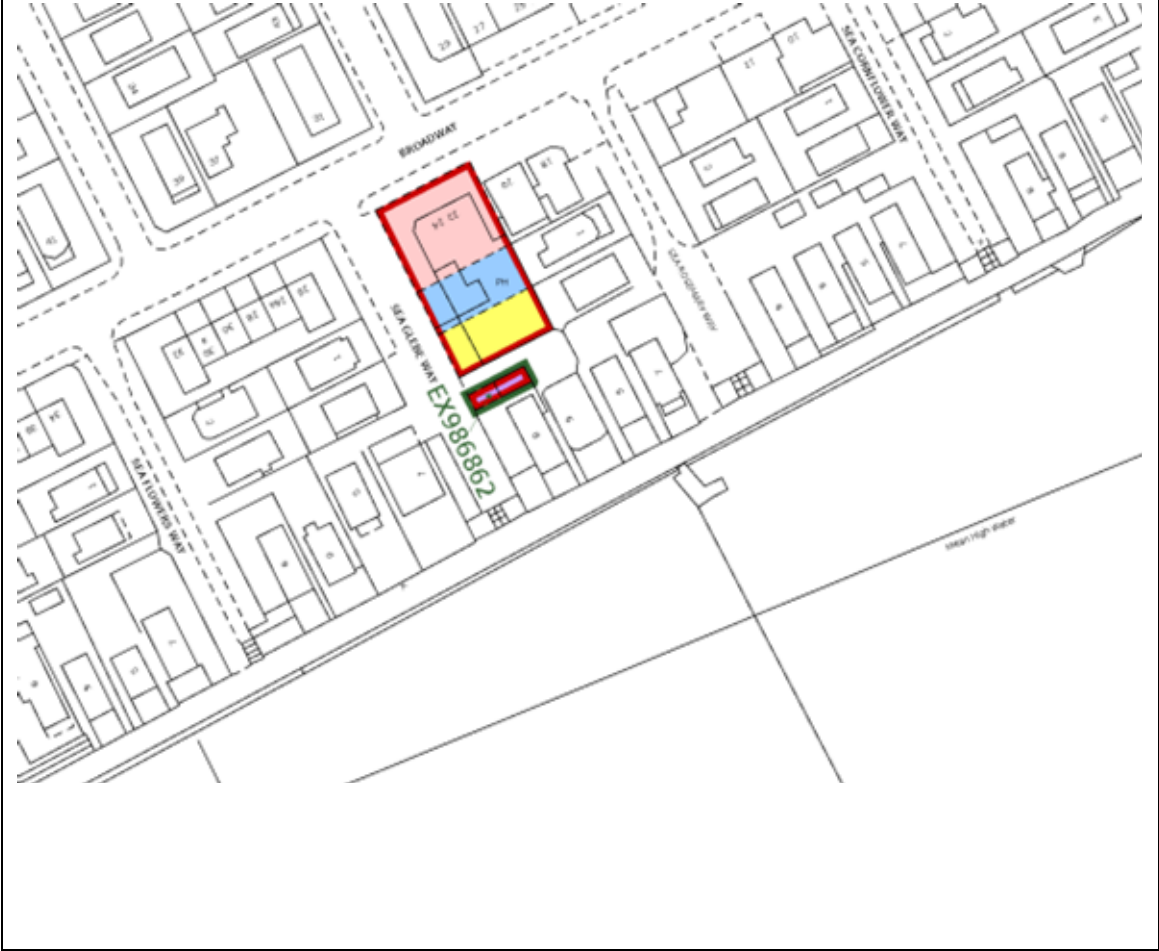
What it is (egg. pub, local shop) Community Pub and Community Hub
Name of premises (eg. Royal Oak / Littletown stores) The Never Say Die
Address including postcode (if known) 24 Broadway Jaywick CO15 2EG

**B2 Sketch plan**

Please include (here or on a separate sheet) a sketch plan of the land. This should show:-

- The boundaries of the land that you are nominating
- The approximate size and position of any building(s) on the land.
- Any roads bordering the site.

I will attach the plans for the pub we received when we leased it



**B3 Owners and others with an interest in the building or land**

You should supply the following information, if possible. If any information is not known to you, please say so.

	<b>Name(s)</b>	<b>Address(es)</b>
Names of all current occupants of the land	Jaywick Sands Revival CIC JSRNSD Limited	Same as B1.
Names and current or last known addresses of all those owning the freehold of the land (i.e. owner, head landlord, head lessor)	Redacted	Redacted
Names and current or last known addresses of all those having a leasehold interest in the land (i.e. tenant, intermediate landlord, intermediate lessor)		

**B4 Why you think the building or land is of community value**

Note that the following are not able to be assets of community value:-

- A building wholly used as a residence, together with land “connected with” that residence. This means adjoining land in the same ownership. Land is treated as adjoining if it is separated only by a road, railway, river or canal.
- A caravan site.
- Operational land. This is generally land belonging to the former utilities and other statutory operators.

Does it currently further the social wellbeing or social interests\* of the local community, or has it done so in the recent past? If so, how?

JSR CIC was established in 2018 by local people because they saw a need for the local people to get help and advice due to massive local deprivation. Local people banded together and created a group as a go to for locals to receive help and advice for the things they need. We then saw the opportunity to lease the local community pub as it has closed in lock down, and the owner had no intention of reopening. We saw this as a tragedy as this pub was a local institution and well used by the local community. Seeing the need and opportunity this pub would bring, we decided to lease the community pub and change the function room into a community hub. This then allowed us more space and an opportunity to expand our over stretched and under spaced services. Since then the pandemic has further increased the need for our services, especially regarding the food, clothes and hygiene bank as many people has been furloughed and lost their jobs locally and therefore need more assistance. We run all local services from the hub and pub as well as raising funds for good causes. We would not be able to run the services and have the impact we currently have if we didn't have the space for our services to run, and have the space to house the items we give out to the local community. The pub also gives us the opportunity to further our reach to different people within the community that we wouldn't have been able to reach otherwise.

Could it in future further the social wellbeing or social interests\* of the local community? If so, how? (This could be different from its current or past use.)

In the future were looking to further our services more as well as increase the services offered. We will hopefully be organising a local football club, local get fit sessions and a local elderly café which will only help our community even more. We also intend to run more local events as well as an annual street party, to show off local vendors and local small businesses which increases exposure for local people and helps build their businesses and awareness.

\*These could be cultural, recreational and/or sporting interests, so please say which one(s) apply.

**B5 How could the building or land be acquired and used in future?**

*If it is listed as an asset of community value, community interest groups (not just limited to your organisation) will get the opportunity to bid for it if it comes up for sale. Please set out how you think such a group could fund the purchase of the building or land, and how they could run it for the benefit of the community.*

We are a CIC and intend to purchase the land and continue to run the services we already run here as well as increasing the opportunities for locals and alike. We have been working with Plunketts to acquire funding not only from them, but other sources within the funding and grant making community. Plunketts, the leading funder for buying community businesses are very excited to help us in our endeavour as they can see the opportunity the pub and hub is.

## Section C: Submitting this nomination

### C1 What to include

- The rules of your organisation (question A8).
- Your sketch plan (question B2).

### C2 Signature

*By signing your name here (if submitting by post) or typing it (if submitting by email) you are confirming that the contents of this form are correct, to the best of your knowledge.*

Signature Redacted
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### C3 Where to send this form

You can submit this nomination:-

- **By post to:** Tendring District Council, Town Hall, Station Road, Clacton on Sea, Essex, CO15 1SE
- **By email to:** gburden@tendringdc.gov.uk

<b>Key Decision Required:</b>	<b>YES</b>	<b>In the Forward Plan:</b>	<b>YES</b>
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## CABINET

### JOINT REPORT OF THE PORTFOLIO HOLDER FOR CORPORATE FINANCE AND GOVERNANCE AND THE PORTFOLIO HOLDER FOR HOUSING

**19<sup>TH</sup> MARCH 2021**

#### **A.7 FREEHOLD PURCHASE OF A RESIDENTIAL PROPERTY IN CLACTON-ON-SEA** (Report prepared by Matthew Wicks)

#### **PART 1 – KEY INFORMATION**

##### **PURPOSE OF THE REPORT**

To seek approval from Cabinet for the freehold purchase of a three bedroom residential property in Clacton-on-Sea to meet local housing needs.

##### **EXECUTIVE SUMMARY**

The Council has a target to bring 200 additional homes into the council housing stock in order to meet rising demands for high quality, affordable housing in the District. These homes will be acquired or built via a range of approaches.

This proposal is in respect of an exciting opportunity to purchase a vacant three bedroom ex-Council house that is currently for sale on the open market in Clacton-on-Sea.

For a number of years the Council has had a strong demand for three bedroom houses and this property meets the criteria set out in the Housing Acquisitions and Development Strategy. There are currently 145 families on the Housing Register seeking a three bedroom house in the Clacton-on-Sea area.

In February 2021 Portfolio Holder approval was obtained to initiate the Council's Property Dealing Procedure, to obtain an independent valuation of the property and to negotiate a price with the owners.

An independent market valuation has now been obtained and negotiations with the owner have been completed satisfactorily, to enable the purchase to be progressed to a conclusion. Purchasing this property will add an additional property to the Council's housing stock in the Housing Revenue Account in an area of high demand.

The Part B Report the detail of negotiations.

##### **RECOMMENDATIONS**

**It is recommended that Cabinet:**

- **Authorises, in principle, the terms of the freehold purchase of the property for inclusion into the Council's housing stock; and,**

- **Subject to its decision on terms, authorises the Corporate Director for Operations and Delivery to enter into a contract and transfer deed to complete the purchase of the property as set out in the report in Part B of this agenda.**

## **PART 2 – IMPLICATIONS OF THE DECISION**

### **DELIVERING PRIORITIES**

Our priorities include providing decent affordable housing and to ensure all our residents live in high quality housing which meets local needs.

Supporting the supply of affordable housing and to add additional properties to the Council's own housing stock – working towards the 200 home target.

Managing public money effectively meaning value for money principles are embedded in the delivery of all our services.

### **FINANCE, OTHER RESOURCES AND RISK**

#### **Finance and other resources**

The purchase of property carries a financial cost but would bring an additional dwelling into the Housing Revenue Account that could immediately begin generating a return.

The purchase will be funded from the S106 Agreement capital receipts that have been generated and in order to comply with capital receipt pooling regulations, 70% will be funded from the Housing Revenue Account (HRA) New Build and Acquisitions fund. Further detail is set out in the Part B report.

#### **Risk**

Officers have not identified any significant risk associated with the proposals other than the risk associated with the Right to Buy – a financial risk that is inherent to almost all Council owned housing.

### **LEGAL**

In coming to decisions in relation to the management or procurement of assets, the Council must act in accordance with its statutory duties and responsibilities. Under case law following Section 120 of Local Government Act 1972, the Council is obliged to ensure that the management of its assets are for the benefit of the District.

Section 17 of the Housing Act 1985 provides the principal power for the acquisition of land for housing purposes, including land as a site for the erection of houses; this includes the power to acquire land for the purposes of disposing of the land to a person who intends to provide housing accommodation on it.

Pursuant to Section 9 of the Housing Act 1985 ("the 85 Act"), a local housing authority may provide housing accommodation by acquiring houses. Section 24 of the 85 Act provides that the Council acting as a housing authority may make such reasonable charges as they may determine for the tenancy or occupation of their houses.

### **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.

**Ward** Bluehouse Ward – Clacton on Sea

### **Climate Impacts**

The purchase of this property does not present a direct impact on the Council's target for net zero greenhouse gas emissions from its business operations by 2030. It does however present an opportunity to improve the energy efficiency of the property as part of the refurbishment process and thereby reduce the greenhouse gas emissions generated by the eventual tenants. The aim will be to improve the energy performance of the property as much as reasonably possible.

## **PART 3 – SUPPORTING INFORMATION**

### **BACKGROUND**

For a number of years the Council has had a very strong demand for three bedroom houses in Clacton. However our stock has dwindled and turnover of tenancies is very slow.

Officers have sourced a vacant three bedroom ex-Council house that is currently for sale on the open market. The property has been viewed by the Housing Manager, Development & Building Manager and Senior Housing Renewal & Adaptations Officer and have been identified as a property of high demand, potentially adaptable to accommodate families living with disabilities and the construction is known to the Building Services Team.

The property is located in Clacton-on-Sea which is a priority area for acquisitions as set out in the Housing Acquisitions and Development Strategy adopted by Cabinet in October 2020.

### **CURRENT POSITION**

The Housing Tenancy Management and Building Services Teams have viewed the property and carried out a full assessment. In February 2021 Portfolio Holder approval was obtained to initiate the Property Dealing Process and an independent valuation was undertaken.

### **FURTHER HEADINGS RELEVANT TO THE REPORT**

None

### **BACKGROUND PAPERS FOR THE DECISION**

None

### **APPENDICES**

None

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<b>Key Decision Required:</b>	<b>Yes</b>	<b>In the Forward Plan:</b>	<b>Yes</b>
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## CABINET

19<sup>TH</sup> MARCH 2021

### JOINT REPORT OF THE CORPORATE GOVERNANCE & FINANCE PORTFOLIO HOLDER AND THE HOUSING PORTFOLIO HOLDER

#### A.8 HOUSES IN MULTIPLE OCCUPATION (HMO) POLICY

(Report prepared by Peter Russell)

#### PART 1 – KEY INFORMATION

##### **PURPOSE OF THE REPORT**

To recommend a Houses in Multiple Occupation (HMO) Policy for adoption by the Council.

##### **EXECUTIVE SUMMARY**

The HMO Policy sets out the Council’s corporate approach to the approval of HMO’s and the required management expectations and standards for HMOs in the District.

##### **RECOMMENDATION(S)**

**It is recommended that Cabinet:**

- **Adopts the HMO Policy; and,**
- **Delegates authority to the Housing Portfolio Holder to make updates or amendments to the policy, if required, after it is adopted.**

#### PART 2 – IMPLICATIONS OF THE DECISION

##### **DELIVERING PRIORITIES**

The decisions will contribute to the following priorities in the Corporate Plan 2020-2024:

##### **Community Leadership Through Partnerships**

The policy will contribute to the overall aims of the Corporate Enforcement Strategy through the delivery of high quality affordable services, engaging with the community and effective partnership working to promote healthier lifestyles and well-being in the district as well as tackling homelessness.

##### **Building Sustainable Communities for the Future**

The policy will play a key role in ensuring that private tenants in the district can live in a safe and decent home. Good quality housing contributes to positive health and wellbeing that are the key foundations of a sustainable community.

##### **FINANCE, OTHER RESOURCES AND RISK**

##### **Finance and other resources**

The implementation of this policy can be met through existing resources in the Planning and Housing & Environmental Departments. Fees obtained through planning and licensing applications help to meet the administrative costs of enforcing the standards and requirements for HMO’s set out in the policy.

## **Risk**

A failure to tackle the proliferation of HMO's and not enforcing management standards could lead to an increase in anti-social behaviour, damaging community relations and the council's reputation.

## **LEGAL**

A property is defined as an HMO in the Housing Act 2004 if both the following apply:

- at least three tenants live there, forming more than one household and;
- the occupiers share essential living accommodation such as a kitchen, toilet or bathroom.

A household consists of a single person or members of the same family who live together.

A family includes people who are:

- married or living together – including people in same sex relationships or;
- relatives or half-relatives, for example, grandparents, aunts, uncles or siblings or;
- step-parent's and step-children .

Common examples of HMO's would include house or flat shares, bedsit type accommodation with shared facilities and B&B type accommodation for persons who have no other home, where that is the predominant use. Converted blocks of flats, as defined in Section 257 Housing Act 2004, are HMO's if they do not meet the Building Regulations standards that were in force in 1991.

In planning terms, there is a District wide Article 4 Direction in operation in the Tendring area. The Article 4 Direction came into force in May 2013. This means that the creation of HMOs and bedsits in the District (in the majority of cases) requires planning permission in line with national planning regulations

Mandatory HMO Licensing was first introduced in Part II of the Housing Act 2004 and came into force in 2006. The rules on HMO licensing were amended in October 2018 and now, a HMO must be licensed if it accommodates **at least 5 people in 2 or more different households**. The changes were made to the HMO licensing regime following extensive consultation and concerns about some landlords letting sub-standard properties. It is a legal requirement for a landlord to obtain a licence from the Council in order to lawfully let the property if the mandatory licensing conditions are met.

In order to issue a licence for an HMO, the Council must be satisfied that the property is, amongst other things, suitable for occupation by a specified maximum number of people and/or households. Regulations entitled the 'The Licensing and Management of Housing in Multiple Occupation and Other Houses (Miscellaneous Provisions) (England) Regulations 2006 have been issued which prescribe minimum standards that each local authority must have regard to in terms of washing, toilet and kitchen facilities, heating and fire precautions.

More recently, The Licensing of Houses in Multiple Occupation (Mandatory Conditions of Licences) (England) Regulations 2018 brought in minimum standards regarding room sizes and waste disposal.

It is an offence if the landlord or other person in control of the HMO either fails to apply for a licence for a licensable property, or allows a property to be occupied by more people than are permitted under the terms of the licence without reasonable excuse. A civil

penalty or an unlimited fine upon conviction may be imposed. It is also an offence to break any of the licence conditions without reasonable excuse and again, a civil penalty or unlimited fine upon conviction may be imposed.

It is also an offence for a landlord to fail to comply with Management Regulations in respect of HMO's, specifically The Licensing and Management of Houses in Multiple Occupation and Other Houses (Miscellaneous Provisions) (England) Regulations 2006 and The Licensing and Management of Houses in Multiple Occupation (Additional Provisions) (England) Regulations 2007. A civil penalty or unlimited fine upon conviction may be imposed in respect of breaches. It is important to note these regulations must be complied with at all times.

Not all HMO's are required to be licensed which applies to properties where at least three but less than five tenants live in a property forming more than one household and where some essential living accommodation such as a kitchen, bathroom or toilet are shared. Such properties are deemed to be less risk than those HMO's that require a mandatory licence but whilst, a licence is not required by law, the properties are still required to meet standards as set out in the Housing Health and Safety Rating System which was introduced in Part I of the Housing Act 2004.

Other civil remedies are available to the Council such as Interim Management Orders, Final Management Orders, Rent Repayment Orders, Prohibition Orders and Emergency Prohibition Orders. The Council must keep a register of mandatory licensable HMO's in the district and this must be made available for inspection by any member of the public.

In April 2018, the Homelessness Reduction Act came into force and the Act imposed new duties on the Council in terms of tackling and assessing homelessness. The Council now has a duty to prevent or relieve homelessness for each person who approaches for assistance. The prevention duty can last up to 56 days and if homelessness cannot be prevented, the Council then owes the person a homelessness relief duty. This means that the Council has to actively work with each and every client to source accommodation and this is regardless of whether the person will be owed a full housing duty (i.e. the person has a priority need for accommodation and is unintentionally homeless). The lack of affordable housing in the district means that the Council has to source accommodation in the private sector and for those under the age of 35 subject to the shared accommodation rate, a placement in an HMO is the only viable option.

## **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/Consultation/Public Engagement/Climate Impact

### **Crime and Disorder**

The policy will help reduce incidence of anti-social behaviour arising in and around HMO's and will improve community relations.

### **Equality and Diversity**

The policy, at Section 1.4 contains a statement on equality and diversity

### **Health Inequalities**

The control of and management expectations for HMO's as set out in the policy will help to address health inequalities in the district.

### **Climate Impact**

The policy itself will have little impact in contributing to achieving the Council's net zero emissions by 2030 and HMO's are generally considered as "hard to treat" when it comes to improving heating conditions. However, the work carried out in enforcing and improving housing conditions will present opportunities to improve the provision of additional insulation and improved heating systems in HMO's, which will contribute to a district-wide reduction in emissions.

### **Ward**

All wards are covered by the policy

## **PART 3 – SUPPORTING INFORMATION**

### **Background**

The Council adopted its Corporate Enforcement Strategy in September 2017 and the Strategy sets out the Council's corporate approach and ethos for enforcement across all departments of the Council. The HMO policy will ensure that there is a joined-up, corporate approach to prevent the proliferation of HMO's and enforcement of standards.

The Council adopted the Article 4 Direction because of concerns about the impact that an increasing number of HMOs and bedsits, both new-build proposals and the conversion of existing properties, will have on the health of residents, the economy of the District and the physical character of our towns and villages. An increasing number of large residential properties, hotels and guesthouses and former care homes in central parts of our seaside towns have been lost to HMOs and bedsits, which will result in the permanent loss of valuable visitor accommodation, (essential to the tourism economy), and poor living conditions and resultant health problems for tenants.

Furthermore, the concentration of low-cost accommodation within town centre areas can result in a high proportion of people with personal, financial or health issues moving into the area (sometimes from outside of the District) and being concentrated together in one area. This can place undue pressure on the public services within those areas (such as doctors' surgeries) The proliferation of HMO's can detract from the public perception of the area (which is all important for the purposes of attracting visitors, tourists and investors to spend money in the local economy).

There are currently 34 HMO's in the Tendring District that require a mandatory licence and there are an estimated 149 non-licensable HMO's in the District. In the last 18 months, the Council has issued prohibition orders on two HMO's in Clacton-on-Sea leading to the suspension of the HMO licences and has issued one Emergency Prohibition Order on another HMO leading to the revocation of the licence and civil penalties being imposed totalling £70,000 in respect of breaches of management regulations which are being challenged.

The country is currently in the midst of the Covid-19 pandemic. Whilst the government has brought in measures to temporarily halt evictions (for example, from August 2020, private landlords are now required to give at least six months' notice unless there has been a serious breach of the tenancy), there is a likelihood that many residents in the district will face financial hardship or unemployment and as a result become threatened with

homelessness. In the quarter April-June 2020, the Council owed a homelessness relief duty to 80 single person households, 38 of whom were under the age of 35 and therefore subject to the shared accommodation rate.

**FURTHER HEADINGS RELEVANT TO THE REPORT**

None

**BACKGROUND PAPERS FOR THE DECISION**

None

**APPENDICES**

HMO Policy

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# A.8 APPENDIX

## HMO POLICY

### TENDRING DISTRICT COUNCIL

#### **1. POLICY OVERVIEW**

1.1 INTRODUCTION

1.2 AIMS OF THIS POLICY

1.3 LINKS TO THE COUNCIL'S CORPORATE AIMS

1.4 EQUALITY & DIVERSITY

1.5 POLICY STATEMENT

#### **2. WHAT IS AN HMO?**

#### **3. PLANNING REQUIREMENTS**

3.1 THE ARTICLE 4 DIRECTION

3.2 THE REASONS FOR THE ARTICLE 4 DIRECTION

3.3 THE REQUIREMENTS TO OBTAIN PLANNING PERMISSION FOR AN HMO

#### **4. HOUSING & LICENSING REQUIREMENTS**

4.1 THE HOUSING MARKET

4.2 SAFETY

4.3 HMO MANDATORY LICENSING

4.4 REGULATORY POWERS

4.5 NON-LICENSABLE HMO'S

#### **5. MEETING HOUSING NEEDS**

5.1 THE SHARED ACCOMMODATION RATE

5.2 THE HOMELESSNESS REDUCTION ACT 2017

5.3 ROUGH SLEEPING

#### **6. LINKS TO LEGISLATION, STRATEGIES AND POLICIES**

#### **7. CONCLUSIONS**

## **1. POLICY OVERVIEW**

### **1.1 INTRODUCTION**

The Tendring area includes a number of coastal towns (Clacton-on-Sea, Jaywick Sands, Harwich, Frinton-on-Sea, Walton-on-the-Naze and Brightlingsea) as well as other small towns and villages. Tendring is no different from many other coastal areas in the UK and has seen over the years that a number of guest houses and other traditional tourist accommodation have become private rental establishments. Many of these former guest houses have become Houses in Multiple Occupation (HMO's) and provide accommodation for often the most vulnerable residents in the district. HMO's, with their shared facilities, tend to provide cheaper accommodation than self-contained flats and are primarily the only accommodation available to people under the age of 35 who are on low incomes or benefits.

It should be recognised that whilst some of the HMO's in the district provide good quality, well-managed and cost-effective accommodation, many others have become hotbeds of anti-social behaviour and criminality and have blighted the lives of neighbours, the wider community and some of the residents in the properties themselves. Poor management standards, poor quality accommodation and the actions of some of the residents in the HMO's and their visitors have created additional burdens on the Council and other statutory partners such as the Police, Fire Service, NHS and Social Care.

There is an increasing demand for low cost housing from households threatened with homelessness and this is likely to increase during and after the Covid-19 pandemic. For many single homeless people, a placement in a HMO is the only viable and cost-effective housing option. If households cannot access a placement in a HMO or other lower cost establishment, there is a likelihood that those households will have no option but to sleep rough and this will cause issues for the wider community and adversely impact on the health and well-being of the individuals themselves.

Following concerns about the proliferation of HMO's, in May 2013, the Council adopted a district-wide Article 4 Direction to ensure that no new HMO's could operate unless planning permission was obtained. This Article 4 Direction remains in force so any person wanting to change the use of a property to a HMO or develop a new property as an HMO must seek planning permission. There are also additional requirements in respect of housing conditions and management and, in some cases licensing, which must be met by the owner.

Our Corporate Enforcement Strategy adopted in September 2017 stresses our approach to enforcement will be one of an initial proactive engagement, to discuss issues, in a positive manner. If initial approaches are unsuccessful then a firm but fair stance will be adopted which will address issues quickly and transparently, whilst protecting members of the community and the environment. It is therefore essential that the approval of and management of HMO's meet our expectations to protect the wider community and the residents who reside in HMO's themselves.

### **1.2 AIMS OF THIS POLICY**

The aim of this HMO Policy ("the Policy") is to set out the Council's approach to and requirements for HMO's in the district from both a planning and housing perspective and explains how HMO's can meet the housing needs of some of the district's residents.

### 1.3 LINKS TO THE COUNCIL'S CORPORATE AIMS

This policy supports the Council's corporate aims which are set out and can be viewed at [www.tendringdc.gov.uk/council/performance-spending/councils-corporate-plan](http://www.tendringdc.gov.uk/council/performance-spending/councils-corporate-plan)

### 1.4 EQUALITY & DIVERSITY

The Council is committed to promoting equality of opportunity in all service areas and has procedures in place to ensure all applicants for housing, tenants and leaseholders are treated fairly without unlawful discrimination.

The Equality Act 2010 provides a legislative framework to ensure Council services are not provided in a discriminatory manner by having due regard to eliminating discrimination, harassment and victimisation, advancing equality of opportunity and fostering good relations.

### 1.5 POLICY STATEMENT

The Council accepts that there is a need for good quality HMO's in the district to meet the needs of residents on low incomes and some of our most vulnerable residents. However, this has to be balanced with the impact that some HMO's can have on the lives of neighbours, the wider community and statutory services. **Regular inspections of higher risk properties will be undertaken to ensure compliance with housing and planning legislation and policy.**

This policy will be reviewed and updated periodically to ensure it reflects the current position.

## 2.0 WHAT IS AN HMO?

A property is an HMO if both the following apply:

- at least three tenants live there, forming more than one household and;
- the occupiers share essential living accommodation such as a kitchen, toilet or bathroom.

A household consists of a single person or members of the same family who live together. A family includes people who are:

- married or living together – including people in same sex relationships or;
- relatives or half-relatives, for example, grandparents, aunts, uncles or siblings or;
- step-parent's and step-children .

Common examples of HMO's would include house or flat shares, bedsit type accommodation with shared facilities and B&B type accommodation for persons who have no other home, where that is the predominant use. Converted blocks of flats, as defined in Section 257 Housing Act 2004, are HMO's if they do not meet the Building Regulations standards that were in force in 1991.

Large HMO's are HMO's where at least five tenants live there forming one of more households and essential living accommodation is shared such as a kitchen, bathroom or toilet. Large HMO's are required by law to be licensed by the Council.

### **3. PLANNING REQUIREMENTS**

#### **3.1 THE ARTICLE 4 DIRECTION**

There is a district wide Article 4 Direction in operation in the Tendring area. The Article 4 Direction came into force in May 2013. This means that the creation of HMOs and bedsits in the district (in the majority of cases) requires planning permission in line with national planning regulations. Generally, and in other parts of England, the conversion of a 'dwelling house' (Use Class C3) to an HMO in Use Class C4 can take place without the need for planning permission **except in locations where the Local Authority has made an 'Article 4 Direction'** to remove this permitted change. Tendring District Council has made an Article 4 Direction removing this permitted change in all parts of the District and therefore any proposal involving the creation of an HMO or bedsits in the Tendring District will require planning permission. Tendring District Council is not unique in applying an Article 4 Direction in its area and other seaside towns such as Blackpool, Bournemouth, Hastings and Margate currently have Article 4 Directions in place.

HMOs with between three and six bedrooms fall under Class C4 of the Use Classes Order. HMOs with seven or more bedrooms are classed as 'sui generis'. Each individual bedroom within an HMO is classed as a 'tenancy unit'. A property under Class C4 that does not meet the criteria for mandatory licensing (see below) may still require planning permission.

Bedsits are dwelling houses that consist of a single room containing living accommodation and dedicated, but often basic, cooking and washing facilities (such as a cooker, microwave oven and sink). Sometimes bathroom and toilet facilities are shared by a number of bedsit occupiers. Bedsits form part of Use Class C3.

#### **3.2 THE REASONS FOR THE ARTICLE 4 DIRECTION.**

The Council adopted the Article 4 Direction because of concerns about the impact that an increasing number of HMOs and bedsits, both new-build proposals and the conversion of existing properties, will have on the health of residents, the economy of the District and the physical character of our towns and villages. An increasing number of large residential properties, hotels and guesthouses and former care homes in central parts of our seaside towns have been lost to HMOs and bedsits, which will result in the permanent loss of valuable visitor accommodation, essential to the tourism economy, and poor living conditions and resultant health problems for tenants.

Furthermore, the concentration of low-cost accommodation within town centre areas can result in a high proportion of people with personal, financial or health issues moving into the area (sometimes from outside of the District) and being concentrated together in one area. This can place undue pressure on the public services within those areas (such as doctors' surgeries) The proliferation of HMO's can detract from the public perception of the area (which is all important for the purposes of attracting visitors, tourists and investors to spend money in the local economy).

Owners of houses, hotels and guesthouses within the area could consider converting their premises into HMOs and bedsits, for rental income, rather than retaining them in their existing use. This trend is not sustainable for the long-term health and prosperity of the District and the economy of our town centres and tourist areas.

### **3.3 THE REQUIREMENTS TO OBTAIN PLANNING PERMISSION FOR AN HMO.**

The necessary requirements to obtain planning permission for an HMO are contained in Policy LP11 (HMO AND BEDSITS) in the emerging Local Plan. This is designed to ensure that any proposal for HMOs or bedsits does not result in an unhealthy concentration of such accommodation in any one particular area and to ensure that any HMOs or bedsits that are permitted will meet minimum standards of room size, facilities, design and layout to ensure that occupiers can enjoy decent living standards and to minimise any detrimental impacts on the physical appearance of the area. The space standards set out in the policy are based on the minimum space standards prescribed in Section 326 of the Housing Act 1985.

Policy LP11 in the emerging Local Plan states that all proposals involving the creation of Houses in Multiple Occupation (HMOs) or bedsits (including new-build, subdivisions and conversions) will require planning permission and will only be permitted within defined town centres where all of the following criteria are met:

- a) that within a 100 metre radius of the property or site in question (drawn as a circle from the centre of the property or site), the total number of existing and proposed HMO tenancy units and bedsits, as a proportion of all residential accommodation (tenancy units plus bedsits and dwelling houses that are not HMOs), would not exceed 10%;
- b) that the proposed tenancy units have a minimum internal floor area of 12 square metres and bedsits have a minimum internal floor area of 16 square metres;
- c) that each individual tenancy unit or bedsit has direct physical access to communal facilities without the need to rely on access via another tenancy unit or bedsit;
- d) that no more than six tenancy units or bedsits will be served by a single in door communal facility such as a living room, dining room or kitchen;
- e) that a minimum of 1 off-street car parking space per tenancy unit or bedsit is provided and each parking space must be capable of being used independently of one another;
- f) that all residents of the HMO or block of bedsits have access to adequate space for the storage of waste and recycling bins which will be provided within the curtilage of the block;
- g) that all external alterations to existing buildings are in keeping with the character of the building and the wider area; and
- h) that an area of communal open space is provided that has sufficient space and facilities for drying clothes.

Owners of former hotels or care homes will need to demonstrate that it is no longer viable for the establishment to operate in its current format and the Council will require evidence that the property has been subject to a marketing exercise of at least 6-12 months.

Furthermore, if a property is listed, it will not only need to obtain planning permission but also listed building consent and comply with building regulations.

**Any person wishing to convert a property into an HMO or develop a new property as an HMO is strongly advised to seek advice from the Council's Planning Department. Advice can be obtained by e-mailing [planning.enforcement@tendringdc.gov.uk](mailto:planning.enforcement@tendringdc.gov.uk)**

**Planning consent must be obtained before setting up an HMO. Failure to do so will lead to investigation and enforcement action. The views of the Housing and Environmental Department will be sought on any requests to convert a property into an HMO or to develop a new property as an HMO.**

## **4. HOUSING & LICENSING REQUIREMENTS**

### **4.1 THE HOUSING MARKET**

The private rented sector plays an important role on the national and local housing market. It is estimated that 1 in 5 households in England live in the private rented sector. The most recent Strategic Housing Market Assessment for the district published in December 2015 estimated that just under 13,000 households live in the private rented sector in Tendring (approximately 20% of all households). Given that there are approximately 5500 affordable rented homes in the district, it is clear that the private rented sector, including HMO's, plays a vital role in meeting the housing needs of our local residents.

### **4.2 SAFETY**

By their nature, HMO's pose a much higher risk in respect of fire safety than single occupancy housing. The sharing of kitchens and the often transient nature of tenants means that additional fire safety measures must be in place. The exact measures required depend on the construction of the property and the level of risk posed by the anticipated tenant group and can include protected fire escape routes, fire separation between rooms, fire detection and warning systems, fire doors and sprinkler systems.

The Council's Private Sector Housing Team can provide advice on the level of fire precautions required. The landlord will also need to undertake their own fire risk assessment.

An additional requirement is for landlords to undertake electrical safety inspections, fire alarm tests and gas safety checks and to submit them to the Council when requested.

As already highlighted, HMO's often provide much needed accommodation for vulnerable persons. Sometimes these individuals may have mental health illnesses and/or alcohol and drug dependencies. It is the behaviour of some of these individuals that can lead to problems within HMO's and for the immediate neighbourhoods around them. Landlords must be cognisant of this when setting up their HMO and deciding who to offer tenancies to. They must be equipped with the skills to manage the tenant groups they offer accommodation to.

**Before an HMO is brought into use, the appropriate conversion works and fire safety measures must be installed and approved by the Council's Private Sector Housing Team.**

### 4.3 HMO MANDATORY LICENSING

Mandatory HMO Licensing was first introduced in Part II of the Housing Act 2004 and came into force in 2006. The rules on HMO licensing were amended in October 2018 and now, a HMO must be licensed if it accommodates **at least 5 people in 2 or more different households**. The changes were made to the HMO licensing regime following extensive consultation and concerns about some landlords letting sub-standard properties. It is a legal requirement for a landlord to obtain a licence from the Council in order to lawfully let the property if the mandatory licensing conditions are met. There are currently 34 HMO's in the Tendring district that require a mandatory licence.

In order to issue a licence for an HMO, the Council must be satisfied that the property is, amongst other things, suitable for occupation by a specified maximum number of people and/or households. Regulations entitled the 'The Licensing and Management of Housing in Multiple Occupation and Other Houses (Miscellaneous Provisions) (England) Regulations 2006 have been issued which prescribe minimum standards that each local authority must have regard to in terms of:

- Washing and toilet facilities
- Kitchen facilities
- Heating and;
- Fire precautions.

More recently, The Licensing of Houses in Multiple Occupation (Mandatory Conditions of Licences) (England) Regulations 2018 brought in minimum standards regarding room sizes and waste disposal.

Before issuing a licence, the Council needs to be satisfied that the management arrangements for the property are satisfactory and that person involved in the management of the property is a 'fit and proper person' and competent to manage the property. There also needs to be sufficient funds available to carry out day to day maintenance. Management arrangements can differ depending on the age, size and type of property and the number and type of tenants residing in the property but as a minimum, there should be:

- A procedure for tenants to report repairs;
- A procedure for ensuring any repair work or maintenance work is carried out in a timely and professional manner;
- Sufficient funds available to enable emergency and routine repairs to be carried out;
- A procedure for checking the emergency lighting and fire detection systems are in working order;
- A procedure for ensuring the tenants are aware of fire safety and proper use of fire safety installations;
- Arrangements for ensuring fire escape routes are clear from obstruction;
- Arrangements for ensuring that the gas (where applicable) and electrical installations are kept in working order and that relevant safety certificates are up to date;
- Arrangements are in place to ensure the common parts of the building such as kitchens, bathrooms, toilets and hallways are kept clean and in good order;
- Arrangements are in place for the storage and collection of refuse and;
- Arrangements are in place to ensure the outside areas and fencing are tidy and in good order.

Tenancies should be created and ended in accordance with the law. If a rental deposit is taken, this should be safeguarded and placed in a custodial scheme. The owner or manager must make arrangements for the payment of Council Tax.

#### **4.4 REGULATORY POWERS**

Some significant regulatory powers are in place in respect of HMO's, whether licensable or not, and these reflect the high levels of risk to the safety of tenants if a property is not correctly designed or managed. Landlords must ensure they are aware of the laws they must comply with before they embark on setting up an HMO. The Council proactively inspects HMO's and will take enforcement action where breaches of legislation are discovered.

It is an offence if the landlord or other person in control of the HMO either fails to apply for a licence for a licensable property, or allows a property to be occupied by more people than are permitted under the terms of the licence without reasonable excuse. A civil penalty or an unlimited fine upon conviction may be imposed. It is also an offence to break any of the licence conditions without reasonable excuse and again, a civil penalty or unlimited fine upon conviction may be imposed.

It is an offence for a landlord to fail to comply with Management Regulations in respect of HMO's, specifically The Licensing and Management of Houses in Multiple Occupation and Other Houses (Miscellaneous Provisions) (England) Regulations 2006 and The Licensing and Management of Houses in Multiple Occupation (Additional Provisions) (England) Regulations 2007. A civil penalty or unlimited fine upon conviction may be imposed in respect of breaches. It is important to note these regulations must be complied with at all times.

Other civil remedies are available to the Council such as Interim Management Orders, Final Management Orders, Rent Repayment Orders, Prohibition Orders and Emergency Prohibition Orders. In the last 18 months, the Council has issued prohibition orders on two HMO's in Clacton-on-Sea leading to the suspension of the HMO licence and has issued one Emergency Prohibition Order on another HMO leading to the revocation of the licence and civil penalties being imposed totalling £70,000 in respect of breaches of management regulations.

The Council must keep a register of mandatory licensable HMO's in the district and this must be made available for inspection by any member of the public. There is fee payable to obtain a licence for an HMO in the district and this currently costs £718.90 with an additional charge of £20.54 per room for properties with over six rooms. The licence will generally last for five years.

#### **4.5 NON- LICENSABLE HMO'S**

As stated in Section 2 of this Policy, not all HMO's are required to be licensed which applies to properties where at least three but less than five tenants live in a property forming more than one household and where some essential living accommodation such as a kitchen, bathroom or toilet are shared. Such properties are deemed to be less risk than those HMO's that require a mandatory licence but whilst, a licence is not required by law, the properties are still required to meet standards as set out in the Housing Health and Safety Rating System which was introduced in Part I of the Housing Act 2004.



Tendring District Council is also signed up to the Essex Amenity Standards which is pan-Essex agreement to ensure consistent management and conditions standards in all HMO's across the County. There are an estimated 149 non-licensable HMO's in the district.

**Any person seeking advice on whether a property needs to be licensed or the standards required for HMOs in the district should contact the Council's Private Sector Housing Team at [PShousing@tendringdc.gov.uk](mailto:PShousing@tendringdc.gov.uk)**

## **5. MEETING HOUSING NEEDS**

### **5.1 THE SHARED ACCOMMODATION RATE**

HMO's can provide a role in providing cheaper accommodation for single people on low incomes or benefits. As amenities are shared, HMO accommodation tends to be cheaper than self-contained accommodation. Single people in receipt of benefits, be they unable to work, unemployed or on a low wage, are paid a "shared accommodation rate" of local housing allowance or universal credit housing costs. The shared accommodation rate was originally introduced in 1996 and applied to claimants under the age of 25. In April 2012, new regulations were introduced to extend the age to under 35. There are some claimants who are exempt from the rule such as lone parents, people in receipt of Personal Independence Payments for care and care-leavers up to the age of 22. The current shared accommodation rate in the district is £71.34 per week and the current rate for a person who is 35 or over and can rent a one bedroom flat is £120.82 per week.

### **5.2 THE HOMELESSNESS REDUCTION ACT 2017**

In April 2018, the Homelessness Reduction Act came into force and the Act imposed new duties on the Council in terms of tackling and assessing homelessness. The Council now has a duty to prevent or relieve homelessness for each person who approaches for assistance. The prevention duty can last up to 56 days and if homelessness cannot be prevented, the Council then owes the person a homelessness relief duty. This means that the Council has to actively work with each and every client to source accommodation and this is regardless of whether the person will be owed a full housing duty (i.e the person has a priority need for accommodation and is unintentionally homeless). The lack of affordable housing in the district means that the Council has to source accommodation in the private sector and for those under the age of 35 and subject to the shared accommodation rate referred to above, a placement in an HMO is the only viable option.

In the financial year 2018-19 (the first year of the Homelessness Reduction Act), 344 single people without children made a formal homelessness approach to the Council and were owed a prevention, relief or full housing duty. This was a significant increase on numbers compared to previous years but not unexpected as the terms of the Homelessness Reduction Act require the Council to treat every approach for assistance as a formal application.

At the time of writing this Policy, the country is in the midst of the Covid-19 pandemic. Whilst the government has brought in measures to temporarily halt evictions (for example, from August 2020, private landlords are now required to give at least six month's notice unless there has been a serious breach of the tenancy), there is a likelihood that many residents in the district will face financial hardship or unemployment and as a result become threatened with homelessness.

In the quarter April-June 2020, the Council owed a homelessness relief duty to 80 single person households, 38 of whom were under the age of 35 and therefore subject to the shared accommodation rate.

### **5.3 ROUGH SLEEPING**

The Government has committed to half rough sleeping numbers in England by the end of 2022 and to eliminate rough sleeping numbers all together by 2027. Whilst the numbers sleeping rough in the district have been low compared to other areas, there is the potential for rough sleeping numbers to increase as more people become threatened with homelessness during and after the pandemic.

**The Council is keen to work with landlords to prevent homelessness and source accommodation for our residents. If landlords wish to work with the Council to meet housing needs in the district, they can e-mail [housingmail@tendringdc.gov.uk](mailto:housingmail@tendringdc.gov.uk)**

## **6. LINKS TO LEGISLATION, STRATEGIES AND POLICIES**

- Housing Act 1985
- Housing Act 2004
- Equality Act 2010
- Homelessness Reduction Act 2017
- The Licensing and Management of Housing in Multiple Occupation and Other Houses (Miscellaneous) (England) Regulations 2006
- The Licensing and Management of Housing in Multiple Occupation (Additional Provisions) (England) Regulations 2007
- The Licensing of Houses in Multiple Occupation (Mandatory Conditions of Licences) (England) Regulations 2018
- The Housing Benefit (Amendment) Regulations 2011
- Town & Country Planning Act 1990
- Planning (Listed Buildings & Conservation Areas) Act 1990
- Tendring District Council Article 4 Direction adopted May 2013
- Tendring District Council emerging Local Plan 2013-2033 and beyond
- Strategic Housing Market Assessment published in December 2015
- Corporate Enforcement Strategy 2017
- Essex Amenity Standards (reviewed in 2018)
- Council's Corporate Plan 2020-2024
- Homelessness Reduction and Rough Sleeping Strategy 2020-2024

## **7. CONCLUSIONS**

The Council recognises that HMO's are a part of the local housing market. It is absolutely vital that HMO's are correctly set up and run and that landlords take full responsibility for them. Setting up and running an HMO is not something to be taken on lightly – full commitment is required in order to sustain a successful and safe business.

The need for HMO's to meet housing need must not be underestimated and balanced against the impact that a high concentration of larger HMO's can have on a neighbourhood. Planning policies should ensure an appropriate distribution of HMO's in areas where they may be needed.



<b>Key Decision Required:</b>	<b>Yes</b>	<b>In the Forward Plan:</b>	<b>Yes</b>
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## CABINET

19 MARCH 2021

### REPORT OF CORPORATE FINANCE AND GOVERNANCE PORTFOLIO HOLDER

#### **A.9 FINANCIAL PERFORMANCE REPORT – IN-YEAR PERFORMANCE AGAINST THE BUDGET AT END OF THE THIRD QUARTER 2020/21 AND LONG TERM FINANCIAL FORECAST UPDATE**

(Report prepared by Richard Barrett)

#### **PART 1 – KEY INFORMATION**

##### **PURPOSE OF THE REPORT**

To provide an overview of the Council’s financial position against the budget as at the end of December 2020 and to present an updated long term forecast.

##### **EXECUTIVE SUMMARY**

- These regular finance reports present the overall financial position of the Council by bringing together in-year budget monitoring information and timely updates on the development of the long-term forecast.
- The report is therefore split over two distinct sections as follows:

***SECTION 1 - The Council’s in-year financial position against the budget at the end of December 2020***

***SECTION 2 - An updated long term financial forecast***

##### ***In respect of the in-year financial position at the end of December 2020:***

- The position to the end of December 2020, as set out in more detail within the appendices, shows that overall the General Fund Revenue Account is underspent against the profiled budget by **£12.867m (£10.000m** of which relates to the timing of expenditure from COVID funding received from the Government, including the accounting treatment of business rate reliefs). It is acknowledged that other expenditure or income trends may still be emerging with the position also largely reflecting the timing of other general expenditure and/or income budgets. However, any significant issues arising to date have been highlighted and comments provided as necessary.
- In respect of other areas of the budget such as the Housing Revenue Account, capital programme, collection performance and treasury activity, apart from additional details set out later on in this report, there are no major issues that have been identified to date.
- Any emerging issues will be monitored and updates provided in future reports, which will include their consideration as part of updating the long-term financial forecast.

- Some necessary changes to the 2020/21 budget have been identified which are set out in **Appendix H**, with an associated recommendation also included within this report. The same appendix also sets out the necessary changes to the budget that reflect the on-going impact of COVID 19, the costs of which have to date been met by the general financial support provided by the Government.
- The net impact of the budget adjustments will be moved to or from the Forecast Risk Fund. At the end of the third quarter, it has been possible to make a contribution to the fund of **£0.245m**. Subject to the recommendations set out below, as at the end of the third quarter a total of **£0.286** would have been contributed to the fund to date. This is **£0.214m** short of the required target of **£0.500m** set out in the long-term forecast, which is a gap that can potentially be closed at the end of the year as part of the overall outturn position.
- As in previous years, it is recognised that a number of smaller variances within services emerge over the course of the year that would not necessarily be specifically highlighted or discussed within the in-year finance reports. It is still therefore possible that a range of smaller variances may remain at the end of the year and contribute to the overall outturn position. Also a number of budgets that relate to schemes / initiatives or earmarked for specific purposes may not be fully spent by the end of the year and may be subject to end of year processes such as carry forward requests and therefore remain committed. However, at this stage and after taking into account the current position and information available it is anticipated that any adverse issues will be offset by favourable variances elsewhere within the overall budget at the end of the year, which includes general COVID 19 support from the Government.
- In addition to the above, it is important to highlight the development of the Tendring Colchester Borders (TCB) garden community project and the most up to date funding position. Further information is set out later on in this report along with a recommendation below to enable unspent funding from the NEGC project to be transferred to support the delivery of the TCB scheme.

***In respect of the updated long term financial forecast:***

- A summary of the most up to date position for 2021/22 was considered by Full Council on 16 February 2021 as part of agreeing the detailed budget.
- There have been no changes made to the forecast position mentioned above, but for completeness, the more detailed long-term position is attached as **Appendix I**, with the associated review of risks set out in **Appendix J**. Although the figures set out within **Appendix I** will change as part of updating the forecast on a regular basis during 2021/22, there have been no issues arising that indicate that the long-term approach is unsustainable.
- Following the impact of COVID 19, 2021/22 is seen as a transitional year and it remains unclear as to the speed and scale of the economic recovery. It is therefore important to highlight that the money set aside in the Forecast Risk fund should not be seen as overly cautious as sensitivity testing indicates that the fund could be deleted within as little as 3 years if a number of factors arose during the same period.
- The identification of on-going savings remain an important element of the long-term financial plan. The framework in which to identify and develop the required level of savings forms part of the key priority actions set out in the Council's Corporate Plan.

- As mentioned previously, it is important to continue to deliver against the longer-term approach to the budget as it continues to provide a credible alternative to the more traditional short-term approach, which would require significant additional savings to be identified much earlier in the financial cycle.

## RECOMMENDATION(S)

### *That Cabinet:*

- (a) Considers and notes the in-year position for 2020/21 as at the end of December 2020 and agrees the updated long term forecast;
- (b) agrees the proposed in-year adjustments to the budget as set out in Appendix H;
- (c) agrees that the balance of £0.138m, that represents this Council's unspent contribution to the NEGC project, be transferred and committed to the Tendring Colchester Borders Garden Community project and that delegation be given to the Director for Place and Economy in consultation with the Portfolio Holder for Corporate Finance and Governance to approve the use of this funding as part of the associated local authority partnership arrangements; and
- (d) consults the Resources and Service Overview and Scrutiny Committee on both the in-year position for 2020/21 and updated long-term forecast.

## PART 2 – IMPLICATIONS OF THE DECISION

### DELIVERING PRIORITIES

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

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

### FINANCE, OTHER RESOURCES AND RISK

#### **Finance and other resources**

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

#### **Risk**

In respect of the position at the end of December 2020, a number of variances will be subject to change as the year progresses although at this stage it is expected that any adverse position can be managed within the overall budget, which includes the COVID 19 financial support from the Government.

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

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

COVID 19 has introduced a number of risks to the Council's financial position, which cut across many of the specific issues highlighted above. The underlying forecast remains based on relatively conservative estimates with no optimistic bias included. However, the potential impact from COVID 19 has been included directly in the forecast and as part of the sensitivity testing that is undertaken alongside the forecast. **Appendix J** discusses the various risks to the forecast with a Red / Amber / Green risk assessment approach taken.

The Council's ability to financially underwrite the forecast therefore remains as important as ever. As with any forecast, some elements of income and expenditure will be different to that forecasted. It is fair to say that many may offset each other over the longer term. However, there are two important aspects to how this will be managed.

- 1) **£3.253m** has already been set aside within the Forecast Risk Fund to support the budget in future years. This money is available to be drawn down if the timings within the forecast differ in reality and the net position is unfavourable compared to the forecast in any one year. As set out later on in this report, given the increased risks introduced by the COVID 19 crisis, this current reserve level should not be seen as too pessimistic as the sensitivity testing undertaken indicates that this reserve could be depleted in as little as 3 years if some of the risks are borne out in reality.
- 2) The forecast will remain 'live' and be responsive to changing circumstances and it will continue to be revised on an on-going basis. If unfavourable issues arise that cannot be mitigated via other changes within the forecast then the forecast will be adjusted and mitigating actions taken. Actions to respond will therefore need to be considered but can be taken over a longer time period where possible. In such circumstance the Council may need to consider 'topping' up the funding mentioned in 1) above over the life of the forecast if required. This may impact on the ability to invest money elsewhere but will need to demonstrate that its use is sustainable in the context of the ten year forecast.

The long-term approach to the forecast does provide flexibility to respond to risks such as those presented by COVID 19. For instance, the savings target was 'relaxed' in 2021/22. However it must be highlighted that the savings targets set out in the forecast will still need to be delivered in the longer term, but they need to remain flexible and react as a counterbalance to other emerging issues and it is therefore accepted that this figure may need to be revised up or down over the life of the forecast.

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



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

In addition to the above, it is important to note that the Council has already prudently set aside money for significant risks in the forecast such as **£1.758m** (NDR Resilience Reserve) and **£1.000m** (Benefits Reserve), which can be taken into account during the period of the forecast if necessary. The Council also holds **£4.000m** in uncommitted reserves, which supports its core financial position.

## **LEGAL**

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

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

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

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

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

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

## **OTHER IMPLICATIONS**

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

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

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

An impact assessment will be undertaken as part of any separate budget decisions such as those that will be required to deliver the necessary savings, which will include environmental and climate change impacts.

## PART 3 – SUPPORTING INFORMATION

### **SECTION 1 – IN YEAR FINANCIAL PERFORMANCE AGAINST THE BUDGET AT THE END OF THE THIRD QUARTER OF 2020/21**

The Council's financial position against the approved budget has been prepared for the period ending 31 December 2020. This builds on the previous reports considered by Cabinet earlier in the financial year which, included timely updates on the impact and financial risks presented by the COVID 19 crisis.

This is the third such report on the Council's financial position against the budget for 2020/21, with expenditure or income trends becoming clearer, with comments provided below where necessary against the following key areas:

- General Fund Revenue
- Collection Performance
- HRA Revenue
- Capital Programme – General Fund
- Capital Programme - HRA
- Treasury Activity
- Other Emerging Issues including Proposed Changes to the In-year Budget

#### **GENERAL FUND REVENUE**

The position to the end of December 2020, as set out in more detail in the Executive Summary attached, shows that there is an overall net underspend of **£12.867m**.

As set out in the appendices, elements of this variance are due to the timing of expenditure and income or where commitments / decisions have yet to be made, the most significant of which relates to the administration of the various COVID 19 Business Support grants where a final reconciliation process will be undertaken at the end of the financial year.

The appendices still reflect the previous senior management structure, which will now follow this approach to the end of the year to ensure consistency of reporting across the full financial year.

**Appendix B** provides a more detailed narrative against significant variances with some highlights as follows:

#### **Income Budgets – General Fees and Charges**

As set out in the previous financial performance reports, one of the more significant impacts from COVID 19 is the loss of income during the periods of local or national restrictions. However, there has been a level of recovery up to the end of Q3 in areas such as parking.

In terms of major income budgets, a summary at the end of December 2020 is as follows:

<b>Income Stream</b>	<b>Full Year Budget (£)</b>	<b>Budget to end of Dec (£)</b>	<b>Actuals to end of Dec (£)</b>	<b>Variance (£)</b>
Parking	749,580	638,018	688,734	(50,716)
Cemeteries and Crematorium	1,711,770	1,267,460	1,075,204	192,256
Beach Huts	947,940	940,297	1,004,531	(64,235)

Sport and Leisure (incl. the Princes Theatre)	2,932,770	2,244,967	225,632	2,019,335
Planning	1,124,630	884,630	1,031,121	(146,491)
Building Control	178,910	134,183	121,413	12,770

The above figures represent the gross position against income budgets, so excludes financial support provided by the Government such as the sales, fees and charges compensation scheme.

- The position against parking shows a full recovery against the losses incurred during the full lockdown period earlier in the year.
- As set out in the appendices, the position within the cemeteries and the crematorium budgets is primarily due to the period that the crematorium was not operational following a fire earlier in the year. Income has not recovered over the year to date so this position is likely to remain at the end of March 2021.
- Apart from leisure facilities, other major income budgets are broadly on budget or have exceed the estimated levels.

In respect of leisure facilities, the position has become fairly complex given 'on-account payments' received from the Government as part of the sales, fees and charges compensation scheme.

As part of their sales, fees and charges compensation scheme, the Government will be expecting reductions in expenditure during periods of local or national restrictions. In terms of leisure facilities, there would have been corresponding reductions in expenditure incurred to date, but it is difficult to provide a clear position until the end of the year when a full reconciliation will be undertaken.

However based on initial estimates, the net 'loss' across the various leisure facilities is likely to be in the region of **£1.250m to £1.750m**. As the Government have made the commitment to pay 75% of any such losses (after the first 5%), the remaining net loss of 25% (plus first 5%) that will need to be met by the Council is therefore likely to be between **£0.360m and £0.503m**. It is planned to meet this shortfall from the overall COVID 19 support package made available by the Government.

It is also important to highlight the position against other income budgets such as those not associated with sales, fees and charges. As set out in the appendices, income from increased recycling rates is ahead of the profiled budget by **£0.115m** at the end of December. A budget adjustment is included within **Appendix H** to reflect this emerging position.

As highlighted during the year, the Government and other public sector partners have paid the Council a number of grants to support various initiatives, including the various business grant schemes, with a summary of the more significant items set out below:

Grant Type	Amount Received	Comments
Government – Business Grants	£55,049,216	£43,361,538 has been spent to date with further grants to be paid up to the current deadline of the end of May 2021.
Track and Trace Support Payments of £500	£209,458	£167,500 has been spent to date.

Council Tax Hardship Scheme – to enable £150 to be credited to the council tax accounts of those households receiving local council tax support	£1,374,442	£1,060,408 spent to date – this scheme will be reviewed before the end of the year to ensure that the grant is fully spent.
General COVID 19 Support (including tranche 4 funding of £1.116m)	£2,999,873	Including the proposed allocations set out in Appendix H, the total expenditure incurred to date against this funding is £2,121,335 with further comments included later on in this report.

A full reconciliation process will be undertaken at the end of the year with the final position included within the outturn report. However, in the interim period, action will be taken where possible to maximise the money that can be retained / distributed within the district.

### **Expenditure Budgets**

The appendices set out further details around a number of other emerging issues, some of which relate to the timing of expenditure rather than an underlying issue that may remain at the end of the year.

However it is important to highlight the follow key issue:

- The cost of the In-house Engineering Service – as reported at the end of 2019/20, there was a significant overspend related to this service, which was in part due to having to urgently mobilise the in-house team following the unexpected and sudden demise of ROALCO, the appointed external contractor who undertook repairs to the Council’s housing stock. The position at the end of the second quarter highlighted a deficit of **£0.133m**, which was urgently reviewed by the Service. The deficit at the end of December has reduced to **£0.029m**, with the Service working to ensure that expenditure is maintained within the overall budget by the end of this financial year.

A number of budgets adjustments are proposed within **Appendix H** to respond to emerging issues to date.

### **COLLECTION PERFORMANCE**

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

As mentioned at the end of the second quarter, there has undoubtedly been an impact from COVID 19 on collection performance, especially as recovery action has been ceased or limited over the year given the pressure faced by people and organisations within the district.

Some important highlights are as follows:

- Housing rents are broadly on target and consistent with the performance last year.

- General debt recovery performance covers a significant range of income streams from repairs to leasehold properties to rechargeable works to dangerous structures. At the end of December, the position is 'skewed' by significant one-off debts such as those associated with a housing disrepair issue along with the timing of raising invoices or receiving income from partners e.g. recycling credit income. All other debts will be subject to recovery action as necessary.

In terms of council tax and business rates, 'building' on the figures reported earlier in the year, the position to the end of December is summarised as follows:

<b>Cost of the LCTS Scheme</b>	<i>Budgeted Cost</i> <b>£11,987,000</b>	<i>Actual Cost</i> <b>£11,967,883</b>	<i>Reduction of</i> <b>£19,117</b>
<b>Council Tax*</b>	<i>Collection Performance Dec 2019</i> <b>86.57%</b>	<i>Collection Performance Dec 2020</i> <b>81.16%</b>	<i>Reduction of</i> <b>5.41%</b>
<b>Business Rates**</b>	<i>Collection Performance Dec 2019</i> <b>84.70%</b>	<i>Collection Performance Dec 2020</i> <b>80.82%</b>	<i>Reduction of</i> <b>3.88%</b>

*The % figures above differ to those set out in Appendix E, as the above are based on the budgeted amounts within the collection fund rather than against the total amount billed as set out in that appendix.*

*\*This is based on the position where no formal recovery action has been taken to date but does include where the Council has entered into payment arrangements with customers such as recalculation of instalments.*

*\*\*The position above has been adjusted to reflect that a significant element of the money due is now receivable from the Government via the new COVID reliefs introduced this year rather than from the business themselves.*

As highlighted in the report to Council on 16 February 2021, due to the associated accounting treatment of business rate COVID 19 reliefs, there is a **£6.045m** collection fund deficit included in the 2021/22 budgets. However, this is to be met from Government grants receivable in 2020/21 so the issue is one of timing rather than any other underlying concern. An adjustment is included in **Appendix H** that contributes the 2020/21 grant income into a reserve that will be called down in 2021/22.

Although subject to the year-end reconciliation processes, collection fund deficits are not expected at the end of 2020/21 for both council tax and business rates although the in-year collection performance is expected to have reduced by up to 4%. The reason being is that any outstanding amounts are still recognised as recoverable income rather than income permanently 'lost'. Therefore, debt owing at the end of 2020/21 is expected to have increased by **£3.000m** compared to the same period last year. Formal recovery action will be undertaken during 2021/22 to recover amounts owed with updates provided within future financial performance reports. In terms of supporting households, amounts outstanding from 2020/21 will not automatically be included in the instalments relating to 2021/22 and households will be encouraged to talk to the Revenues Service to make appropriate payment arrangements, which will include allowing instalments over an extended period of time where appropriate.

With the above in mind, the reduction in collection performance is also now having an impact on the council tax sharing agreement with the major preceptors. The sharing agreement is based on cash collected rather than amounts owed, so it is expected that income under this agreement may be as much as **£0.400m** lower than expected. However similarly to the above, this income can be seen as deferred income as the position is expected to recover going into 2021/22 as the debt outstanding mentioned above is recovered.

It may also be possible to offset the adverse position above by the income receivable under the Essex Business Rates Pool. This will also be subject to the final position for the year and it may be possible to limit the overall net position when this money is recognised within the accounts.

### **HRA REVENUE**

An overall position is set out in the Executive Summary with further details included in **Appendix C**. At the end of December 2020, the HRA is showing a net underspend **£0.099m**, which primarily reflects the timing of spend against general repairs and maintenance budgets.

As set out in the appendix, work is on-going to reduce void loss from 4% to the more historic level of 2% over the next 12 months. In terms of more detailed information about void periods, it is planned to share this with members via an all member briefing in early 2021/22.

### **CAPITAL PROGRAMME – GENERAL FUND**

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

As at the end of December 2020, the programme is broadly on target against the profiled position. Detailed comments are provided within the appendix against a number of schemes.

As mentioned in previous financial reports, following a number of cliff failures along the Clacton to Holland seafront, necessary remedial works have been identified that could cost in excess of **£4.000m**. Although contributions will continue to be sought from other interested parties, given the relative urgency of the works required, it is proposed to reprioritise a number of existing budgets / amounts held in reserves to start to assemble the necessary funding to meet the full cost of this scheme. Please see **Appendix H** for the proposed adjustments to existing budgets.

### **CAPITAL PROGRAMME – HOUSING REVENUE ACCOUNT**

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

As at the end of December 2020, the programme is behind profile by **£0.191m**.

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

Following on from the adjustment made at the end of the second quarter, it has been necessary to adjust the budget further to meet some additional costs associated with this scheme. Please see **Appendix H** for the adjustment proposed.

## **TREASURY ACTIVITY**

A detailed analysis of the current position is shown in **Appendix F**. There are no significant issues to highlight to date.

## **OTHER EMERGING ISSUES AND CONTRIBUTIONS TO THE FORECAST RISK FUND**

As already highlighted above, **Appendix H** sets out a number of proposed budget adjustments at the end of December 2020.

The adjustments proposed also include the further allocation of money from the general COVID 19 financial support provided by the Government. As set out in **Appendix H**, it is proposed to use **£0.251m** of this funding, which would leave **£0.865m** still available. Although it is acknowledged that the impact from COVID 19 is likely to continue into 2021/22, any unused money from this 'pot' will remain committed to helping the district recover from the pandemic via the Back to Business initiative. This approach is made possible by the robust approach to managing the Council's overall financial position via its long-term plan.

The net overall position set out in **Appendix H** results in a net contribution to the Forecast Risk Fund of **£0.245m**.

### **Tendring / Colchester Borders Project**

Although the foundation of delivering this project will be via the on-going local plan process and associated Development Plan Document (DPD), separate but parallel work will need to be undertaken to ensure that the Council can continue to shape the delivery of this garden community in the west of the district.

Whilst it is not currently expected that the Council will be directly delivering elements of the garden community, it is vital that the DPD evolves alongside other associated work to ensure that what is delivered meets the aspirational aims for such a development.

Based on the above, a significant element of expenditure will be associated with general planning processes, which can therefore be considered against the existing local plan budget. However, the project will also involve non-planning related activities, which will be jointly funded between the three partner authorities.

Unspent money from the previous NEGC project has been carried forward by the three local authority partners to support the TCB project. Although the money is currently held by CBC, this will be transferred to ECC from 1 April 2021, who will hold and manage the funding going forward. The total amount currently held totals **£0.473m**, of which **£0.138m** represents this Council's contribution. A recommendation is included above to transfer this funding to the TCB project, which can be used to meet general project costs. If further contributions in excess of the **£0.138m** highlighted above are required from the existing garden communities budget of **£1.300m**, then this will form part of a separate report.

## **SECTION 2 – UPDATED LONG TERM FORECAST**

The detailed budget for 2021/22, which was based on the most up to date financial forecast, was considered and agreed by Full Council on 16 February 2021. The report considered by Full Council also included a summary of the forecast up until 2026/27.

Although the development of the forecast will continue in 2021/22, there have been no changes since the meeting of Full Council mentioned above. However, for completeness, the detailed forecast is set out in **Appendix I**, along with the associated risk review set out in **Appendix J**.

A summary of the expected annual position for each remaining year of the forecast is as follows:

Year	Net Budget Position (including adjusting for prior use of reserves to balance the budget)
2022/23	£1.098m deficit
2023/24	£0.866m deficit
2024/25	£0.630m deficit
2025/26	£0.388m deficit
2026/27	£0.142m deficit

The identification of on-going savings remains as an essential element of the long term financial plan, although it will be important to take a pragmatic and balanced view as it is recognised that there will be growth in council tax and business rates over time that could exceed current forecasts – for example via the Tendring Colchester Borders project.

In terms of a longer-term rolling forecast, it is proposed to review the current position in 2023, which could include the consideration of extending the forecast period out beyond 2026/27.

Notwithstanding the above, the framework against which the savings will be identified and developed forms part of the key priority actions set out in Council's Corporate Plan.

The next updated forecast will be presented to Members at the end of the first quarter of 2021/22. However if anything significant emerges before then, the position will be reported to Members accordingly.

### **Delivering a favourable Outturn Position**

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

In respect of 2020/21 to date, net contributions to the Forecast Risk Fund total **£0.286m**, made up of:

- **£0.041m** contribution to the fund as reported at the end of Q2.
- **£0.245m** proposed contribution to the fund at the end of Q3 as set out in **Appendix H**.

The shortfall to date in 2020/21 of **£0.214m** remains subject to the outturn position for 2020/21, where it may be possible to identify the required net underspends to fully meet the **£0.500m** planned contribution to this reserve. If not, then the final position for the year will need to be reflected in the revised forecast going into 2021/22 and beyond.



**BACKGROUND PAPERS FOR THE DECISION**

None

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

Front Cover and Executive Summary

Appendix A – Summary by Portfolio / Committee

Appendix B – General Fund Budget Position by Department

Appendix C – Housing Revenue Account Budget Position

Appendix D – Capital Programme

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

Appendix F – Treasury Activity

Appendix G – Income from S106 Agreements

Appendix H – Proposed Adjustments to the In-Year Budget

**RELATING TO SECTION 2 OF THE REPORT**

Appendix I – Updated Long Term Financial Forecast

Appendix J – Risk Analysis of Each Line of the Forecast

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# *Tendring* **District Council**



## *Appendices Included:*

<b>Executive Summary</b>	A summary of the overall position.
<b>Appendix A</b>	A summary of the overall position by Portfolio/Committee split by GF and HRA
<b>Appendix B</b>	An analysis by Department of all General Fund Revenue budgets.
<b>Appendix C</b>	An analysis of Housing Revenue Account Revenue budgets.
<b>Appendix D</b>	The position to date for General Fund and HRA capital projects.
<b>Appendix E</b>	Collection Performance
<b>Appendix F</b>	Treasury activity.
<b>Appendix G</b>	Income from S106 Agreements.
<b>Appendix H</b>	Proposed Adjustments to the Budget

## Financial Performance Report In-Year Performance as at end of:

***December 2020***

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

# Financial Performance Report - Executive Summary as at the end of December 2020

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

## General Fund - Summary by Department Excluding Housing Revenue Account

	Full Year Budget £	Profiled Budget to Date £	Actual to Date £	Variance to Profile £
Office of the Chief Executive	0	138,135	139,979	1,844
Corporate Services	(25,669,370)	(14,685,322)	(26,317,685)	(11,632,363)
Operational Services	18,162,000	8,992,820	8,482,402	(510,418)
Planning and Regeneration	7,507,370	1,694,170	967,993	(726,176)
<b>Total General Fund</b>	<b>0</b>	<b>(3,860,198)</b>	<b>(16,727,310)</b>	<b>(12,867,112)</b>

## Housing Revenue Account

	Full Year Budget £	Profiled Budget to Date £	Actual to Date £	Variance to Profile £
<b>Total HRA</b>	<b>0</b>	<b>(6,132,277)</b>	<b>(6,231,525)</b>	<b>(99,249)</b>

## Capital

	Full Year Budget £	Profiled Budget to Date £	Actual to Date £	Variance to Profile £
General Fund	10,670,040	1,534,036	1,549,195	15,159
Housing Revenue Account	5,654,440	3,235,555	3,044,263	(191,292)
<b>Total Capital</b>	<b>16,324,480</b>	<b>4,769,591</b>	<b>4,593,458</b>	<b>(176,133)</b>

## Collection Performance

	Collected to Date Against Collectable Amount
Council Tax	77.96%
Business Rates	80.82%
Housing Rents	96.95%
General Debt	83.30%

## Treasury

	£'000
Total External Borrowing	38,888
Total Investments	75,097

## Revenue Budget Position at the end of December 2020

### General Fund Portfolio / Committee Summary

	2020/21 Current Full Year Budget £	2020/21 Profiled Budget to date £	2020/21 Actual to date £	2020/21 Variance to Profile £
Leader	4,482,540	1,301,707	659,644	(642,064)
Corporate Finance and Governance	570,960	(4,232,934)	(14,587,334)	(10,354,400)
Environment and Public Space	7,745,390	3,512,549	3,362,999	(149,551)
Housing	3,429,490	2,791,421	1,436,925	(1,354,496)
Partnerships	1,312,210	377,263	394,775	17,512
Business and Economic Growth	3,690,550	194,052	138,513	(55,539)
Leisure and Tourism	7,350,740	2,283,568	1,970,463	(313,106)
Budgets Relating to Non Executive Functions	799,190	181,567	222,292	40,724
	<b>29,381,070</b>	<b>6,409,194</b>	<b>(6,401,726)</b>	<b>(12,810,919)</b>
Revenue Support for Capital Investment	3,707,230	0	0	0
Financing Items	(3,346,130)	1,894,735	1,838,554	(56,182)
<b>Budget Before use of Reserves</b>	<b>29,742,170</b>	<b>8,303,929</b>	<b>(4,563,172)</b>	<b>(12,867,101)</b>
Contribution to / (from) earmarked reserves	(15,160,550)	0	0	0
<b>Total Net Budget</b>	<b>14,581,620</b>	<b>8,303,929</b>	<b>(4,563,172)</b>	<b>(12,867,101)</b>
<b>Funding:</b>				
Business Rates Income	(4,438,020)	(4,475,531)	(4,475,538)	(7)
Revenue Support Grant	(428,790)	(325,883)	(325,883)	0
Collection Fund Surplus	(1,360,420)	(1,088,336)	(1,088,336)	0
Income from Council Tax Payers	(8,354,390)	(6,274,377)	(6,274,381)	(4)
<b>Total</b>	<b>0</b>	<b>(3,860,198)</b>	<b>(16,727,310)</b>	<b>(12,867,112)</b>

## **Revenue Budget Position at the end of December 2020**

### **HRA Portfolio Summary**

	2020/21 Current Full Year Budget £	2020/21 Profiled Budget to date £	2020/21 Actual to date £	2020/21 Variance to Profile £
Housing	(1,825,700)	(6,132,277)	(6,231,525)	(99,249)
	<b>(1,825,700)</b>	<b>(6,132,277)</b>	<b>(6,231,525)</b>	<b>(99,249)</b>
Revenue Support for Capital Investment	280,820	0	0	0
Financing Items	1,711,210	0	0	0
<b>Budget Before use of Reserves</b>	<b>166,330</b>	<b>(6,132,277)</b>	<b>(6,231,525)</b>	<b>(99,249)</b>
Contribution to / (from) earmarked reserves	(166,330)	0	0	0
<b>Total</b>	<b>0</b>	<b>(6,132,277)</b>	<b>(6,231,525)</b>	<b>(99,249)</b>

## Corporate Budget Monitoring - General Fund Budget Position at the end of December 2020

### Department - Office of Chief Executive

	2020/21 Current Full Year Budget £	2020/21 Profiled Budget to date £	2020/21 Actual to date £	2020/21 Variance to Profile £	Next Quarters Profile £	Comments
<b><u>Analysis by Type of Spend</u></b>						
<b>Direct Expenditure</b>						
Employee Expenses	178,550	133,913	134,894	982	44,637	
Transport Related Expenditure	2,820	2,115	64	(2,051)	705	
Supplies & Services	2,810	2,108	5,021	2,913	702	
<b>Total Direct Expenditure</b>	<b>184,180</b>	<b>138,135</b>	<b>139,979</b>	<b>1,844</b>	<b>46,045</b>	
<b>Net Direct Costs</b>	<b>184,180</b>	<b>138,135</b>	<b>139,979</b>	<b>1,844</b>	<b>46,045</b>	
<b>Net Indirect Costs</b>	<b>(184,180)</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>(184,180)</b>	
<b>Total for Office of Chief Executive</b>	<b>0</b>	<b>138,135</b>	<b>139,979</b>	<b>1,844</b>	<b>(138,135)</b>	

### Department - Office of Chief Executive

	2020/21 Current Full Year Budget £	2020/21 Profiled Budget to date £	2020/21 Actual to date £	2020/21 Variance to Profile £	Comments
<b><u>Analysis by Service/Function</u></b>					
<b>Total for Chief Executive</b>	<b>0</b>	<b>138,135</b>	<b>139,979</b>	<b>1,844</b>	
<b>Total for Office of Chief Executive</b>	<b>0</b>	<b>138,135</b>	<b>139,979</b>	<b>1,844</b>	

# Corporate Budget Monitoring - General Fund Budget Position at the end of December 2020

## Department - Corporate Services

	2020/21 Current Full Year Budget £	2020/21 Profiled Budget to date £	2020/21 Actual to date £	2020/21 Variance to Profile £	Next Quarters Profile £	Comments
<b><u>Analysis by Type of Spend</u></b>						
<b>Direct Expenditure</b>						
Employee Expenses	9,885,340	5,914,703	5,853,711	(60,992)	3,970,637	
Premises Related Expenditure	609,900	505,830	504,501	(1,329)	104,070	
Transport Related Expenditure	104,870	92,532	69,741	(22,792)	12,338	
Supplies & Services	63,645,800	40,656,017	36,111,040	(4,544,976)	5,754,843	
Transfer Payments	46,698,960	29,225,380	27,898,527	(1,326,853)	17,473,580	
Interest Payments	20,460	11,378	5,968	(5,409)	9,083	
<b>Total Direct Expenditure</b>	<b>120,965,330</b>	<b>76,405,839</b>	<b>70,443,488</b>	<b>(5,962,351)</b>	<b>27,324,551</b>	
<b>Direct Income</b>						
Government Grants	(109,141,600)	(77,304,513)	(83,148,169)	(5,843,655)	(18,492,497)	
Other Grants, Reimbursements and Contributions	(1,353,470)	(1,119,860)	(911,789)	208,072	(233,610)	
Sales, Fees and Charges	(144,730)	(90,177)	(81,531)	8,645	(43,623)	
Rents Receivable	(650)	(522)	(265)	257	(128)	
Interest Receivable	(489,280)	(411,962)	(451,860)	(39,898)	(77,318)	
RSG, Business Rates and Council Tax	(14,581,620)	(12,164,127)	(12,164,138)	(11)	(2,417,493)	
<b>Total Direct Income</b>	<b>(125,711,350)</b>	<b>(91,091,161)</b>	<b>(96,757,751)</b>	<b>(5,666,590)</b>	<b>(21,264,669)</b>	
<b>Net Direct Costs</b>	<b>(4,746,020)</b>	<b>(14,685,322)</b>	<b>(26,314,263)</b>	<b>(11,628,941)</b>	<b>6,059,882</b>	
<b>Net Indirect Costs</b>	<b>(5,762,800)</b>	<b>0</b>	<b>(3,422)</b>	<b>(3,422)</b>	<b>(5,654,940)</b>	
<b>Net Contribution to/(from) Reserves</b>	<b>(15,160,550)</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>(15,160,550)</b>	
<b>Total for Corporate Services</b>	<b>(25,669,370)</b>	<b>(14,685,322)</b>	<b>(26,317,685)</b>	<b>(11,632,363)</b>	<b>(14,755,608)</b>	



## Department - Corporate Services

	2020/21 Current Full Year Budget £	2020/21 Profiled Budget to date £	2020/21 Actual to date £	2020/21 Variance to Profile £	Comments
<b><u>Analysis by Service/Function</u></b>					
<b>Total for Deputy Chief Executive and Administration</b>	5,170	170,585	103,802	(66,782)	
<b>Total for Governance and Legal Services</b>	69,520	289,998	216,383	(73,614)	Costs were awarded in favour of the Council following the successful outcome of the fraudulent trading case associated with the Princes Theatre.
<b>Total for Finance, Revenues and Benefits</b>	1,588,750	796,642	(505,747)	(1,302,389)	The primary reason for the variance to date is due to housing benefit payments to claimants being lower than budgeted, although this will be addressed as part of the year end subsidy arrangements. However please see Appendix H for two adjustments associated with the reduction in income from court costs and expenditure on personal protective equipment, both associated with the on-going impact from COVID 19.
<b>Total for Finance - Other Corporate Costs</b>	(423,610)	(9,467,869)	(19,503,871)	(10,036,002)	The primary reason for the variance to date is the timing of the payment of the various COVID related business grants which will be subject to a final reconciliation at the end of the year. The variance also reflects income from the Government to support the various COVID 19 business rate reliefs along with the impact of COVID 19 on the council tax sharing agreement - please see the main body of the report for further information relating to these two items.

## Department - Corporate Services

	2020/21 Current Full Year Budget £	2020/21 Profiled Budget to date £	2020/21 Actual to date £	2020/21 Variance to Profile £	Comments
<b>Total for Finance - Financing Items</b>	(15,357,290)	2,291,200	2,284,445	(6,755)	
<b>Total for Finance - RSG, Business Rates and Council Tax</b>	(14,581,620)	(12,164,127)	(12,164,138)	(11)	
<b>Total for Property Services</b>	405,410	361,904	394,874	32,970	
<b>Total for People, Performance and Projects</b>	766,770	568,846	605,421	36,575	
<b>Total for IT and Corporate Resilience</b>	551,960	1,658,155	1,490,066	(168,089)	Variations in this service area continue to broadly reflect the timing of the delivery of a number of projects and initiatives associated with various strands of the digital transformation project.
<b>Total for Democratic Services</b>	1,305,570	809,345	761,081	(48,264)	
<b>Total for Corporate Services</b>	(25,669,370)	(14,685,322)	(26,317,685)	(11,632,363)	

## Corporate Budget Monitoring - General Fund Budget Position at the end of December 2020

### Department - Operational Services

	2020/21 Current Full Year Budget £	2020/21 Profiled Budget to date £	2020/21 Actual to date £	2020/21 Variance to Profile £	Next Quarters Profile £	Comments
<b><u>Analysis by Type of Spend</u></b>						
<b>Direct Expenditure</b>						
Employee Expenses	10,525,110	7,806,168	7,977,249	171,081	2,689,482	
Premises Related Expenditure	3,485,650	2,660,668	2,423,717	(236,950)	803,967	
Transport Related Expenditure	521,830	279,354	343,107	63,753	173,806	
Supplies & Services	4,734,790	2,632,125	2,352,378	(279,747)	2,058,345	
Third Party Payments	5,124,660	2,992,202	3,055,231	63,030	2,132,458	
Transfer Payments	500,390	375,293	355,034	(20,259)	125,097	
<b>Total Direct Expenditure</b>	<b>24,892,430</b>	<b>16,745,809</b>	<b>16,506,717</b>	<b>(239,093)</b>	<b>7,983,156</b>	
<b>Direct Income</b>						
Government Grants	(1,412,430)	(1,088,670)	(1,088,667)	3	(323,760)	
Other Grants, Reimbursements and Contributions	(1,445,760)	(828,205)	(982,837)	(154,632)	(610,685)	
Sales, Fees and Charges	(7,021,790)	(5,165,170)	(4,922,803)	242,367	(1,856,620)	
Rents Receivable	(329,000)	(252,029)	(320,397)	(68,368)	(76,971)	
Direct Internal Income	(487,540)	(418,915)	(709,610)	(290,695)	(68,625)	
<b>Total Direct Income</b>	<b>(10,696,520)</b>	<b>(7,752,989)</b>	<b>(8,024,314)</b>	<b>(271,325)</b>	<b>(2,936,661)</b>	
<b>Net Direct Costs</b>	<b>14,195,910</b>	<b>8,992,820</b>	<b>8,482,402</b>	<b>(510,418)</b>	<b>5,046,495</b>	
<b>Net Indirect Costs</b>	<b>3,966,090</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>3,966,090</b>	
<b>Total for Operational Services</b>	<b>18,162,000</b>	<b>8,992,820</b>	<b>8,482,402</b>	<b>(510,418)</b>	<b>9,012,585</b>	

## Department - Operational Services

	2020/21 Current Full Year Budget £	2020/21 Profiled Budget to date £	2020/21 Actual to date £	2020/21 Variance to Profile £	Comments
<b><u>Analysis by Service/Function</u></b>					
<b>Total for Corporate Director and Administration Operational Services</b>	618,420	253,292	268,567	15,274	
<b>Total for Public Realm</b>	2,146,110	676,545	697,986	21,442	As highlighted at the end of the previous quarter, income was lower than budgeted at the Crematorium due to a fire at the facility earlier in the year which resulted in the closure of the facility for 6 weeks. This loss of income has not recovered so far to date, with income lower than expected by £150k. This is in addition to reduced income across cemeteries of £42k. Based on the most up to date figures, this is likely to be the position that remains at the end of the year. However increased parking income is likely to partly offset the overall variance as it is running ahead of the profiled budget by £52k at the end of Q3.
<b>Total for Customer and Commercial Services</b>	592,060	834,576	908,165	73,589	The position to date primarily reflects reduced income from licencing activities along with invoices still to be raised in respect of Careline services.
<b>Total for Sports and Leisure</b>	4,398,510	1,481,660	1,115,406	(366,254)	Please see the main body of the report for additional information relating to leisure facilities and the Government's sales, fees and charges compensation scheme.
<b>Total for Housing and Environmental Health</b>	2,894,970	1,448,005	1,362,255	(85,750)	The variance to date primarily reflects the vacancy position within employee costs.

## Department - Operational Services

	2020/21 Current Full Year Budget £	2020/21 Profiled Budget to date £	2020/21 Actual to date £	2020/21 Variance to Profile £	Comments
<b>Total for Building and Engineering</b>	7,511,930	4,298,742	4,130,023	(168,719)	Recycling credit income remains ahead of the profile - £115k at the end of Q3, reflecting the continuation of increased recycling rates. In addition, a number of underspends remain against the general office accommodation budget which would be expected given many officers are working from home.
<b>Total for Operational Services</b>	18,162,000	8,992,820	8,482,402	(510,418)	

# Corporate Budget Monitoring - General Fund Budget Position at the end of December 2020

## Department - Planning and Regeneration

	2020/21 Current Full Year Budget £	2020/21 Profiled Budget to date £	2020/21 Actual to date £	2020/21 Variance to Profile £	Next Quarters Profile £	Comments
<b><u>Analysis by Type of Spend</u></b>						
<b>Direct Expenditure</b>						
Employee Expenses	2,484,970	1,832,895	1,593,202	(239,693)	652,075	
Premises Related Expenditure	28,970	24,780	18,943	(5,837)	4,190	
Transport Related Expenditure	35,300	26,475	8,800	(17,675)	8,825	
Supplies & Services	5,678,970	1,112,095	794,952	(317,143)	4,566,875	
Third Party Payments	870	0	0	0	870	
<b>Total Direct Expenditure</b>	<b>8,229,080</b>	<b>2,996,245</b>	<b>2,415,897</b>	<b>(580,348)</b>	<b>5,232,835</b>	
<b>Direct Income</b>						
Government Grants	(17,500)	(17,500)	(17,506)	(6)	0	
Other Grants, Reimbursements and Contributions	(147,500)	(87,500)	(92,212)	(4,712)	(60,000)	
Sales, Fees and Charges	(1,486,460)	(1,156,003)	(1,285,203)	(129,201)	(330,458)	
Rents Receivable	(52,880)	(41,073)	(52,983)	(11,910)	(11,807)	
<b>Total Direct Income</b>	<b>(1,704,340)</b>	<b>(1,302,076)</b>	<b>(1,447,903)</b>	<b>(145,828)</b>	<b>(402,265)</b>	
<b>Net Direct Costs</b>	<b>6,524,740</b>	<b>1,694,170</b>	<b>967,993</b>	<b>(726,176)</b>	<b>4,830,570</b>	
<b>Net Indirect Costs</b>	<b>982,630</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>982,630</b>	
<b>Total for Planning and Regeneration</b>	<b>7,507,370</b>	<b>1,694,170</b>	<b>967,993</b>	<b>(726,176)</b>	<b>5,813,200</b>	

## Department - Planning and Regeneration

	2020/21 Current Full Year Budget £	2020/21 Profiled Budget to date £	2020/21 Actual to date £	2020/21 Variance to Profile £	Comments
<b><u>Analysis by Service/Function</u></b>					
<b>Total for Corporate Director</b>	0	80,293	22,653	(57,639)	
<b>Total for Planning and Customer Services</b>	70,550	1,318,670	1,007,770	(310,900)	As has been the case in previous quarters, the variance to date is primarily against employee budgets which are proposed to be used to support the cost of agency staff over the remainder of the year. (See Appendix H)
<b>Total for Planning and Development</b>	1,796,970	(741,607)	(498,628)	242,979	There are two main variances at the end of Q3. 1) There has been a continued use of agency staff, the cost of which is being funded via the vacancy savings highlighted within the budget line above. 2) Planning appeal costs are running ahead of the budget by £201k. A budget adjustment is set out in Appendix H where it is proposed to meet this additional cost via the use of increased planning income (£154k), with the balance met from transfers from other budgets within the Planning Service.
<b>Total for Planning Policy</b>	1,177,760	582,387	27,181	(555,206)	The position to date primarily reflects the timing of expenditure associated with the development of the Local Plan.
<b>Total for Building Control</b>	254,180	8,402	25,633	17,230	
<b>Total for Regeneration</b>	4,207,910	446,025	383,385	(62,640)	
<b>Total for Planning and Regeneration</b>	7,507,370	1,694,170	967,993	(726,176)	

# Corporate Budget Monitoring - Housing Revenue Account Budget Position at the end of December 2020

## Housing Revenue Account

	2020/21 Current Full Year Budget £	2020/21 Profiled Budget to date £	2020/21 Actual to date £	2020/21 Variance to Profile £	Next Quarters Profile £	Comments
<b><u>Analysis by Type of Spend</u></b>						
<b>Direct Expenditure</b>						
Employee Expenses	1,137,880	532,545	493,117	(39,428)	605,335	
Premises Related Expenditure	3,602,810	2,621,818	2,481,625	(140,193)	980,992	
Transport Related Expenditure	23,870	17,902	9,500	(8,403)	5,968	
Supplies & Services	613,920	307,869	254,749	(53,120)	306,051	
Third Party Payments	1,030	773	0	(773)	258	
Transfer Payments	17,000	12,750	23,750	11,000	4,250	
Interest Payments	1,358,430	634,620	634,630	10	723,810	
<b>Total Direct Expenditure</b>	<b>6,754,940</b>	<b>4,128,277</b>	<b>3,897,371</b>	<b>(230,906)</b>	<b>2,626,663</b>	
<b>Direct Income</b>						
Government Grants	0	0	0	0	0	
Other Grants, Reimbursements and Contributions	(8,440)	(330)	(6,390)	(6,060)	(8,110)	
Sales, Fees and Charges	(539,380)	(399,695)	(422,662)	(22,967)	(139,685)	
Rents Receivable	(13,117,260)	(9,860,530)	(9,699,845)	160,685	(3,256,731)	
Interest Receivable	(51,600)	0	0	0	(51,600)	
<b>Total Direct Income</b>	<b>(13,716,680)</b>	<b>(10,260,554)</b>	<b>(10,128,896)</b>	<b>131,658</b>	<b>(3,456,126)</b>	
<b>Net Direct Costs</b>	<b>(6,961,740)</b>	<b>(6,132,277)</b>	<b>(6,231,525)</b>	<b>(99,249)</b>	<b>(829,463)</b>	
<b>Net Indirect Costs</b>	<b>7,128,070</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>7,128,070</b>	
<b>Net Contribution to/(from) Reserves</b>	<b>(166,330)</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>(166,330)</b>	
<b>Total for HRA</b>	<b>0</b>	<b>(6,132,277)</b>	<b>(6,231,525)</b>	<b>(99,249)</b>	<b>6,132,277</b>	



## Housing Revenue Account

	2020/21 Current Full Year Budget £	2020/21 Profiled Budget to date £	2020/21 Actual to date £	2020/21 Variance to Profile £	Comments
<b><u>Analysis by Service/Function</u></b>					
<b>Total for Finance - Financing Items</b>	1,992,030	0	0	0	
<b>Total for Corporate Director and Administration Operational Services</b>	660,090	52,574	49,625	(2,949)	
<b>Total for Customer and Commercial Services</b>	4,000	(69,000)	(93,017)	(24,017)	
<b>Total for Housing and Environmental Health</b>	(6,545,060)	(8,405,520)	(8,301,461)	104,058	The position to to date reflects current void losses as highlighted earlier in the year and as part of the 2021/22 HRA budget. Work remains ongoing to reduce the level of voids to 2% from the current rate of approximately 4%. Please see main body of the report for further information.
<b>Total for Building and Engineering</b>	3,888,940	2,289,669	2,113,328	(176,341)	This primarily reflects the timing of expenditure against this budget. However, please see additional comments within the main body of the report in respect of the Engineering Services who provide in-house repairs work.
<b>Total for HRA</b>	0	(6,132,277)	(6,231,525)	(99,249)	

## Corporate Budget Monitoring - General Fund Capital Programme Position at the end of December 2020

	Total Budget Allocated to Scheme* £	2020/21 Current Full Year Budget £	2020/21 Profiled Budget to date £	2020/21 Actual to date £	2020/21 Variance to Profile £	Comments
<b>Expenditure</b>						
<b>Business and Economic Growth Portfolio</b>						
SME Growth Fund Capital Grants	43,250	43,250	0	0	0	
Carlings and Milton Road Redevelopment	1,556,380	1,556,380	551,990	551,988	(2)	Work remains in progress with the project planned to be completed in 2021/22.
<b>Total for Business and Economic Growth Portfolio</b>	<b>1,599,630</b>	<b>1,599,630</b>	<b>551,990</b>	<b>551,988</b>	<b>(2)</b>	
<b>Corporate Finance and Governance Portfolio</b>						
Information and Communications Technology Core Infrastructure	345,040	180,040	49,160	49,161	1	
Agresso e-procurement	84,000	84,000	0	0	0	
Enhanced Equipment replacement - Printing and Scanning	6,210	2,600	0	0	0	
Office Rationalisation	247,240	247,240	70,799	70,793	(6)	Work will continue throughout the financial year towards the completion of the project in 2021.
<b>Total for Corporate Finance and Governance Portfolio</b>	<b>682,490</b>	<b>513,880</b>	<b>119,959</b>	<b>119,954</b>	<b>(5)</b>	

## **Corporate Budget Monitoring - General Fund Capital Programme**

### **Position at the end of December 2020**

	<b>Total Budget Allocated to Scheme* £</b>	<b>2020/21 Current Full Year Budget £</b>	<b>2020/21 Profiled Budget to date £</b>	<b>2020/21 Actual to date £</b>	<b>2020/21 Variance to Profile £</b>	<b>Comments</b>
<b>Environment and Public Space Portfolio</b>						
Cranleigh Close, Clacton, landscaping works	1,830	1,830	0	0	0	Orders for final works placed, due to be carried out in 2021.
Environmental Health Database Migration	5,250	5,250	0	0	0	
Laying Out Cemetery	154,650	154,650	4,400	4,400	0	Ecology surveys are due to be completed in line with planning requirements.
Dematorium and Cemeteries Road Works	31,580	31,580	31,580	31,583	3	Works Complete.
Bath House Meadow Play Area, Walton	6,580	6,580	6,580	6,582	2	Works Complete.
Resurfacing Works, Off Valley Road	6,130	6,130	310	313	3	Landscaping works planned for first half of 2021.
Bath House Meadow Security Measures	16,610	16,610	11,040	11,043	3	Remaining works planned for first half of 2021.
Clacton Multi-Storey car park repairs	180,000	180,000	0	0	0	Tender process planned for February / March 2021.
Public Convenience Works	40,000	40,000	0	0	0	Works planned for first half of 2021, with current budget earmarked for demolition of site at Mill Lane.
Works at Halstead Road Play Area, Kirby	100,850	100,850	93,620	93,623	3	Final landscaping works underway.
<b>Total for Environment and Public Space Portfolio</b>	<b>543,480</b>	<b>543,480</b>	<b>147,530</b>	<b>147,544</b>	<b>14</b>	

## Corporate Budget Monitoring - General Fund Capital Programme Position at the end of December 2020

	Total Budget Allocated to Scheme* £	2020/21 Current Full Year Budget £	2020/21 Profiled Budget to date £	2020/21 Actual to date £	2020/21 Variance to Profile £	Comments
<b>Housing Portfolio</b>						
Replacement of High Volume Printers	29,000	29,000	0	0	0	
Careline - Replacement Telephone System	21,860	21,860	3,970	5,991	2,021	
Replacement Scan Stations	12,000	12,000	0	0	0	
Housing in Jaywick	464,230	464,230	890	888	(3)	Plans for development/regeneration remain in progress.
Private Sector Renewal Grants/Financial Assistance Loans	297,150	297,150	8,470	8,470	0	
Disabled Facilities Grants	7,960,120	5,689,120	554,477	557,214	2,737	
Private Sector Financial Assistance Grants	18,090	18,090	18,090	18,095	5	
Private Sector Leasing	75,660	75,660	0	0	0	
Empty Homes funding	152,220	152,220	0	0	0	This project remains subject to review to identify alternative options / opportunities as part of the Council's wider investment plans.
<b>Total for Housing Portfolio</b>	<b>9,030,330</b>	<b>6,759,330</b>	<b>585,897</b>	<b>590,658</b>	<b>4,760</b>	

## Corporate Budget Monitoring - General Fund Capital Programme Position at the end of December 2020

	Total Budget Allocated to Scheme* £	2020/21 Current Full Year Budget £	2020/21 Profiled Budget to date £	2020/21 Actual to date £	2020/21 Variance to Profile £	Comments
<b>Leisure and Tourism Portfolio</b>						
Replacement of beach hut supports - The Walings	11,620	0	0	0	0	
Princes Theatre Toilets	40,000	40,000	40,000	50,391	10,391	Project completed as part of office transformation - please see Appendix H for proposed budget adjustment to meet the revised cost.
Down Centre Fountain	159,080	159,080	0	0	0	
CLC - Spa and Wetside Re-development	521,480	521,480	30,140	30,143	3	Tenders now received - please see Appendix H for proposed increase to the budget
New Beach Huts	64,600	64,600	0	0	0	Project awaiting completion of lease agreement before building of huts can commence.
Cliff Stabilisation Scheme	438,630	438,630	58,520	58,518	(2)	Additional drainage works now complete, with remaining budget available to support repairs at failed cliff sites at Russel Road, Cliff Road and York Road. Please see Appendix H for associated budget adjustment.
Marine Parade West Clacton Cliff Works	29,930	29,930	0	0	0	Works complete - scheme delivered at a lower cost than originally anticipated. Please see Appendix H for proposed reprioritisation of the unspent budget.
<b>Total for Leisure and Tourism Portfolio</b>	<b>1,265,340</b>	<b>1,253,720</b>	<b>128,660</b>	<b>139,052</b>	<b>10,392</b>	
<b>Total Approved General Fund Capital</b>	<b>13,121,270</b>	<b>10,670,040</b>	<b>1,534,036</b>	<b>1,549,195</b>	<b>15,159</b>	

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

## **Corporate Budget Monitoring - Housing Revenue Account Capital Programme Budget Position at the end of December 2020**

	2020/21 Current Full Year Budget £	2020/21 Profiled Budget to date £	2020/21 Actual to date £	2020/21 Variance to Profile £	Comments
Improvements, enhancement & adaptation of the Council's housing stock	2,696,410	1,224,360	1,043,739	(180,621)	The programme has been impacted by the Covid 19 restrictions, especially the 'lockdown' period at the start of the financial year.
IT Upgrade & Replacement	20,000	20,000	2,133	(17,867)	
Disabled Adaptations	420,000	301,895	112,158	(189,737)	
Acquisitions - 1-4-1 Capital Receipts	310,000	310,000	317,210	7,210	
Acquisitions - Section 106	340,300	340,300	261,029	(79,271)	
Cash Incentive Scheme	60,000	0	0	0	
New Build Initiatives and Acquisitions	607,730	0	0	0	
Jaywick Sands - New Build/Starter Homes	1,200,000	1,200,000	1,304,814	104,814	Please see Appendix H for the proposed adjustment to cover the outstanding costs of this project.
<b>Total Housing Revenue Account Capital Programme</b>	<b>5,654,440</b>	<b>3,235,555</b>	<b>3,044,263</b>	<b>(191,292)</b>	

## ***New-Build and Acquisitions - Subject to 1-4-1 Pooling Retained Receipts Regulations***

	Required Expenditure to meet MHCLG Target				Remaining Expenditure Required to Meet MHCLG Target
MHCLG Target Date for Expenditure	30 % 1-4-1 Receipts to Retain from MHCLG £	70 % Expenditure Required by TDC £	Total Expenditure Required to Retain Receipts £	Total Actual Expenditure by TDC £	Total Expenditure £
31/12/2019	30,646	71,506	102,152	102,152	0
31/03/2020	124,070	289,496	413,566	413,566	0
30/06/2020	82,820	193,246	276,066	276,066	0
30/09/2020	160,839	375,291	536,130	536,130	0
31/12/2020	381,031	889,074	1,270,105	1,270,105	0
31/03/2021	45,057	105,136	150,193	150,193	0
30/09/2022	224,947	524,876	749,823	339,917	409,906
31/12/2022	113,411	264,626	378,037	0	378,037
31/03/2023	44,544	103,936	148,480	0	148,480
30/09/2023	49,975	116,609	166,584	0	166,584
31/12/2023	477	1,112	1,589	0	1,589
<b>Cumulative Expenditure</b>	<b>1,257,817</b>	<b>2,934,908</b>	<b>4,192,725</b>	<b>3,088,129</b>	<b>1,104,596</b>

## Collection Performance : Position at the end of December 2020

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

Council Tax			Business Rates																																
<table border="1"> <caption>Council Tax Collection Performance</caption> <thead> <tr> <th>Quarter</th> <th>2019/20</th> <th>2020/21</th> </tr> </thead> <tbody> <tr> <td>Quarter 1</td> <td>29.20%</td> <td>27.79%</td> </tr> <tr> <td>Quarter 2</td> <td>55.86%</td> <td>53.20%</td> </tr> <tr> <td>Quarter 3</td> <td>82.25%</td> <td>77.96%</td> </tr> <tr> <td>Quarter 4</td> <td>96.09%</td> <td></td> </tr> </tbody> </table>			Quarter	2019/20	2020/21	Quarter 1	29.20%	27.79%	Quarter 2	55.86%	53.20%	Quarter 3	82.25%	77.96%	Quarter 4	96.09%		<table border="1"> <caption>Business Rates Collection Performance</caption> <thead> <tr> <th>Quarter</th> <th>2019/20</th> <th>2020/21</th> </tr> </thead> <tbody> <tr> <td>Quarter 1</td> <td>29.37%</td> <td>22.75%</td> </tr> <tr> <td>Quarter 2</td> <td>55.03%</td> <td>52.87%</td> </tr> <tr> <td>Quarter 3</td> <td>81.36%</td> <td>80.82%</td> </tr> <tr> <td>Quarter 4</td> <td>98.19%</td> <td></td> </tr> </tbody> </table>			Quarter	2019/20	2020/21	Quarter 1	29.37%	22.75%	Quarter 2	55.03%	52.87%	Quarter 3	81.36%	80.82%	Quarter 4	98.19%	
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Housing Rents			General Debt																																
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Quarter 4	97.24%		Quarter 4	95.08%																															



## Treasury Activity : Position at the end of December 2020

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

### TREASURY ACTIVITY

Borrowing	Opening Balance 1 April £'000	Borrowing to date £'000	Borrowing Repaid to date £'000	Balance to Date £'000	Comments
Long Term PWLB Borrowing - GF	207	0	52	155	
Long Term PWLB Borrowing - HRA	40,106	0	1,373	38,733	
<b>TOTAL BORROWING</b>	<b>40,313</b>	<b>0</b>	<b>1,425</b>	<b>38,888</b>	
Investments	Opening Balance 1 April £'000	Investments to date £'000	Investments Repaid to date £'000	Balance to Date £'000	Comments
<i>Investments less than a year</i>					
Investments with UK Government via Treasury Bills/Investments with DMO, and Local Authorities and other public bodies	54,900	4,770,600	4,767,300	58,200	Net investments have increased over the reporting period due to the timing of the Council's cash flow such as expenditure budgets behind profile or income being received ahead of expenditure. This is in addition to the impact of Business Rates Covid 19 grant funding, £45m of which was received from the Government in error, but now repaid.
Investments with UK financial Institutions (including Money Market Funds)	11,560	16,337	11,000	16,897	At the end of the period, investments were held with 7 counterparties, including 2 new Money Market Funds.
Investments with non-UK Financial institutions	0	0	0	0	
<b>Total Investments for less than a year</b>	<b>66,460</b>	<b>4,786,937</b>	<b>4,778,300</b>	<b>75,097</b>	
<i>Investments for longer than a year</i>	0	0	0	0	
<b>TOTAL INVESTMENTS</b>	<b>66,460</b>	<b>4,786,937</b>	<b>4,778,300</b>	<b>75,097</b>	
Interest Paid / Received	Full Year Budget £'000	Profiled Budget to Date £'000	Actual to Date £'000	Variance to date £'000	Comments
Interest Paid on Borrowing - GF	13	6	6	0	The weighted average rate of interest on the Council's GF borrowing is currently 7.41%. (on an accrued basis).
Interest Paid on Borrowing - HRA	1,358	635	635	0	The weighted average rate of interest on the Council's HRA borrowing is currently 3.47%. (on an accrued basis)
Interest Received on Investments	(290)	(261)	(275)	(14)	The weighted average rate of interest being received on the Council's investments is currently 0.33%. (on an accrued basis)
PRUDENTIAL INDICATORS					
	Approved Indicator £'000	Highest amount reached in the period £'000	Comments		
Authorised limit for external borrowing	76,156	40,313	Borrowing has remained within approved limits.		
Operational boundary for external borrowing	67,525				

## Income from S106 Agreements

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

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

### ALLOCATED / BEING SPENT

Scheme Type	Amount Committed / Planned to be Spent in 2020/21 (including accrued interest as appropriate) £'000
GF Revenue Schemes	272
GF Capital Schemes	109
HRA Capital Schemes	340
<b>TOTAL</b>	<b>721</b>

### UNALLOCATED / UNCOMMITTED TO DATE

Permitted Use as per S106 Agreement	Amount Held / 'Spend by' Date			
	Less than 1 Year £'000	1 to 2 Years £'000	2 to 4 Years £'000	4 years + £'000
Regeneration Programme and Other Initiatives	0	0	0	2
Affordable Housing	0	0	0	1,706
Town Centre Improvements	0	0	22	22
Cycle Facilities	0	0	0	22
Habitat Protection	0	0	0	3
Open Space*	2	28	106	1,302
<b>TOTAL</b>	<b>2</b>	<b>28</b>	<b>128</b>	<b>3,057</b>

\* For schemes with a 'spend by' date of less than one year, this money must be spent as follows  
£2,000 by October 2021

## Proposed Adjustments to the Budget December 2020

Description	Expenditure Budget £	Income Budget £	Reason for Adjustment
<b>GENERAL FUND REVENUE</b>			
<i>The following items have no net impact on the overall budget</i>			
Planning Services - Employee Expenses	(253,830)		Use of vacancies within the service to support short term temporary staff costs.
Planning Services - Agency Staff	253,830		
Planning Appeals	201,000		Costs are being incurred to support the Council in defending appeals. This cost is proposed to be met from increased planning income being experienced so far to date along with transfers from other planning budgets.
Planning Income		(154,000)	
Other Planning Expenditure Budgets	(47,000)		
Government Grants relating to Business Rate COVID 19 Reliefs		(6,467,400)	As highlighted in the budget report considered by Council on 16 February, there will be a deficit on the collection fund in 2021/22 that will be met from grants received in 2020/21. This amount therefore needs to be carried forward via reserves.
Contribution to reserves to reflect required accounting treatment of business rates grants	6,467,400		
Back to Business Action Plan Item - 'Click it Local' Initiative	30,000		The Council is working with Essex partners to deliver an e-commerce platform to enable local independent shops and retailers to sell their goods and service via the internet and therefore compete with existing major on-line retailers. As part of approving earlier phases of the Additional Restrictions Business Grant Scheme, it was agreed to 'top-slice' an initial 10% of the associated Government grant to support such important initiatives, which is in-line with the grant conditions.
Use of Additional Restrictions Business Grant Funding	(30,000)		
Contribution to the cost of a PCSO in Harwich for a further 2 years	40,000		The Council currently supports the cost of this officer by way of a 50% contribution that is matched by Harwich Town Council. The initial 2 year period under the current arrangement comes to an end at the end of March 2021 - it is proposed to continue to support this post for a further 2 years.
Transfer from within existing salary budgets	(40,000)		

Description	Expenditure Budget £	Income Budget £	Reason for Adjustment
Extension of the Temporary Community Engagement Manager Post	26,000		It is proposed to extend the current Community Engagement Manager Post for a further 6 months to continue to support a number of key activities such as enforcement and work associated with delivering the Council's on-going response to COVID 19.
Transfer from within existing salary budgets	(26,000)		
<b>Total General Fund Revenue with no net impact on the overall budget</b>	<b>6,621,400</b>	<b>(6,621,400)</b>	

***The following items will be adjusted against the Forecast Risk Fund***

Increased Income - Recycling Credits		(115,000)	This reflects the increased level of recycling within the district following the introduction of the new service in 2019. A similar adjustment was made to the 2021/22 budget that was agreed by Council on 16 February.
Increased Income - General Property Rents		(30,000)	This reflects the outcome of rent reviews undertaken during the year. Similar to the item above, this adjustment has also been made within the 2021/22 budget agreed by Council on 16 February.
Reduced Expenditure - Employee Budgets	(200,000)		To reflect current vacancy savings accrued to date
New Burdens Funding		(100,000)	Reflects new burdens funding received from the Government that is not required to be committed within the associated area of the budget.
Increased Expenditure - Additional officer capacity to support the accelerated delivery of key projects, priorities and initiatives	200,000		This proposed budget adjustment is to support the Cabinet's commitment to deliver a number of key projects and initiatives, especially those that may have been impacted by COVID 19.
Contribution to the Forecast Risk Fund	245,000		The balance of the above adjustments results in a small contribution being made to this reserve

Description	Expenditure Budget £	Income Budget £	Reason for Adjustment
<b>GENERAL FUND CAPITAL</b>			
<b>Schemes Reprofiled</b>			
None			
<b>Other Changes to General Fund Capital Programme</b>			
Reprioritisation of unspent budget associated with the existing cliff stabilisation scheme	(380,110)		Given the urgent works required in response to a number of cliff failures along the Clacton / Holland seafront, it is proposed to reprioritise a number of existing budgets to start to assemble the necessary funding to meet the currently expected cost of £4m for the remedial works.
Reprioritisation of unspent budget associated with the existing marine parade west cliff works	(29,930)		
Reprioritisation of existing reserve originally set aside to underwrite the residents free parking scheme which is no longer required now that this scheme has been 'built' into the revenue budgets on an on-going basis		(221,000)	
Partial Contribution to New Cliff Stabilisation Scheme - Clacton / Holland	631,040		
Theatre toilets - Increased contribution to the capital programme to meet the final cost of this scheme	10,390		This scheme has now been finished with the final costs being in excess of amount originally budgeted for.
Reductions in theatre revenue budgets to meet the increased cost of the theatre toilets scheme	(10,390)		
Clacton Leisure Centre Spa and Wetside Redevelopment Project	92,000		Tenders have now been returned for this scheme, with the lowest acceptable submission being £92k more than originally budgeted for. It is therefore proposed to utilise funding currently held in the leisure projects reserve to meet this increased cost. The total currently held in this reserve is £0.174m.
Use of Leisure Projects Reserve		(92,000)	
<b>Total General Fund Capital Adjustment - no net impact on the overall budget</b>	<b>313,000</b>	<b>(313,000)</b>	

Description	Expenditure Budget £	Income Budget £	Reason for Adjustment
<b>HRA REVENUE</b>			
<i>The following items will be adjusted against the HRA General Balance</i>			
None			
<b>HRA CAPITAL</b>			
New Properties in Jaywick Sands  Use of 1-4-1 capital receipts to fund above cost	104,000	(104,000)	A number of additional costs, such as security, have been incurred as part of delivering the scheme. These costs could have been charged to the revenue account and met from within existing HRA budgets, but they have been retained within the capital programme as they can be funded from 1-4-1 receipts which have to be returned to the Government if not spent by the an associated 'expiry date'.
<b>COVID 19 FUNDING ADJUSTMENTS - MET FROM GENERAL GOVERNMENT GRANT (Tranche 4 funding of £1.116m)</b>			
<b>Expenditure</b>			
Temporary Customer Support Assistant	13,110		Additional resources have been required with the Council's contact centre to deal with increased call numbers during the COVID 19 pandemic
General Advertising - Financial Support Schemes	10,000		Expenditure has been incurred to advertise a number of financial support schemes such as the various COVID 19 business grants
Personal Protective Equipment	27,700		There has been a need to maintain an adequate stock / supply of essential equipment to enable various services to function in a COVID secure way.
<b>Income - Amounts deemed 'lost' rather than delayed</b>			
Revenues and Benefits Income from Court Fees	200,000		As formal council tax recovery action was not undertaken during the year, no court cost fees have been collectable. There have been some offsetting costs so the figure highlighted represents the overall estimated net impact in 2020/21.
<b>Total Use of COVID 19 Funding</b>	<b>250,810</b>	<b>0</b>	

**UPDATED LONG TERM FINANCIAL FORECAST**

**APPENDIX I**

Line	Budget 2020/21 £	Estimate* 2021/22 £	Estimate 2022/23 £	Estimate 2023/24 £	Estimate 2024/25 £	Estimate 2025/26 £	Estimate 2026/27 £
<b>Underlying Funding Growth in the Budget</b>							
1 Council Tax Increase 1.99%	(0.158)	(0.166)	(0.168)	(0.171)	(0.175)	(0.178)	(0.182)
2 Ctax increase by £5 (amounts set out are over and above 1.99% above)	(0.079)	(0.076)	(0.074)	(0.071)	(0.067)	(0.064)	(0.060)
3 Growth in Business rates - Inflation	(0.110)	0.000	(0.137)	(0.139)	(0.142)	(0.145)	(0.148)
4 Growth in Business rates / council tax - general property / tax base growth	(0.365)	(0.183)	(0.198)	(0.208)	(0.219)	(0.230)	(0.242)
5 Collection Fund Surpluses b/fwd	(1.360)	6.018	(0.100)	(0.100)	(0.100)	(0.100)	(0.100)
	<b>(2.072)</b>	<b>5.593</b>	<b>(0.676)</b>	<b>(0.690)</b>	<b>(0.703)</b>	<b>(0.717)</b>	<b>(0.732)</b>
<b>Net Cost of Services and Other Adjustments</b>							
6 Reduction in RSG	(0.007)	(0.002)	0.431	0.000	0.000	0.000	0.000
7 Remove one-off items from prior year	0.013	(0.412)	0.000	0.000	0.000	0.000	0.000
8 Remove one-off items from prior year - Collection Fund Surplus	0.710	1.360	(6.018)	0.100	0.100	0.100	0.100
9 Inflation - Employee Costs (including annual review adjustments)	0.615	0.478	0.386	0.390	0.394	0.398	0.403
10 Inflation - Other	0.231	0.124	0.163	0.168	0.173	0.178	0.183
11 First / Second / Third year impact of PFH WP Savings	0.000	(0.045)	(0.045)	0.000	0.000	0.000	0.000
12 LSTS Grant To Parish Council's	0.000	0.000	(0.037)	0.000	0.000	0.000	0.000
13 Revenue Contrib. to Capital Programme	(0.045)	(0.209)	0.000	0.000	0.000	0.000	0.000
14 Specific change in Use of Reserves	1.103	(4.050)	6.045	0.000	0.000	0.000	0.000
15 On-going savings required	(0.301)	(0.239)	(0.450)	(0.450)	(0.450)	(0.450)	(0.450)
16 Unmitigated Cost Pressures	0.884	0.516	0.250	0.250	0.250	0.250	0.250
17 Other Adjustments	(1.157)	(2.065)	0.000	0.000	0.000	0.000	0.000
	<b>2.045</b>	<b>(4.544)</b>	<b>0.725</b>	<b>0.458</b>	<b>0.467</b>	<b>0.476</b>	<b>0.485</b>
<b>Net Total</b>	<b>(0.027)</b>	<b>1.048</b>	<b>0.049</b>	<b>(0.232)</b>	<b>(0.236)</b>	<b>(0.241)</b>	<b>(0.246)</b>
Add back Use of Reserves / Forecast Risk Fund in Prior Year	0.027	0.000	1.048	1.098	0.866	0.630	0.388
<b>Net Budget Position</b>	<b>(0.000)</b>	<b>1.048</b>	<b>1.098</b>	<b>0.866</b>	<b>0.630</b>	<b>0.388</b>	<b>0.142</b>
Use of Forecast Risk Fund to support the Net Budget Position	0.000	(1.048)	(1.098)	(0.866)	(0.630)	(0.388)	(0.142)

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

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

Outturn b/fwd from prior years	<b>(3.253)</b>	<b>(3.753)</b>	<b>(3.204)</b>	<b>(2.607)</b>	<b>(2.241)</b>	<b>(2.111)</b>	<b>(2.223)</b>
Applied in year as set out in the forecast above	0.000	1.048	1.098	0.866	0.630	0.388	0.142
Additional contributions generated in year	(0.500)	(0.500)	(0.500)	(0.500)	(0.500)	(0.500)	(0.500)
<b>Balance to Carry Forward</b>	<b>(3.753)</b>	<b>(3.204)</b>	<b>(2.607)</b>	<b>(2.241)</b>	<b>(2.111)</b>	<b>(2.223)</b>	<b>(2.581)</b>



**Risk Assessment of Each Line of the Forecast**

**APPENDIX J**

Relevant line of the Forecast	RAG Assessment of Risk	Comments
<i>Underlying Funding Growth in the Budget</i>		
Council Tax Increase 1.99%		Although this is subject to future Government policy, it is expected that an allowable inflationary uplift will always be a feature in the Local Government finance settlement and associated Council Tax referendum principles
Ctax increase by £5 (amounts set out are over and above the 1.99% above)		Although similar to the above, there is less certainty around the level of increase that the Government may allow over and above a 'base' inflationary uplift. However it is expected that such increases will be allowable in the short term without invoking the need to hold a referendum. This will remain subject to on-going review.
Growth in Business rates - Inflation		Similar to Council Tax above, based on the historic trend of inflationary uplifts in the poundage applied to rateable values, modest inflationary increases are relatively certain over the life of the forecast, although a one-off 'freeze' was implemented by the Government in 2021/22 in response to the impact of COVID 19.
Growth in Business rates / council tax - general property growth		Underlying growth in business rates and Council Tax are expected to remain relatively stable and robust in the long term. However the medium term impact of COVID 19 is unclear at the present time. The other two main risks relate to major economic changes and future Government Policy, especially in relation to business rates where the Government remains active in developing a 75% retention model across the public sector based on a fair funding assessment. This model could see the Government introduce business rate 'resets' which could see income from economic growth being reduced on a cyclical basis as part of a redistribution method nationally. The Government continues to move forward with their proposals which have been delayed for at least a further year given the impacts from COVID 19.

Relevant line of the Forecast	RAG Assessment of Risk	Comments
Collection Fund Surpluses b/fwd		Although only relatively modest amounts have been included in the forecast, the short to medium term impact of COVID 19 remains unclear. (The forecast excludes any benefit from being a member of the Essex Business Rates Pool as it is accounted for on an actual basis rather than building it into the base budget given its one-off nature and complexities in the overall business rate calculations)
<b>Net Cost of Services and Other Adjustments</b>		
Reduction in RSG		Given the delays to the Government's fair funding review and move to the new 75% business rates retention model, RSG was again receivable in 2021/22. However no RSG has been assumed within the forecast for later years at the present time.
Remove one-off items from prior year		These are known adjustments
Remove one-off items from prior year - Collection Fund Surplus		These are known adjustments based on the assumptions set out above concerning the year on year change in the collection fund position
Inflation - Employee Costs (including annual review adjustments)		Following an increase of 2.75% in 2020/21, the forecast for future years has been maintained at 1.5%.
Inflation - Other		Although the Government's target CPI inflation is 2%, this is a long term target which will inevitably see fluctuations over short financial cycles e.g. inflation significantly reduced following the COVID 19 crisis. However 2% and 3% remain the basis for calculating an inflationary allowance for contracts and budgets that are based on either CPI or RPI respectively.
First / Second / Third year impact of PFH WP Savings		These are known adjustments which will be delivered in total but is recognised that the timing may differ to that originally anticipated which will be reflected in the forecast. The item included in 2021/22 and 2022/23 relate to the annual revenue savings expected from the disposal of Weeley Council Offices.

Relevant line of the Forecast	RAG Assessment of Risk	Comments
LCTS Grant To Parish Council's		This will be subject to the level of RSG receivable from the Government, as to date the change in the level of grant funding provided to Town and Parish Councils has mirrored the changes in RSG.
Specific change in Use of Reserves		Changes in the use of reserves primarily reflect other changes elsewhere in the budget/ forecast so are not a significant risk in isolation.
On-going savings required		This line of the budget fundamentally acts as the 'safety valve' for other changes elsewhere in the forecast and would need to be increased if adverse issues were experienced or estimates were not in line with predictions. Although the long term forecast provides flexibility in the timing of the delivery of such savings, it is important that on-going savings continue to be secured to meet the amounts set out in the forecast.

Relevant line of the Forecast	RAG Assessment of Risk	Comments
<p>Unmitigated Cost Pressures</p>		<p>It is recognised that this line of the forecast presents one of the highest risks, especially given the amount of unavoidable cost pressures include to date and with a fair degree of uncertainty going into 2021/22 as the economy starts to recover from the impact of COVID 19. On-going revenue items remain the most difficult items to respond to. Although one-off items, such as those associated with repairing / refurbishing assets could also have a significant impact on the forecast, one-off funding has been made available elsewhere in the budget to support these costs which therefore contributes to the mitigation of this risk.</p> <p>One of the most significant risks within this line of the budget relates to external income, especially from elsewhere in the public sector where similar financial pressures are being experienced. Such items include the funding from the major preceptors in respect of the Council Tax Sharing agreement, which totals over £700k each year. This has been reflected in the forecast based on ECC's current commitment, but it may need to be increased based on future proposals put forward by ECC.</p> <p>To support the management of risks, the Council continues to resist using one-off money, such as the New Homes Bonus, to support the on-going base budget.</p> <p>The cost pressure allowance has been increased from £150k to £250k per year, given the level of cost pressures identified in prior years and to respond to potential future items.</p>

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