Public Document Pack

TENDRING DISTRICT COUNCIL

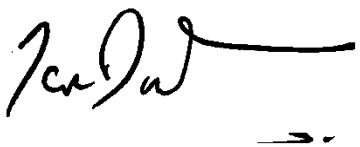
Committee Services
Room 29
Town Hall
Station Road
Clacton-on-Sea
Essex
CO15 1SE

23 March 2026

Dear Councillor

I HEREBY SUMMON YOU to attend the meeting of the Tendring District Council to be held at 7.30 p.m. on Tuesday 31 March 2026 when the business specified in the accompanying Agenda is proposed to be transacted. The meeting will be held in the Princes Theatre, Town Hall, Station Road, Clacton-on-Sea, CO15 1SE.

Yours faithfully



Ian Davidson
Chief Executive

To: All members of the
Tendring District Council

TENDRING DISTRICT COUNCIL

AGENDA

For the meeting to be held on Tuesday, 31 March 2026

Prayers

1 Apologies for Absence

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

2 Minutes of the Last Meeting of the Council (Pages 7 - 20)

The Council is asked to approve, as a correct record, the minutes of the budget and council tax setting meeting of the Council held on 17 February 2026.

3 Declarations of Interest

Councillors are invited to declare any Disclosable Pecuniary Interests, Other Registerable Interests or Non-Registerable Interests, and the nature of it, in relation to any item on the agenda.

4 Announcements by the Chairman of the Council

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

5 Announcements by the Chief Executive

The Council is asked to note any announcements made by the Chief Executive.

6 Statements by the Leader of the Council

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

Councillors may then ask questions of the Leader on his statements.

7 Statements by Members of the Cabinet

The Council is asked to note any statements made by Members of the Cabinet (Portfolio Holders).

Councillors may then ask questions of the Portfolio Holders on their statements.

8 Petitions to Council

To report any 'live' petitions that have been submitted in accordance with the Scheme approved by the Council.

9 Questions Pursuant to Council Procedure Rule 10.1

Subject to the required notice being given, members of the public can ask questions of the Leader of the Council, Portfolio Holders or Chairmen of Committees.

The Chairman shall determine the number of questions to be tabled at a particular meeting in order to limit the time for questions and answers to 21 minutes.

10 Report of the Leader of the Council - A.1 - Urgent Cabinet or Portfolio Holder Decisions (Pages 21 - 24)

To notify Members of recent Executive Decision(s) taken in the circumstances set out in the Council's Constitution in:-

(a) Rule 15 of the Access to Information Procedure Rules (Special Urgency); and/or

(b) Rule 18(i) of the Overview and Scrutiny Procedure Rules (Call-in and Urgency); and/or

(c) Rule 6(b) of the Budget and Policy Framework Procedure Rules.

11 Minutes of Committees (Pages 25 - 138)

The Council will receive the minutes of the following Committees:

(a) Resources and Services Overview & Scrutiny of Wednesday 14 January 2026;

(b) Community Leadership Overview & Scrutiny of Thursday 15 January 2026;

(c) Planning Policy & Local Plan of Thursday 22 January 2026;

(d) Tendring Colchester Borders Garden Community Joint of Monday 26 January 2026;

(e) Community Leadership Overview & Scrutiny of Tuesday 10 February 2026;

(f) Audit of Thursday 19 February 2026;

(g) Human Resources & Council Tax of Monday 2 March 2026; and

(h) Resources and Services Overview & Scrutiny of Tuesday 10 March 2026.

NOTES:

(1) The above minutes are presented to Council **for information only.** Members can ask questions on their contents to the relevant Chairman but questions as to the accuracy of the minutes **must** be asked at the meeting of the Committee when the relevant minutes are approved as a correct record; and

(2) If any recommendations to Council have been made by those Committees, these are included within separate reports for Council to decide upon (i.e. by noting the minutes those recommendations are not approved at this stage of the proceedings).

12 Motions to Council pursuant to Council Procedure Rule 12

Council will consider motions, notice of which have been given pursuant to Council Procedure Rule 12.

13 Reference from the Cabinet - A.2 - Adoption of the Annual Capital and Treasury Strategy 2026-27 (Pages 139 - 184)

To enable Council to adopt the annual Capital and Treasury Strategy, as required by the Council's Policy Framework.

14 Reports submitted to the Council by an Overview and Scrutiny Committee

Council will consider any reports submitted to it by an Overview and Scrutiny Committee.

15 Reference from the Human Resources and Council Tax Committee - A.3 - Pay Policy Statement 2026/27 (Pages 185 - 210)

To invite the Council to consider the recommendations submitted by the Human Resources & Council Tax Committee in relation to the draft Pay Policy for 2026/27.

16 Report of the Chief Executive - A.4 - Approval of non-attendance at meetings (Pages 211 - 214)

To consider approval of the reason for Councillor Anne Davis's non-attendance at meetings of the Council etc. for the period of six months commencing 30 October 2025 (if she does not attend such a meeting before 29 April 2026).

17 Report of the Corporate Director (Finance & IT) - A.5 - Independent Person Recruitment (Audit Committee) (Pages 215 - 250)

To approve the recommendations from the Interview Selection Panel (Audit Committee meeting 25 June 2025 minute no. 6 refers) to appoint Mrs Sue Gallone as the Council's Independent Person to the Audit Committee for a term of two years.

The recommended appointment is to be for the period expiring 31 March 2028.

18 Questions Pursuant to Council Procedure Rule 11.2

Subject to the required notice being given, Members of the Council can ask questions of the Chairman of the Council, the Leader of the Council, Portfolio Holders or Chairmen of Committees.

The time allocated for receiving and disposing of questions shall be a maximum of 30 minutes. Any question not disposed of at the end of this time shall be the subject of a written response, copied to all Members the following working day unless withdrawn by the questioner.

19 Urgent Matters for Debate

The Council will consider any urgent matters submitted in accordance with Council Procedure Rules 3(xv), 11.3(b) and/or 13(p).

Date of the Next Scheduled Meeting of the Council

Annual Meeting - Tuesday, 19 May 2026 at 7.30 pm - Town Hall, Station Road, Clacton-on-Sea, CO15 1SE

INFORMATION FOR VISITORS

PRINCES THEATRE FIRE EVACUATION PROCEDURE

There is no alarm test scheduled for this meeting. In the event of an alarm sounding, please calmly make your way out of any of the four fire exits in the auditorium and follow the exit signs out of the building.

Please follow the instructions given by any member of staff and they will assist in leaving the building.

Please do not re-enter the building until you are advised it is safe to do so by the relevant member of staff.

The assembly point for the Princes Theatre is in the car park to the left of the front of the building as you are facing it. Your calmness and assistance are greatly appreciated.

PUBLIC ATTENDANCE AT TENDRING DISTRICT COUNCIL MEETINGS

Welcome to this evening's meeting of Tendring District Council.

This is an open meeting which members of the public can attend to see Councillors debating and transacting the business of the Council. However, please be aware that, unless you are included on the agenda to ask a public question, members of the public are not entitled to make any comment or take part in the meeting. You are also asked to behave in a respectful manner at all times during these meetings.

Members of the public do have the right to film or record council meetings subject to the provisions set out below:-

Rights of members of the public to film and record meetings

Under The Openness of Local Government Bodies Regulations 2014, which came into effect on 6 August 2014, any person is permitted to film or record any meeting of the Council, a Committee, Sub-Committee or the Cabinet, unless the public have been excluded from the meeting for the consideration of exempt or confidential business.

Members of the public also have the right to report meetings using social media (including blogging or tweeting).

The Council will provide reasonable facilities to facilitate reporting.

Public Behaviour

Any person exercising the rights set out above must not disrupt proceedings. Examples of what will be regarded as disruptive, include, but are not limited to:

(1) Moving outside the area designated for the public;

(2) Making excessive noise;

(3) Intrusive lighting/flash; or

(4) Asking a Councillor to repeat a statement.

In addition, members of the public or the public gallery should **not** be filmed as this could infringe on an individual's right to privacy, if their prior permission had not been obtained.

Any person considered being disruptive or filming the public will be requested to cease doing so by the Chairman of the meeting and may be asked to leave the meeting. A refusal by the member of the public concerned will lead to the Police being called to intervene.

Filming by the Council

This meeting will be filmed by the Council for live and/or subsequent broadcast on the Council's website. The whole of the meeting will be filmed, except where there are confidential or exempt items, and the footage will be on the website for up to 24 months (the Council retains one full year of recordings and the relevant proportion of the current Municipal Year). The Council will seek to avoid/minimise footage of members of the public in attendance at, or participating in, the meeting.

**MINUTES OF THE MEETING OF THE COUNCIL,
HELD ON TUESDAY, 17TH FEBRUARY, 2026 AT 7.33 PM
IN THE PRINCES THEATRE, AT THE TOWN HALL, STATION ROAD, CLACTON-ON-SEA, CO15 1SE**

Present:	Councillors Davidson (Chairman), Oxley (Vice-Chairman), Alexander, Amos, Baker, Barrett, Barry, Bensilum, Bray (except item 109), Bush, Calver, Casey, Chapman BEM, Codling, A Cossens, M Cossens, Doyle, Fairley, Fowler, Goldman, Griffiths, Guglielmi, I Henderson, J Henderson, P Honeywood, S Honeywood, Keteca, Land, Morrison, Newton, Platt, Scott, Skeels Jnr., Smith, G Stephenson, M Stephenson, Sudra, Talbot, Thompson and Wiggins
In Attendance:	Ian Davidson (Chief Executive), Lisa Hastings (Corporate Director (Law & Governance) & Monitoring Officer), Richard Barrett (Corporate Director (Finance and IT) & Section 151 Officer), Ian Ford (Democratic Services Manager), William Lodge (Corporate Communications Manager), Maddie Adger (Leadership Support Manager), Kai Aberdeen (Theatre General Manager (Technical)), Katie Koppenaal (Democratic Services Officer) and Simon Kedge (Casual Technician (Princes Theatre))

101. APOLOGIES FOR ABSENCE

Apologies for absence were submitted on behalf of Councillors Davis, Ferguson, Harris, Kotz, Placey, Steady and White.

102. MINUTES OF THE LAST MEETING OF THE COUNCIL

It was moved by Councillor M E Stephenson, seconded by Councillor I J Henderson and:-

RESOLVED that the minutes of the ordinary meeting of the Council held on 27 January 2026 be approved as a correct record and be signed by the Chairman.

103. DECLARATIONS OF INTEREST

Councillor Bray declared an Interest in relation to Agenda Item 9 (Report of the Cabinet – A.2 – Executive's Proposals: Housing Revenue Account Budget 2026/2027) insofar as he was a housing tenant of Tendring District Council. He informed Council that he would not take part in the Council's consideration of this item nor the voting thereon.

The Monitoring Officer reminded Members that she and the Section 151 Officer had circulated, by email on 9 February 2026, their annual joint guidance and advice on a number of matters relating to interests and voting on the annual budget and setting of Council Tax and, especially, the requirements of section 106 of the Local Government Finance Act 1992. The Monitoring Officer thereupon read out the following statement:-

"Tendring District Council adopted the LGA Model Members' Code of Conduct which does not include the provisions confirming Members do not have a declarable interest which relates to the function of setting the Council Tax under the ***Local Government***

***Act 1992**. Therefore, to enable you to debate and vote on the budget item to set the Council Tax, the email of 9 February 2026 provides all District Councillors with a dispensation under Section 33(2)(a) to (e) of the Localism Act 2011. Consequently, you will not be required to declare an interest based on the fact you live in the District and therefore have to pay Council Tax.*

*However, Members are importantly reminded of **section 106 of the Local Government Finance Act 1992**, which provides that any Member, who is in arrears by at least 2 months with their Council Tax payments cannot vote on matters concerning either the level of or administration of Council Tax. It is important to note that this also covers Council Tax liabilities outside of the District and property which may not be your main residence. If present at the meeting, a Member to whom this provision applies must disclose the fact and may speak on the item but cannot vote. Non-compliance with this section is a criminal offence. Therefore, should this provision apply to any Member, this should be declared at the Declarations of Interest agenda item.*

*In 2014, the Government passed **The Local Authorities (Standing Orders) (England) (Amendment) Regulations 2014** making it mandatory for councils to amend their Standing Orders so as to include provisions requiring recorded votes at budget meetings. I can confirm that the Constitution reflects this requirement and the Council's Procedure Rules state at 19.5:*

"A recorded vote is mandatory on any decision relating to the budget or Council Tax. This includes not only on the substantive budget motions agreeing the budget and setting Council taxes, but also on any amendments proposed at the meeting."

I can inform Members that no budget amendments were submitted to the Council's Section 151 Officer by the deadline set out in Council Procedure Rule 2.

For other types of Interests, which need to be considered, Disclosable Pecuniary Interests (DPIs), Other Registerable Interests (ORIs) or Non-Registerable Interests are defined in the Code of Conduct and for DPIs & ORIs, these have been (or should have been) registered in advance, and with the exception of the Council Tax exemption for residing in the District, you should still consider if any other interests do apply. A blanket exemption/dispensation has not been applied for all."

Later on in the meeting, as recorded under Minute 108 below, and given that Councillor P B Honeywood's speech mentioned the lease of Christopher Jones' House in Harwich, Councillors Calver and Fowler declared an Interest insofar as they were both Trustees of the Harwich Society who were the tenants of Christopher Jones' House.

104. ANNOUNCEMENTS BY THE CHAIRMAN OF THE COUNCIL

There were no announcements made by the Chairman of the Council on this occasion other than to remind Members that the Pride of Tendring Awards evening would be held the following week.

105. ANNOUNCEMENTS BY THE CHIEF EXECUTIVE

The Chief Executive informed Council that the Secretary of State had written to the affected councils on 16 February 2026 to inform them that the Government was

withdrawing the secondary legislation that would have postponed 2026 local elections in 30 areas in England. Therefore, all local elections in May 2026 would now go ahead.

The Secretary of State's letter had cited legal advice as the reason for reversing the previous decision to postpone local elections.

The Chief Executive contended that any subsequent changes to the LGR process in Greater Essex would not affect TDC's current budget proposals as set forth for 2026/27 and 2027/28.

The Secretary of State had advised that Councils should not assume that their decision had any implications for timescales for Local Government Reorganisation. MHCLG had reiterated that the timetable for LGR remained unchanged unless the Government announced otherwise.

The Chief Executive would provide a further LGR update at next week's All Members' Briefing.

106. STATEMENTS BY THE LEADER OF THE COUNCIL

There were no statements made by the Leader of the Council on this occasion.

107. STATEMENTS BY MEMBERS OF THE CABINET

There were no statements made by members of the Cabinet on this occasion.

108. REPORT OF THE CABINET - A.1 - EXECUTIVE'S PROPOSALS - GENERAL FUND BUDGET AND COUNCIL TAX 2026/2027

Further to Minute 103 of the meeting of the Cabinet held on 30 January 2026, the Council considered the Executive's General Fund budget and Council Tax proposals for 2026/27.

It was reported that, at its meeting held on 30 January 2026, Cabinet had considered an updated position, that had remained based on the previously approved approach, which had reflected several changes due to additional information becoming available or where associated work had been finalised for inclusion within the budget. The same report had also acknowledged that there were several outstanding items at that time, including the outcome from the Government's business rate reforms / 'reset'.

Council was informed that the outstanding items referred to above had now been completed with the latest forecast for 2026/27, as set out in Appendix A to the report of the Cabinet (A.1). The forecast 'gap' for 2026/27 of £0.995m, that had been reported to Cabinet in January, had been revised down to £0.370m. This change was largely due to finalising figures associated with the changes to business rates along with adjustments to the use of the Corporate Investment Fund – Revenue as part of the ongoing approach of balancing the use of this fund with the Forecast Risk Fund.

Members were made aware that Appendices B and C set out the Net Savings and Cost Pressures respectively. Those remained unchanged from the same appendices considered by Cabinet on 30 January 2026.

As recommended by Cabinet on 30 January 2026, the Executive's budget proposals set out a Band D Council Tax of £205.48 in 2026/27, an increase of 2.99% (£5.96), with a Council Tax requirement of £11.244m.

Taking into account the changes to the budget required since Cabinet met on 30 January 2026, the total net General Fund revenue budget for 2026/27 was £25.852m, along with a General Fund capital programme totalling £1.570m.

Members were reminded that the budget recommended by Cabinet for consideration by Full Council included only the District and Parish elements of the Council Tax rather than those from the major precepting authorities. The formal approval of the 'full' Council Tax levy for the year, including the precepts from Essex County Council, Police and Fire, was delegated to the Human Resources and Council Tax Committee which was due to meet on 2 March 2026.

Council was cognisant that, at the time of publishing the agenda for this meeting, the Final Local Government Finance Settlement had been still awaited. A recommendation had therefore been included within report (A.1) to enable the budget to be updated accordingly once confirmation was received.

Council was advised that, as introduced as part of the report to Cabinet on 19 December 2025 and further developed within the report to Cabinet on 30 January 2026, a number of obligations had been placed on the Council and its Statutory Officers as part of the Government's on-going Local Government Reorganisation reforms for Greater Essex. Although subject to further review over the year, the initial in-principal approach proposed was set out within report A.1, which was intended to form the basis of the Council's reasonable and balanced financial response to meet its potential obligations to an incoming Unitary Council.

The Leader of the Council (Councillor M E Stephenson) made the following budget statement:-

"Tonight marks an important moment for this Council. We are two years away from the creation of a new unitary authority, and the decisions we make now will shape the services and support that residents rely on long after this Council has ended. Before I set out our plans and the proposed budget for 2026/27, I want to talk about what we have achieved together and why it matters so much at this point in our journey.

Too often, Tendring is spoken about only in terms of challenges. We all know the headlines about deprivation, health pressures, and the needs of our coastal and rural communities, but those headlines never tell the full story. They miss the hard work of our officers, the partnerships, the innovation, and the clear improvements that have taken place over recent years and they miss the impact this Council has made on people's lives.

So tonight, I want to start with what we have delivered for residents, because it shows who we are, what we stand for, and why our approach to financial management and planning is so important.

I'll start with health. While it is not a recognised function of a district council, last year we helped deliver one of the most significant health projects anywhere in the country: a new diagnostic hospital, created in partnership with our local NHS. This facility now delivers

around 140,000 diagnostic appointments every year, enabling faster access to tests, shorter waiting times, and reduced pressure on our acute hospitals. And we did not stop there. This year, we have gone further by committing £2 million to demolish and rebuild Clacton's Urgent Treatment Centre, with multiple outpatient clinics based above. It is expected to be delivered this April. That is real, meaningful impact.

We continue to invest in our mental health hubs in primary schools across the District recognising how it gives young people the tools they need to cope with modern day pressures. These hubs have been highlighted nationally as an example of innovation and good practice, and they continue to improve the lives of children and families across Tendring.

Our Family Solutions Workers continue to make early interventions that help prevent families from reaching crisis. These roles reduce future reliance on statutory services, but most importantly, they support people at the right time and before things reach breaking point.

We have eliminated the use of Bed & Breakfast accommodation for families who become homeless. Instead, families get safer and more stable options, helping them rebuild their lives with dignity and support.

Our award-winning Sunspot development in Jaywick continues to deliver. Running at 110%, all thirty-one new business units are fully occupied, supporting local entrepreneurs with some now making the brave move to bigger premises. For a community too often spoken about negatively, it is a sign of confidence, talent, and ambition and how we are helping people build opportunities close to home.

Our focus on health, employment and deprivation has contributed to a 4.7% improvement in Tendring's Health Index—one of the most meaningful long-term indicators of community wellbeing.

One of the things I am proud of is our Sport and Activity Strategy. Through that the strategy the Council has secured more than £3.2m of external investment to deliver five new sport and activity facilities across the District, including four new Playzones and a new Ride and Play facility at Clacton Leisure Centre, giving children, families and communities more opportunities to be active close to home. Alongside this, we have secured over £1.2m from the Government's Salix programme for a new heating system at Clacton Leisure Centre, and £94k from the Swimming Pool Support Fund to support major upgrades at Walton on the Naze Lifestyles. Together, this funding will improve the quality and reliability of local leisure facilities and help ensure they continue to meet the needs of residents now and into the future.

We continue to take forward major regeneration projects, funded through Levelling Up and Capital Regeneration Grants. These projects will support jobs, strengthen our town centres and coastal areas, and help build the local economy for years to come.

All of this shows something important: we do not wait for others to fix problems for us. We face challenges head-on, we work with partners, and we deliver change. And we do all of this with one of the lowest council tax levels in the country, just £199.52 a year for a Band D property. That is £3.84 a week. For many households, that is less than the cost of a takeaway coffee. Yet it pays for the essential services our residents rely on

every single day such as waste collection, street cleaning, grass cutting, carparks, public toilets, housing services and leisure centres to name a few.

As we look ahead to the next two years, it is vital that we continue this approach. We must continue to protect frontline services, support vulnerable households, and maintain the stability that residents and businesses need, especially at a time when many are finding life difficult.

Our financial context is not simple. We face the same pressures felt by other councils across the country, but coastal areas like ours face added challenges. Jaywick remains the most deprived neighbourhood in England. Several areas across Clacton, Harwich, Walton and our rural communities are among the most deprived nationally. That reality should have been reflected in the Government's Fair Funding Review.

But it wasn't. Despite deprivation being highlighted as a key factor in how local government funding should be allocated, the outcome leaves us with reduced funding in real terms. We also received a late change to the settlement for 2026/27 and 2027/28, making us worse off. The Government will provide a one-off grant to cover the gap in 2026/27, but currently there is no guarantee for 2027/28. That could leave us £280,000 short.

However, because of the strong financial stewardship of this Council, we are not blown off course. Our two-year plan and 2026/27 budget maintain stability, protect services, and put us in the right position for Local Government Reorganisation.

Our approach is backed by the assurance of our Section 151 Officer and by our External Auditor, whose independent findings are being considered by the Audit Committee this week. That independent assurance matters. It gives our residents confidence that their Council is well-run, financially responsible, and planning ahead.

As we move into the transition to a new Unitary Council, our responsibility is clear. Government guidance states that existing councils must not take decisions that disadvantage or limit the choices of the new authority. We take that seriously. Our two-year plan provides transparency, stability and a strong financial position for the new organisation that will take responsibility for our District from April 2028.

For residents, this plan means:

- *no sudden changes to essential services*
- *continued support for vulnerable households*
- *investment in leisure, green spaces and community facilities*

For businesses, it means:

- *stability in planning, environmental health and other core services*
- *continued regeneration of town centres and coastal areas*
- *improvements to the infrastructure that supports the local economy*

To strengthen our financial resilience further, we have created two new Corporate Investment Funds—one for revenue and one for capital. These funds will allow us to respond flexibly to pressures and invest where needed, without putting day-to-day services at risk.

Our savings plan totals £1.956 million, all of which can be found in Appendix B of the report, and most importantly, these savings do not cut essential services. This sets us apart from authorities that rely on speculative savings that may never materialise, a practice that often leads to deeper problems later.

We have faced rising costs in areas such as homelessness, inflation, and contract pressures, but we have acted early and decisively. We have put extra funding into homelessness support, including preventative work and temporary, safe accommodation. We are investing in our assets based on clear condition surveys, making sure our buildings remain safe and functional and we continue to invest in our wider priorities and in the capacity, we need to deliver reliable services.

As I mentioned before, we face unique responsibilities as a coastal district, from port-health duties to coastal protection. These are essential services, and they add pressure that inland areas simply do not face.

On council tax, we are continuing our long-standing approach by proposing a 2.99% increase. The new Band D charge will be £205.48, an increase of just £5.96 for the year or 11p a week, a small amount for what residents receive in return. It helps us protect services now, while avoiding deeper problems in the future.

Our capital programme continues to focus on what matters most:

- *upgrading leisure centres and community buildings*
- *maintaining safe, welcoming public buildings*
- *modernising IT so services stay reliable*

Recent changes to how we deliver disabled facilities grants will mean more money reaches residents more quickly, a clear example of us leading the way and doing the right thing for local people.

Our regeneration and investment projects are also part of a bigger picture. They support residents, attract visitors, encourage business growth and send a clear message that Tendring is a place with potential and ambition.

To summarise, our two-year plan and proposed budget strengthen our commitment to:

- *protecting frontline services*
- *supporting vulnerable households*
- *regenerating towns and coastal areas*
- *improving health and tackling inequalities*
- *supporting skills, jobs and business growth*
- *providing the stability needed for Local Government Reorganisation*

Our achievements over recent years show what is possible when partnership working, financial discipline and a focus on residents come together. The diagnostic hub, Sunspot, mental health hubs, regeneration projects, and improvements in health outcomes all demonstrate the positive difference we can make.

With this budget, we continue that work. We protect services, support local people, and prepare a strong foundation for the new Unitary Council. We leave behind a legacy of

good stewardship, responsible planning, and a culture that puts residents and businesses first.

I commend this budget to Full Council."

It was moved by Councillor M E Stephenson, and seconded by Councillor I J Henderson, that the recommendations, as set out on pages 18 and 19 of the Council Book, be approved.

In addition to Councillor Stephenson, Councillors P B Honeywood and I J Henderson addressed the Council on the subject matter of Councillor Stephenson's motion.

Given that Councillor P B Honeywood's speech had mentioned the lease of Christopher Jones' House in Harwich, Councillors Calver and Fowler declared an Interest insofar as they were both Trustees of the Harwich Society who were the tenants of Christopher Jones' House.

The Leader of the Council, Councillor M E Stephenson, undertook to give a written response to Councillor P B Honeywood as there were commercially sensitive matters pertaining to the lease of Christopher Jones' House.

In relation to the Carnarvon Terrace regeneration project which Councillor P B Honeywood had also mentioned in his speech, the Portfolio Holder for Economic Growth, Regeneration and Tourism, Councillor I J Henderson, responded that a report on this matter was due to be submitted to the next formal meeting of the Cabinet.

In accordance with the Local Authorities (Standing Orders) (England) (Amendment) Regulations 2014, as reflected within Council Procedure Rule 19.5 of the Council's Constitution, a named vote on Councillor Stephenson's motion was taken.

That vote resulted as follows:

Councillors For	Councillors Against	Councillors Abstaining	Councillors Not Present
Baker	None	Alexander	Davis
Barrett		Amos	Everett
Barry		A I Cossens	Ferguson
Bensilum		M A Cossens	Harris
Bray		Griffiths	Kotz
Bush		P B Honeywood	Placey
Calver		S A Honeywood	Steady
Casey		Land	White
Chapman BEM		Platt	
Codling		Skeels	
Davidson			
Doyle			
Fairley			
Fowler			
Goldman			
Guglielmi			
I J Henderson			

J Henderson
Keteca
Morrison
Newton
Oxley
Scott
Smith
G L Stephenson
M E Stephenson
Sudra
Talbot
Thompson
Wiggins

Councillor Stephenson's motion was declared **CARRIED** and it was therefore:-

RESOLVED that, having had regard to the Chief Finance Officer's (Section 151 Officer) report on the Robustness of Estimates and Adequacy of Reserves in accordance with the requirements under Section 25 of the Local Government Act 2003, and having taken account of any responses to the budget consultation process, the Council approves the 2026/27 budget proposals (based on a 2.99% (£5.96) Band D council tax increase for district services) and agrees that:

i) the total General Fund net revenue budget for 2026/27 be set at £25.852m (a council tax requirement of £11.244m excluding parish precepts);

ii) the General Fund capital programme be approved totalling £1.570m in 2026/27;

iii) the detailed General Fund budget for 2026/27, as set out in Appendix E to report A.1;

iv) the calculation of the Council's Council Tax requirement, Special Expenses and Parish/Town Council precepts, as set out at Appendix G to report A.1;

v) the Council Tax for District and Parish/Town Councils' services, as at Appendix J to report A.1 and that these are the amounts to be taken into account for the year in respect of the categories of dwellings listed in different valuation bands;

vi) subject to the above, if budget adjustments are required such as those necessary to reflect the Final Local Government Finance Settlement and the late notification of other external / grant funding, then in consultation with the Corporate Finance and Governance Portfolio Holder, the Council's Section 151 Officer be authorised to adjust the base budgets accordingly with no net impact on the overall budget or capital programme set out above; and

vii) the Council's and Statutory Officers' obligations to a successor Unitary Council as part of the current LGR proposals, including those that are expected to emerge within legislation / associated structural orders along with the Council's proposed in-principle response as set out within the main body of this report A.1, be acknowledged.

109. REPORT OF THE CABINET - A.2 - EXECUTIVE'S PROPOSALS - HOUSING REVENUE ACCOUNT BUDGET 2026/2027

Earlier on in the meeting, as detailed under Minute 103 above, Councillor Bray had declared an Interest in relation to this item insofar as he was a housing tenant of Tendring District Council. He thereupon withdrew from the meeting whilst Council considered this item and reached its decision thereon.

Further to Minute 104 of the meeting of the Cabinet held on 30 January 2026, the Council considered the Executive's Housing Revenue Account (HRA) budget proposals for 2026/27 (including fees and charges, capital programme and movement in HRA balances).

It was reported that there had only been a very limited number of changes since Cabinet met on 30 January 2026, which had been reflected in Appendices A to E to report A.2, as necessary. The outcome of the changes required was a reduced deficit of £0.540m in 2026/27 compared with the figure of £0.650m reported to Cabinet in January. It was proposed to fund this estimated deficit by calling money from HRA balances as an alternative to potentially reducing expenditure.

Members were reminded that this approach continued to form part of a managed approach with the use of reserves seeking to maintain the necessary balance of 'protecting' the investment in tenants' homes whilst recognising the need to use reserves to respond to the on-going financial challenges that the HRA continued to face. It was however recognised that this was not a sustainable long-term solution, but it enabled the Council to continue to meet its key priorities in the immediate term whilst acknowledging that future years of the forecast were expected to deliver offsetting annual surpluses from as early as 2028/29. Those future forecast surpluses were primarily achievable via the planned reduction in debt and interest costs, as outstanding loans were repaid and the longer-term certainty provided by the Government's commitment to a ten-year rent setting policy of CPI + 1%.

Council was informed that, for 2026/27, the Executive's budget proposals set out an increase in dwelling rents of 4.8% along with a total HRA expenditure budget of £18.883m (net of indirect income / expenditure) and a capital programme totalling £6.900m. The 4.8% increase in dwelling rents resulted in an average weekly rent of £108.46 in 2026/27 *(£103.49 in 2025/26).*

Appendix C to report A.2 set out the proposed fees and charges for 2026/27, which broadly reflected inflationary uplifts of 4.8% where relevant, or other inflationary changes to better reflect the cost of providing the associated service.

Members were cognisant that the proposed budget reflected the continued repayment of debt, with the total level of existing debt falling from £31.120m to £29.706m at the end of 2026/27.

The HRA general balance was forecast to total £2.234m at the end of 2026/27, which retained a strong financial position against which the associated HRA 30 Year Business Plan could continue to be delivered / developed.

Members were aware that the HRA balances, together with the proposed rent increase for 2026/27 were important elements of delivering a financially sustainable HRA in the

longer term. The HRA Business Plan and proposed budget played a significant role in the delivery of affordable and decent housing in the District and the Council's responsibilities as a landlord had direct implications for the Council's ability to deliver on its objectives and wider priorities, along with a focus on housing standards and the on-going impact from the Government / Regulator. It also provided some flexibility to add to our existing stock.

Council recalled that, as highlighted within the associated budget reports to Cabinet in December and January, the approach to the development of the HRA Business Plan would also enable the continuation of a relatively strong financial position and provide flexibility to respond to statutory obligations that were expected to emerge in respect of any incoming new Unitary Council from as early as April 2028, as part of the Government's Devolution Priority Programme and their current timetable for Local Government Reorganisation (LGR) for Greater Essex.

The Leader of the Council (Councillor M E Stephenson) made the following budget statement:-

"We now turn to the Housing Revenue Account. Like the General Fund, this budget is about decisions taken today that will shape outcomes well beyond the lifetime of this Council. But the HRA is also different, because it speaks directly to our responsibilities as a landlord and to the everyday lives of more than 3,000 households across Tendring who rely on us for a safe, secure place to live.

For those residents, their council home is not an abstract asset or a financial line. It is where families settle, where children grow up, and where people should feel safe, warm and supported. That is why everything we do through the HRA is grounded in a clear and consistent principle: putting tenants first and managing their homes responsibly.

As with the wider budget, this HRA is being set against a challenging backdrop. Over the past year, tenants have faced rising household bills and cost-of-living pressures, while expectations of us as a landlord rightly remain high, particularly around repairs, safety and standards. At the same time, councils face increased regulatory requirements under the Social Housing (Regulation) Act and continued inflation in construction and materials costs.

Despite those pressures, Tendring's Housing Revenue Account remains strong, stable and well-managed. Through regular engagement with tenants, including our Tenants' Panel, we have been open about the financial context we face and the need to make decisions that protect services and homes in the long term. That engagement matters, because it builds understanding and confidence that tenants' interests are at the heart of our plans.

For 2026/27, this has resulted in a 4.8% rent increase, taking the average weekly rent to £108.46. This remains significantly below much of the wider rented sector. Like the Council Tax decision in the General Fund, this increase is modest, proportionate and necessary. It enables us to maintain homes properly, meet higher safety standards and avoid the deeper problems that arise when investment is delayed.

The Government's 10-year rent setting policy of CPI plus 1% provides welcome certainty and underpins our longer-term planning. That stability is important for residents

because it supports consistent services, avoids sudden shocks, and allows us to focus on prevention and maintenance rather than crisis response.

Residents expect their homes to be safe, warm and well maintained, and this budget reflects those priorities. The proposed HRA capital programme continues to focus on:

- *major repairs and refurbishments to keep homes in good condition*
- *disabled adaptations that help tenants live independently and with dignity*
- *upgrades to heating, electrical and wider building safety systems*
- *new build and acquisition opportunities, supported by Right to Buy receipts and Section 106 funding*

These investments directly improve residents' quality of life. They reduce disrepair, improve comfort and safety, and help increase the supply of good-quality, affordable homes for local people. They also align with our wider Housing Strategy and our commitment to doing the right thing for tenants.

As with the General Fund, this level of investment must be supported by sound financial stewardship. Our long-term HRA approach for 2026/27 therefore includes:

- *careful and deliberate use of reserves, rather than cutting repairs or services*
- *reducing void losses so homes are available more quickly to those who need them*
- *reviewing contracts to secure better value for money on behalf of tenants*
- *continuing stock condition surveys so investment is targeted where it will have the greatest impact*

Based on current plans, HRA reserves are forecast to total £7.152 million at the end of 2026/27, including £2.234 million in general balances. This provides resilience and the ability to respond to unforeseen issues affecting tenants' homes, without compromising day-to-day services.

HRA debt is forecast to reduce to £29.706 million. Through refinancing historic loans and making greater use of internal borrowing rather than more expensive external lending, we are ensuring that more money is directed into homes and services, rather than interest payments. This is prudent financial management, and it delivers clear benefits for residents.

From 2028/29, the HRA is forecast to move into surplus. This creates additional flexibility to invest in repairs, improvements and new housing; while also ensuring we meet our responsibilities as we transition to a new Unitary Council from 1 April 2028.

With two years remaining before that transition, our HRA plans provide a legacy that mirrors the wider financial approach of this Council. That legacy is one of:

- *continuity and stability for tenants*
- *a strong and sustainable 30-year Business Plan*
- *a funded and deliverable investment programme*
- *regulatory compliance that protects tenants' rights and safety*
- *a clear and transparent financial position for the new authority to build on*

For residents, this means confidence that their homes are being managed responsibly now and that the future is being planned carefully. It also provides the new Council with the flexibility to grow and improve the housing offer over time, increasing access to decent homes for local people.

In closing, this HRA budget reflects the same principles that underpin the wider budget before Council tonight. It is about responsible stewardship, long-term planning and putting people first. It protects tenants' homes and services, invests in safety and quality, and prepares Tendring for a smooth transition into a new Unitary Council.

It is a budget that supports residents today and safeguards the future of our housing stock.

I commend this HRA budget to Full Council."

It was moved by Councillor M E Stephenson and seconded by Councillor Baker that the recommendations, as set out on page 132 of the Council Book, be approved.

In addition to Councillor Stephenson, Councillor Baker spoke on the subject matter of this item.

Pursuant to the provisions of Council Procedure Rule 19.5, Councillor M E Stephenson, supported by nine other Members present at the meeting, demanded a recorded vote on his motion.

That vote resulted as follows:

Councillors For	Councillors Against	Councillors Abstaining	Councillors Not Present
Baker	None	Alexander	Bray
Barrett		Amos	Davis
Barry		A I Cossens	Everett
Bensilum		M A Cossens	Ferguson
Bush		Griffiths	Harris
Calver		P B Honeywood	Kotz
Casey		S A Honeywood	Placey
Chapman BEM		Land	Steady
Codling		Platt	White
Davidson		Skeels	
Doyle			
Fairley			
Fowler			
Goldman			
Guglielmi			
I J Henderson			
J Henderson			
Keteca			
Morrison			
Newton			
Oxley			
Scott			

Smith
G L Stephenson
M E Stephenson
Sudra
Talbot
Thompson
Wiggins

Councillor Stephenson's motion was declared **CARRIED** and it was therefore:-

RESOLVED that -

(a) a 4.8% increase in dwelling rents in 2026/27 be approved;

(b) the Housing Revenue Account Budget for 2026/27, as set out in Appendix B to item A.2 of the Report of the Cabinet, along with the Fees and Charges, HRA Capital Programme and the movement in HRA Balances / Reserves, as set out respectively in Appendices C to E to report A.2 be approved; and

(c) the Statutory Officer's and Council's obligations to a successor Unitary Council as part of the current LGR proposals, including those that are expected to emerge within legislation / associated structural orders, as set out within the main body of report A.2, be acknowledged.

110. URGENT MATTERS FOR DEBATE

No urgent matters had been submitted in accordance with Council Procedure Rule 2(viii) for this meeting.

The Meeting was declared closed at 8.18 pm

Chairman

COUNCIL

31 MARCH 2026

REPORT OF LEADER OF THE COUNCIL

A.1 EXECUTIVE DECISION(S) TAKEN AS A MATTER OF URGENCY

PART 1 – KEY INFORMATION

PURPOSE OF THE REPORT
To notify Members of recent Executive Decision(s) taken in the circumstances set out in the Council's Constitution in:- (a) Rule 15 of the Access to Information Procedure Rules (Special Urgency); and/or (b) Rule 18(i) of the Overview and Scrutiny Procedure Rules (Call-in and Urgency); and/or (c) Rule 6(b) of the Budget and Policy Framework Procedure Rules.

EXECUTIVE SUMMARY
In accordance with the requirements of Rule 16.2 of the Access to Information Procedure Rules and/or Rule 18(i) of the Overview and Scrutiny Procedure Rules and/or Rule 6(b) of the Budget and Policy Framework Procedure Rules, this report notifies Members of recent Executive Decision(s) taken in the circumstances set out in Rule 15 of the Access to Information Procedure Rules and/or Rule 18(i) of the Overview and Scrutiny Procedure Rules.

RECOMMENDATION
That the contents of this report be NOTED.

PART 2 – SUPPORTING INFORMATION

BACKGROUND
The "Special Urgency" procedure in Rule 15 of the Access to Information Procedure Rules provides that where a key decision cannot be reasonably deferred to allow the procedure in Rule 14 (General Exception) of those procedure rules to be followed, it may still be taken with the agreement of the Chairman of the relevant overview and scrutiny committee, or failing him/her, the Chairman or Vice-Chairman of the Council. Rule 18(i) of the Overview and Scrutiny Procedure Rules provides that the "call-in" procedure will not apply to a decision if the Chairman, or failing him/her the Vice-Chairman, of the relevant overview and scrutiny committee agrees both that the decision is reasonable in all its circumstances and that any delay likely to be caused by the call-in process would seriously prejudice the Council's or the public's interests.

DECISION(S) TAKEN AS A MATTER OF URGENCY

(1) Engagement of resources from Local Government East to provide capacity within the Housing Repairs team in relation to the maintenance of Council Housing Stock

On 24 February 2026, in view of the urgency of the issue concerned, and in accordance with Rule 18(i) of the Overview & Scrutiny Procedure Rules, I sought and subsequently obtained the Chairman of the Resources and Services Overview and Scrutiny Committee's consent, that my urgent decision, on behalf of the Cabinet, relating to authorising the use of up to £310,000 from the Housing Revenue Account Reserves, to fund the engagement of resources from Local Government East, to address an urgent need to provide capacity within the Housing Repairs team, to meet the Council's statutory obligation in relation to the maintenance of Council Housing Stock, could be taken under the special urgency procedure and therefore be exempted from the call-in procedure.

My urgent decision, on behalf of the Cabinet and using the special urgency powers, provided within Schedule 3 (Responsibility for Executive Functions) and Access to Information Procedure Rule 15 (Special Urgency), in consultation with the Portfolio Holder for Housing and Planning, and the Section 151 Officer and the Monitoring Officer was as follows:

"To authorise the use of up to £310,000 from the Housing Revenue Account Reserves to fund the engagement of resources form Local Government East, to address an urgent need to provide capacity within the Housing Repairs team to meet the Council's statutory obligation in relation to the maintenance of Council Housing Stock."

It was felt that any delay likely to be caused by the normal key decision process and/or the call-in process would have seriously prejudiced the Council's and the public's interest for the following reasons:-

"Due to the urgent need for the Council to enable there to be a management structure within the housing repairs service by entering into an agreement with LGE, for a period of up to six months, via the use of reserves within the HRA, by the 5th March 2026, the decision to use HRA reserves is proposed using special urgency powers, as set out in Part 3, Schedule 3 of the Constitution.

In addition, in order to meet the deadline to sign up the specialist resource, by 5th March 2026, permission will need to be granted by the Chairman of the Resources and Services Overview and Scrutiny Committee to exempt this decision from both the Forward Plan and the 5 day call in period, through the special urgency provisions. This will be made through using Rule 15 of the Access to Information Procedure Rules, as set out in Part 5.8 of the Constitution."

BACKGROUND PAPERS

(1) Engagement of resources from Local Government East to provide capacity within the Housing Repairs team in relation to the maintenance of Council Housing Stock

Chairman of the Resources and Services Overview and Scrutiny Committee (Councillor Paul Honeywood)'s consent to allow the urgent decision of the Leader of the Council, on behalf of the Cabinet, to be exempt from call-in and that the Special Urgency Procedure as

set out in Overview and Scrutiny Procedure Rule 15 (Part 5.8), could be used.

APPENDICES
None

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MINUTES OF THE MEETING OF THE RESOURCES AND SERVICES OVERVIEW AND SCRUTINY COMMITTEE, HELD ON WEDNESDAY, 14TH JANUARY, 2026 AT 7.30 PM IN THE COMMITTEE ROOM, TOWN HALL, STATION ROAD, CLACTON-ON-SEA, CO15 1SE

Present:	Councillors P Honeywood (Chairman), Bush, Bensilum, Doyle, J Henderson, S Honeywood, Newton and Steady
Also Present:	Councillor I Henderson (Deputy Leader of the Council; Portfolio Holder for Economic Growth, Regeneration & Tourism; Leader of the Labour Group) and M Stephenson (Leader of the Council; Portfolio Holder for Finance & Governance)
In Attendance:	Ian Davidson (Chief Executive), Richard Barrett (Corporate Director (Finance and IT) & Section 151 Officer), Lisa Hastings (Corporate Director (Law & Governance) & Monitoring Officer), Damian Williams (Corporate Director (Operations and Delivery)), Tim Clarke (Assistant Director (Housing and Environment)), Keith Simmons (Assistant Director (Corporate Policy & Support) & Deputy Monitoring Officer), Katie Koppenaal (Democratic Services Officer) and Bethany Jones (Democratic Services Officer)

26. APOLOGIES FOR ABSENCE AND SUBSTITUTIONS

Apologies for absence had been submitted by Councillor Amos, who had appointed Councillor S Honeywood as his substitute. Apologies for absence had also been submitted by Councillor Goldman, who had appointed Councillor Doyle as his substitute and by Councillor Harris who had not appointed a substitute.

Additionally, apologies had been received from Councillor Baker, the Portfolio Holder for Housing and Planning, who had been invited to attend but was unwell.

It was noted that for the public record, the Corporate Director (Law and Governance) and Monitoring Officer, was in attendance at the meeting via Microsoft Teams.

27. MINUTES OF THE LAST MEETING

It was moved by Councillor Steady, seconded by Councillor Bush and **RESOLVED** that the minutes of the last meeting of the Committee held on Tuesday 4 November 2025 be confirmed as a correct record and be signed by the Chairman.

It was noted that the minutes of the meeting had referenced a proposed conversation between the Section 151 Officer and Councillor Steady. As a result of that discussion, a flow chart was circulated at the meeting that had been published in the public domain.

Additionally, an email exchange between the Leader of the Council and the Chairman of the Committee, was circulated at the meeting that had been also published in the public domain.

28. DECLARATIONS OF INTEREST

There were no Declarations of Interest made by Members on this occasion.

29. QUESTIONS ON NOTICE PURSUANT TO COUNCIL PROCEDURE RULE 38

No Questions on Notice pursuant to Council Procedure Rule 38 had been submitted by Members for this meeting.

30. REFERENCE FROM THE COUNCIL'S HOUSING STRATEGY TASK AND FINISH GROUP - A.1 - FINAL REPORT

The Chairman of the Committee noted for the public record, that Members had prepared questions prior to the meeting, upon which Officers had drafted responses. Those questions and responses were not read out individually but referenced several times in supplementary questions. It was therefore agreed that those questions would be included in the minutes.

It was reported that at the meeting of Council held on 6 August 2024, the work programme for the two Overview and Scrutiny Committees had been approved. This had included, within the scope of this Resources and Services Overview and Scrutiny Committee, an enquiry into housing strategy development and infrastructure and temporary accommodation with the enquiry having been undertaken by way of a task and finish group.

The report presented to the Committee had sought to set out the process of the enquiry into the above and its conclusions and recommendations.

Members heard that the aims and objectives of the enquiry had been to look at Housing Strategy Development and Infrastructure and Temporary Accommodation. The enquiry had included a look at how the Council maintained its list of private landlords and if the Council had suitably quality checked those properties.

The enquiry had reviewed:

- Policy and practice documents of the Council in respect of the use of private rented accommodation for those in need of housing.
- The average time people are placed in temporary rented housing accommodation.
- Details of complaints by those people in rental accommodation.
- Numbers of HRA properties over the last five years including acquisitions and disposals.
- The current housing strategy and any development draft of a new strategy as well as an assessment as to how the current strategy had been delivered.

The enquiry had sought as an outcome:

- To look at possible improvements to temporary accommodation provision and make recommendations thereon.
- To determine the strategic direction of the Council in respect of housing and the extent to which this had been delivered.

It was reported that following the four main meetings of the working group during which key topics had been discussed and questions answered by Officers, the outcome of the enquiry has been a set of observations to be reported to the Resources and Services Overview and Scrutiny Committee. Those observations were:

1. That homelessness and temporary accommodation us a significant pressure for the Council, particularly the costs associated with temporary accommodation.
2. Resourcing within the Housing Solutions service could be increased to provide more early prevention work.
3. The Council had been improving the temporary accommodation that it had offered, moving away from B&B use.
4. Complaints about temporary accommodation had been generally low.
5. The Council's Housing Strategy for 2026-30 had been comprehensive and a well written document.
6. The Council's Housing Service had been preparing for inspection by the Regulator of Social Housing and would be assessed against compliance within the Consumer Standards.
7. The Council had annually compiled data on and reports on performance against the Tenant Satisfaction Measures with an overall improvement in performance between 2023-24 and 2024-25, with the exception of satisfaction of housing repairs.

It was moved by Councillor Bensilum, seconded by Councillor Bush and **RESOLVED** that the Committee:-

(a) notes the contents of the report, including the wide range of work undertaken by the Council's Housing Service to improve the homelessness and temporary accommodation service;

(b) requests that the Head of Paid Service ensure that the Council's Housing Solutions Service is adequately resourced to meet the increasing service demands including provision for homelessness prevention work;

(c) ensure that the draft temporary accommodation strategy continues to be improved both in terms of quality and price;

(d) endorses that Housing Strategy 2026-30 that is due to be submitted to Full Council in January 2026;

(e) requests that the Portfolio Holder for Housing and Planning ensure that the ambitions within the Housing Strategy 2026-30 along with key statistics relating to homelessness, temporary accommodation and the Council's own housing stock are monitored, measured and that a report is presented on progress to Cabinet and the Resources and Services Overview and Scrutiny Committee each quarter;

(f) requests that the Head of Paid Service ensure that the Council's Housing Service is adequately resourced to meet the requirements of the Consumer Standards and is well prepared for the anticipated inspection by the Regulator of Social Housing; and

(g) requests the Cabinet to consult with this Committee on the Council's Draft Homelessness Strategy.

31. REFERENCE FROM THE CABINET - A.2 - APPROVAL OF DRAFT HOUSING STRATEGY 2026/30 FOLLOWING CONSULTATION

The Committee was furnished with a reference report from the Cabinet for the consideration of the draft Housing Strategy 2026/30, and to decide whether it wished to submit any comments and/or recommendations thereon to the Portfolio Holder for Housing and Planning.

Members were reminded that the Cabinet, at its meeting held on 19 December 2025 (Minute 90 refers), had considered a report of the Housing and Planning Portfolio Holder (A.4) which had informed it of the outcome following the consultation on the draft Housing Strategy 2026-30 and which had sought Cabinet's approval of the final Housing Strategy 2026-30.

Cabinet had recalled that, at its meeting held on 26 September 2025, it had approved a draft Housing Strategy 2026-30 for consultation. That consultation had been launched on 6 October 2025 with a questionnaire available on the Council's website.

It had been reported that 24 responses to the consultation had been received via the online survey form with 92% agreeing with the proposed length of the strategy and 92% agreeing with the four strategic priorities. Several comments had been received that were summarised within the Portfolio Holder's report.

Members had been advised that Essex County Council (ECC) had submitted a detailed response that in essence stated "*ECC welcomes the development of this Housing Strategy and the clear articulation of Tendring's priorities. The document is well-structured and provides a strong narrative about the local context, including the challenges of deprivation, an ageing population, and housing affordability. We particularly value the emphasis on partnership working and the recognition of the role of Essex County Council in delivering shared objectives."*

It was reported that overall, the responses to the consultation had not required the draft strategy to be substantially altered. Reflecting the feedback received, some minor adjustments has been made. The proposed final version of the strategy had set out notable achievements along with ambitions across four strategic priorities:-

1. Maintain and improve our existing housing stock

That had focussed on the Council's role as a landlord and the management of its homes ensuring compliance with its statutory obligations along with the Consumer Standards and Tenant Satisfaction Measures.

2. Preventing and reducing homelessness

With homelessness having increased and most councils facing significant cost pressures this priority had set out what the Council had been doing to reduce expenditure and increase its prevention work.

3. Delivering, with partners, high quality homes

That priority focussed on the delivery of affordable housing in the District.

4. Supporting people in their homes and communities

That priority had been aimed at those living in the privately rented sector and those who had owned their own homes. It set out what the Council had been doing to ensure housing standards were maintained across all tenures.

In order to:-

(1) ensure that the new Housing Strategy would be appropriately adopted, following consultation with the public, other relevant authorities and both internal and external stakeholders, in accordance with the Council's Constitution; and

(2) acknowledge appropriately that the Resources and Services Overview and Scrutiny Committee had been yet to review the proposed final version of the Housing Strategy, although a Task and Finish Working Group had discussed the draft strategy at its meeting on 3 November 2025 and had been largely supportive of it, and had been due to report to the Committee on 14 January 2026:-

Cabinet had **RESOLVED** that the Cabinet –

(a) notes the responses to the consultation on the draft Housing Strategy 2026-30;

(b) agrees the final Housing Strategy 2026/30 and recommends it for adoption by Full Council at its meeting due to be held on 27 January 2026; and

(c) authorises the Portfolio Holder for Housing & Planning to make amendments to the final version of the strategy prior to its approval by Full Council in response to any recommendations made by the Resources and Services Overview and Scrutiny Committee at its meeting on 14 January 2026.

Questions by Members:	**Answers given:**
What does the Strategy say about Tendring District Council (TDC) acquiring additional properties to support housing provision locally?	*In Priority 3 - Delivering, with partners, high quality homes there is an ambition to:* *Acquire new Council homes of a good standard to add to our stock including:* *- 30 new Council homes in the pipeline for 2025* *- At least 11 new flats in Carnarvon Road civic centre.* *- 8 new flats in Victoria Street*
In the answer to the previous question, it states "30 new Council homes in the	(Tim Clark) Yes, it should state '2026'.

pipeline for 2025", should the year be "2026"? How does that number of new properties compare with previous years?	(Damian Williams) In recent years, the strategy has comprised a combination of gifted, purchased, and newly built properties. Between 2020 and the end of that administration—when the first Housing Strategy was introduced—we gifted, built, or acquired a total of 61 properties. From July 2023 to January 2026, a further 61 properties were delivered through the same mix of gifting, construction, and purchase.
How does this Strategy align with the comparator Strategies of those Councils we could be combined with as part of Local Government Reorganisation (LGR)?	*Alignment with Colchester and Braintree's housing strategies was not possible due to differing dates although both responded to the consultation.* *Our Officers have held some meetings with Colchester Borough Homes during 2025 with a view to LGR alignment and during 2026 we will be reaching out to include officers from Braintree in those conversations.*
Concerning the alignment of strategies that could be in the Unitary Authority, where is the converging of policies going to come in?	(Councillor M Stephenson) We manage our own housing stock, Colchester operates through an arm's-length housing company, and Braintree does not hold any housing stock. Integrating these three arrangements is a complex undertaking that cannot be achieved quickly. Due to significant operational differences, aligning the respective strategies is not currently feasible. (Ian Davidson) The composition of the future Unitary Authority has not yet been determined. It is possible that we may be grouped with Maldon rather than Braintree, but no final decision will be made until March 2026, when the outcome is expected. The question regarding housing is an important one, but it spans a wide range of services delivered by the councils. Some functions are operated quite differently, while others are more closely aligned. However, it is unlikely that services will be fully harmonised by 1 April 2028. The new authority will require time to assess operational models, establish its preferred

	approach, and set its strategic priorities.
I understand that Colchester City Council's housing stock is operated by an arm's length company. Does that arrangement have any break clause or renewal date. If not, does this pose a problem for any new combined unitary created by LGR?	*We do not know the detail of that arrangement. Colchester Borough Homes is an arm's length management organisation (ALMO) wholly owned by Colchester City Council and as such will transfer over to the new unitary authority. The unitary council will then be at liberty to decide how it wishes to run the housing stock that it becomes responsible for, be that via an ALMO or directly through the council such as we do here currently.* *Any such change would require there to be a consultation with the tenants of those homes, with the view of those tenants taken into account.*
Aside from the Spendells project, what measures have been implemented to address and reduce homelessness within the District?	*Spendells House is a temporary accommodation scheme and as such not aimed at reducing or addressing homelessness other than the provision of good quality temporary accommodation.* *Following the Cabinet meeting on 11 April 2025 a Homelessness and Temporary Accommodation Working Group has been set up. You can read an update on the initial outcomes from that group when the Cabinet papers are published for the 30 January meeting.*
What impacts locally are anticipated as a result of the Renters Reform Act? Please cover the supply of rental accommodation, the extent to which tenants will become homeless and on the homelessness service of the council.	*The reality is that it is too soon to say definitively.* *The intended consequence of the Act, especially the abolition of s21 no fault evictions and fixed term tenancies, is that homelessness is reduced. However an unintended consequence is that landlords decide to leave the market reducing the pool of privately rented homes and consequently increasing homelessness.* *The impacts will be closely monitored.*
Can you reiterate the impact of the Renters Reform Act on the service of the Council?	(Cllr. M Stephenson) It is too early to provide a definitive assessment. The Renters Reform Act will not take effect until April 2026, and its impact will depend largely on how the supply of

	private rented accommodation changes—something that cannot yet be reliably forecast. It is also important to recognise that Tendring is distinct in having a relatively small private rented sector, with approximately 19% of households renting privately. As a result, any impact is likely to be more limited than in areas where 50–60% of residents are private renters.
Would you be content for the quarterly monitoring report on the Council's housing services to be submitted to the committee?	(Cllr. M Stephenson) This recommendation was included in the Task and Finish Group's final report; however, given the organisation's current capacity, producing a quarterly report would be too frequent.
Do you think the Strategy adequately covers safeguards to protect tenants from the actions of rogue landlords?	*The strategy is not intended to provide safeguards against rogue landlords. It is there to provide a high-level strategic overview of housing in Tendring.* *The Council has a good Private Sector Housing enforcement service that works alongside our homelessness services and as such can respond to situations where it is brought to our attention that tenants are being affected by landlords acting inappropriately.*
With the UK Government's stated intention to use fewer hotels to accommodate refugees, could these facilities present an opportunity to provide housing for the homeless?	*There are currently no such hotels within the Tendring District.* *The Council's focus is on providing temporary accommodation with self-contained facilities and shifting away from hotel and B&B use.*
Could you provide the latest figures on placements by other Councils into rental accommodation in Tendring and set out what issues such placements has and what your response to this is?	*During 2025 there were 70 placements that were notified to Council under s208 of the Housing Act 1996.* *Whilst Tendring does not place homeless households outside of the District unless there are exceptional circumstances it is common that other councils do so. 70 placements over the course of a year is not considered to be exceptional.* *LGR and the formation of unitary councils will create wider geographical areas over which a single unitary*

	authority can make placements, and it is not possible to prevent other councils from placing into Tendring currently. *Of course, those 70 placements will be into accommodation that a resident of Tendring might have been able to use.* *The only response is to monitor the situation and also be alert to the use of establishments that might be unsafe or unsuitable.*
In my original question, I requested the figures for the period 1 January 2025 to 31 December 2025. Could you confirm whether the figures provided relate specifically to this timeframe?	Yes, the year is correct. A breakdown of the other local authorities that have placed households in Tendring is provided below: Barking & Dagenham – 2 Braintree – 1 Redbridge – 3 Thurrock – 1 Chelmsford – 12 Colchester – 51
In developing the Strategy, has any thought been given to the use of large commercial properties being repurposed as Houses in Multiple Occupation (HMOs)? In asking this question, I am aware of the Macari Foundations work in Stoke on Trent providing safe secure accommodation for the homeless there using such a repurposed commercial property with wooden pods inside for the residents	*Specifically in relation to the strategy this has not been thought about as it is providing an overall high-level approach to housing in Tendring.* *This is being looked at as part of the work of the Homelessness and Temporary Accommodation Working Group. That said, the Council does have contacts with existing and emerging property owners / landlords who are interested in developing good quality accommodation in the District be that in commercial or existing residential buildings.*
How can we effectively address homelessness given that the situation is continuing to deteriorate?	(Councillor M Stephenson) We are approaching this challenge by focusing on two key elements: prevention and the management of homelessness itself. A significant part of our work is centred on prevention. We are delivering sufficient new homes to meet local need, and importantly, we do not have any families placed in bed-and-breakfast accommodation for temporary housing. One of the ongoing pressures relates to

	the size and availability of the private rented sector. To strengthen our preventative approach, we have appointed a Homelessness Prevention Officer who works directly with residents to address issues that may put them at risk of homelessness, with the primary aim of helping them remain in their existing home. There also remains a common misconception that joining the housing register guarantees an offer of a council home. Some of the prevention work includes continuing to work with partner agencies to ensure accurate information is shared and expectations are managed. Where necessary, the Council will provide temporary accommodation.

It was moved by Councillor Bush, seconded by Councillor Newton and **RESOLVED** that the Committee

(a) notes the final Housing Strategy 2026-30 and recommends it for adoption by Full Council on 27 January 2026.

32. REFERENCE FROM CABINET - A.3 - QUARTER 2 FINANCIAL PERFORMANCE UPDATE 2025/26

The Committee was presented with a reference report from Cabinet that set out a general update and overview of the Council's financial position against the 2025/26 budget and looking ahead to 2026/27 and beyond as part of the wider and ongoing development of the forecast and budget.

Members were reminded that on 14 November 2025, Cabinet had considered a Financial Performance Report, which had included a number of appendices (attached to the report A.4). Following its consideration, it had been resolved that Cabinet:

(a) notes the Council's in-year financial position at the end September 2025;

(b) approves the proposed adjustments to the 2025/26 budget, as set out in Appendix 1H and requests Officers to review the potential on-going impact in 2026/27 and beyond, where necessary, as part of developing forecast and detailed estimates for further consideration by Cabinet later in the year;

(c) agrees that the Council continues to be a member of the Essex Business Rates Pool and Council Tax Sharing Agreement with Essex County Council and the

other Major Preceptors in 2026/27, if it remains financially advantageous to do so;

(d) notes the updated context to the financial forecast from 2026/27, as set out in this report (A.2) and requests Officers, in consultation with Portfolio Holders, to further develop the financial forecast alongside the development of the Council's priorities; and

(e) formally invites the views of the Resources and Services Overview and Scrutiny Committee on the information set out in this report along with the Council's wider financial position, as part of its work programme for the year.

It was reported that as highlighted in (e) above, Cabinet had invited the views and comments of the Committee, including those associated with the wider process for developing the budget.

It was moved by Councillor Newton, seconded by Councillor Bensilum and **RESOLVED** that the Committee receives and notes the Quarter 2 Financial Performance Update Report and appendices and endorses its approval by Cabinet.

33. REFERENCE FROM THE CABINET - A.4 - EXECUTIVE'S INITIAL BUDGET PROPOSALS FOR 2026/27 (GENERAL FUND AND HOUSING REVENUE ACCOUNT)

Members were presented with a reference report from the Cabinet to set out the Executive's initial budget proposals for 2026/27 in respect of both the General Fund (GF) and Housing Revenue Account (HRA) for scrutiny by the Committee in accordance with the provisions of Budget and Policy Framework Procedure Rule 3 of the Council's Constitution.

It was reported that reports relating to the Executive's initial GF and HRA Budget proposals for 2026/27 had been considered by Cabinet on 19 December 2025, with the comments of the Committee now requested as part of developing the Executive's final budget proposals for presenting to Full Council in February 2025.

The following had set out each report in turn:

1) Appendix A – Updated General Fund Financial Forecast / Budget 2026/27

At its meeting on 19 December 2025 (Minute 89 refers), Cabinet:-

*"**RESOLVED** that –*

a) the updated Financial Forecast and proposed budget position for 2025/26, as set out in item A.5 of the Report of the Corporate Finance & Governance Portfolio Holder and its appendices, be approved; and

b) the Resources and Services Overview and Scrutiny Committee's comments be requested on this latest financial forecast and proposed position for 2025/26."

2) <u>Appendix B – Updated Housing Revenue Account Business Plan and Budget Proposals 2026/27</u>

At its meeting on 19 December 2025 (minute 91 refers), Cabinet:-

*"**RESOLVED** that –*

(a) the updated HRA 30-year Business Plan, which includes the proposed revised position for 2024/25 along with budget proposals for 2025/26, be approved; and

(b) the Resources and Services Overview and Scrutiny Committee's comments be requested on this latest HRA financial forecast."

The Chief Executive advised Members that the Council remained dissatisfied with the Fairer Funding settlement set out in Appendix A to the report (A.4). He explained that the allocation had not adequately reflected the significant deprivation challenges affecting the District. Accordingly, he would be writing to the relevant authorities to emphasise those concerns and to advocate for a more equitable funding position.

Questions by Members:	**Answers:**
Is it no longer necessary to retain the Climate Change Fund? Where do the Weeley receipts sit in the budget?	(Richard Barrett) Those monies were previously committed to the Climate Change Fund. They have since been refocused for other purposes, which has effectively depleted the fund; as a result, it no longer exists. The £2.153 million shown on page 130 — and on the right-hand side of the circulated diagram under 'Useable Capital Receipts' — includes the Weeley receipts.
Bearing in mind the Council's financial position in these last couple of years, is there potential to establish a 'Tendring Investment Fund' that can ring fence funding, as it becomes available, to support community renewal locally up to and beyond LGR?	*This is unlikely to be possible given the pressures on the limited funding available over the next couple of years and would need to be considered against competing priorities over the next two years.*
Could you provide further elaboration on the response given to the written question?	(Cllr. M Stephenson) We have just discussed the principle of consolidating all funding into a single pot; this proposal takes the opposite approach. We cannot allocate separate pots of money in different places and expect the new unitary authority to preserve them, as that is not how the system will operate. One of the challenges I have encountered, particularly in rural areas,

What would be the implications if we were to spend the money prior to LGR and develop proposals now?	is that residents are often hesitant to articulate what they want for their communities. In many cases, they look to me to provide the answer, but I do not live there and cannot determine their priorities for them. Our focus has been on aligning our priorities with those of the new unitary authority. This is not about spending as much as possible before transition. It is about ensuring that we leave the Council in the strongest and most responsible position at the point of handover, in the best interests of our residents. (Cllr. M Stephenson) As set out in the report, our priorities for the next two years have already been aligned. Throughout the LGR process, our guiding principle has been — and will remain — ensuring that Tendring is left in the strongest possible position for the benefit of our residents. (Ian Davidson) Once Section 24 of the Order is implemented, it will introduce restrictions on our spending. As we move into the shadow authority phase, additional limitations will apply, as expenditure will need to be approved through the appropriate board. If there are specific projects that Members wish to progress, we can consider those individually; however, retaining unallocated or unspecified funds is not a viable option. Some proposals are supported by government funding, which brings its own constraints. We have also been engaging with town and parish councils to explore different ways of working and to understand their priorities (Lisa Hastings) It would be unlawful to spend all of the remaining funds prior to the implementation of LGR. We are already under a duty to ensure that nothing we do undermines the success of the new authority, and formal

	guidance has been issued to that effect. Statutory Officers also have a separate legal obligation to prevent any such action. Within the next year, even stricter financial controls will apply, further limiting how funds may be used. It is therefore inappropriate to make statements in a public forum suggesting that the money should be spent before LGR takes place.
You are referencing a two year budget plan, can I just check whether it is legally permissible to adopt a two year budget.	*Although we are effectively proposing a two-year financial plan, the resulting annual budgets would still be subject to the necessary annual approval process in line with statutory obligations / requirements.*
What factors have contributed to the increase in costs recorded under 'Employees/Member Allowances'?	*Inflationary uplifts to reflect the estimated outcome from the annual pay settlement negotiations process.*
If and when we transition to LGR, regarding staff salaries and rising operational costs, how have new pressures affected staffing levels, and have we been able to maintain our workforce or experienced staff losses? To what extent is there a risk that the delivery of service contracts may be adversely affected?	(Ian Davidson) Currently we are not losing staff in terms of the pressures, but there is a risk of it. Staff may look to go elsewhere through concerns of the changes and their future. We hope not and we are reassuring staff and informing them of many opportunities that may arise because of the change. It does not impact on the budget directly, but inflationary costs contribute, particularly regarding contracts. Concern around staff is more around ensuring that the culture of TDC transfers to the new authority. The majority of our existing contracts clearly define the required service levels, with variations occurring only where a break clause is exercised or when a contract comes up for renewal.
Did the Council receive full reimbursement for the costs arising from the increase in National Insurance contributions last year? Is there also funding going forward for these costs under the 'new burdens' principle.	*As highlighted last year, the Council did not receive the full reimbursement of costs. The cost to the Council was £474k with the Government funding £208k.* *In terms of 2026/27, this funding is now rolled into the wider Revenue Support Grant.*
As the process progresses, will it be	(Richard Barrett) That funding is now

possible to clearly identify the level of funding allocated to us?	incorporated into the Revenue Support Grant.
Could you confirm the total financial cost of homelessness to the Council? To what extent does revenue budget fund this, one-off sums and specific government grants.	*The current budget position for 2025/26 is as follows:* *Net Expenditure - £4,079,320* *Government Grant – (£1,456,780)* *Total Net Cost met by TDC - £2,622,540* *Current proposals include further cost pressures of £500k in both 2026/27 and 2027/28.* *In terms of 2026/27, the impact from the Local Government Financial Settlement is currently subject to review but it will form part of the final budget proposals that will be presented to Full Council in February 2026. Additional net funding of approx. £500k per annum is expected to be available to support homelessness costs in 2026/27 and 2027/28 on top of the £500k cost pressure already highlighted above.*
In relation to the £1.9m identified within the savings plan, what is the shortfall against the Council's projected requirements?	*There is no shortfall as such as there is no absolute savings target within the forecast with the amounts identified to date forming just one element of a number of strands of work that underpin the preparation of the budget.* *However, the 'structural' deficits within the current forecast are £0.658m and £1.298m in 2026/27 and 2027/28 respectively.*
How is the Housing Revenue Account being used to ensure our housing stock meets both the sustainability commitments of the Council and the requirements of Decent Homes 2, and what role does the Regulator of Social Housing play in shaping our approach?	*The use of stock condition surveys and feed back from our tenants as part of the tenant satisfaction measure survey will provide us with information that will be used to focus where we spend the HRA.* *Decent Homes 2 has not yet been confirmed, however, this will place additional financial pressure onto the HRA.* *In relation to the Regulator of Social*

	Housing and the duty to comply with the consumer standards this will undoubtedly shape our approach to how and where we invested the housing stock.
What is the rationale for providing funding for PCSOs in Harwich specifically, and not extending similar support to other areas? Would it be possible for other Town/Parish Councils if they match the funding bids?	(Ian Davidson) This arrangement has been in place for many years and has consistently received Administration support. The rationale is that it forms part of a jointly funded initiative involving the PFCC, the Parish Council, and the District Council. (Cllr. M Stephenson) Harwich was selected on the basis of crime statistics, which at the time indicated significantly higher levels of criminal activity compared with other areas. Any extension of this approach elsewhere would require a clear evidence-based case. While overall crime levels in Tendring have fallen, Harwich continues to show the smallest reduction and therefore remains a priority.
Does reducing the housing stock — for example, by disposing of properties deemed beyond economic repair — limit our capacity to prevent and respond to homelessness?	(Ian Davidson) In many cases, the issue is not solely the condition of a building but its age. We have previously encountered properties that, due to their age, were no longer suitable as Council housing or capable of being maintained to the Decent Homes Standard. For example, in Harwich we held properties that were several hundred years old, which we considered for disposal. In such instances, we have sought to reinvest by purchasing former Council properties that had been sold under Right to Buy. These homes are typically located within our existing estates, are built to a reliable standard, and are more straightforward to maintain. This approach has generally worked well in terms of capital receipts. However, there have been occasional cases where a property was in such poor structural condition that it was not viable to bring it back up to the Decent Homes Standard.
You say you did not recognise the date	(Cllr. M Stephenson) At that stage, the

of 8 February 2024 and its relevance. This was the date quoted at a briefing for Councillors on the issue of Spendells and referred to in the report Outcome from the Spendells House Capital Scheme Review as when issues started to come to light. Having directed you to this date, I'm surprised you did not yourself seek assistance from the Chief Executive as to why it was that Cabinet Members did not know anything about the issues until early March.	Chief Executive was not in a position to provide full detail, as he was still in the process of gathering the necessary information. I did not press for updates prematurely, as I was confident that he would bring forward any relevant matters once the information was complete and sufficiently robust to share. This approach ensured that discussions were based on accurate, fully informed advice rather than partial or speculative updates.
In response to your State of Tendring address to Full Council on 19 March 2024, I asked "Spendells, we now hear it's overdue, but we don't know if it's over budget. Can you let us know?" This was over two weeks after the Portfolio Holder had been advised of issues with the project. You told Full Council, in response to my question about the Spendells budget, 'that is going on fine'. It wasn't, was it?	(Cllr. M Stephenson) With hindsight, it is clear that this was a conceptual matter, as I noted in the email exchange. When I addressed Full Council, I sought to respond to all questions openly and transparently, and I did so in the belief that the position was fully understood. It subsequently became apparent that this was not the case. I am satisfied with the explanation I provided in the email exchange, which is now in the public domain, and I have nothing further to add.
Could you provide the Committee with a comprehensive overview of the position regarding Spendells?	(Cllr. M Stephenson) Among the 130 families accommodated, the average length of stay is 66 days. No households are currently placed in bed-and-breakfast accommodation, resulting in an annual saving to the Council of approximately £300,000–£350,000.

The meeting was then temporarily adjourned, during which the Leader of the Council, Deputy Leader of the Council, Chief Executive, Associate Director (Finance & IT) and Section 151 Officer, Associate Director (Operations & Delivery) and Assistant Director (Housing & Environment) departed.

Upon resumption of the meeting, it was moved by Councillor Newton, seconded by Councillor Bensilum and:-

RESOLVED that the Committee receives and notes the General Fund and HRA Budget Proposals 2026/27 report and appendices, and endorses their approval by Cabinet.

The meeting was declared closed at 9.44 pm

Chairman

**MINUTES OF THE MEETING OF THE COMMUNITY LEADERSHIP OVERVIEW AND SCRUTINY COMMITTEE,
HELD ON THURSDAY, 15TH JANUARY, 2026 AT 7.30 PM
IN THE COMMITTEE ROOM, TOWN HALL, STATION ROAD, CLACTON-ON-SEA, CO15 1SE**

Present:	Councillors Steady (Chairman), Barrett (Vice-Chairman), Codling, Davidson, Doyle and Griffiths
Also Present:	Councillor Gina Placey (Portfolio Holder for Partnerships)
In Attendance:	Richard Barrett (Corporate Director (Finance and IT) & Section 151 Officer), Gary Guiver (Corporate Director (Planning & Community)), Keith Simmons (Assistant Director (Corporate Policy & Support) & Deputy Monitoring Officer), John Fox (Head of Health & Community), Bethany Jones (Democratic Services Officer) and Katie Koppenaal (Democratic Services Officer)

25. APOLOGIES FOR ABSENCE AND SUBSTITUTIONS

Apologies for absence were received from Councillors Ferguson, Oxley and Thompson with no substitutions appointed.

26. MINUTES OF THE LAST MEETING

It was unanimously **RESOLVED** that the minutes of the last meeting of the Committee held on Monday, 17 November 2025, be approved as a correct record and be signed by the Chairman.

27. DECLARATIONS OF INTEREST

There were no declarations of interest made by Councillors in relation to any item on the agenda for this meeting.

28. QUESTIONS ON NOTICE PURSUANT TO COUNCIL PROCEDURE RULE 38

No Questions on Notice pursuant to Council Procedure Rule 38 had been submitted by Members for this meeting.

29. REFERENCE FROM THE COUNCIL'S JOINT WORKING WITH TOWN AND PARISH COUNCILS - A.5 - UPDATE REPORT

The Chairman of the Committee reordered the agenda in the interests of the efficient conduct of the meeting, and therefore agenda item 9 was brought forward for consideration before agenda item 6.

Members were presented with a report of the Corporate Director (Planning and Community) which provided an update on the Task and Finish Group's work to date in respect of joint working with Town and Parish Councils and which recommended that

the workstream be extended and refocussed in the context of forthcoming Devolution and Local Government Reorganisation.

It was reported that the scope of that Task and Finish Group had originally been to look at opportunities for mutually beneficial collaboration between Tendring District Council and Town and Parish Councils within the District. However, shortly after the Group had its inaugural meeting on 18 November 2024 (the only meeting that had been held to date), the English Devolution White Paper and announcements in respect of Devolution and Local Government Reorganisation (LGR) in Greater Essex as well as major changes in national planning policy had been published.

The Committee was informed that those changes had resulted in significant attention from Members and Officers being diverted onto understanding the potential implications for Tendring and in resources being focussed on considering and providing input into the business case submissions in respect of LGR and engaging Town and Parish Councils in early discussions, particularly around the potential implications for growth in the Local Plan as well as future governance arrangements and stewardship of assets.

Members were further informed that whilst there had been agreed actions from the inaugural meeting on 18 November 2024 (as set out in the A.5 report and attached minutes), they had not been progressed as intended at the time for the reasons mentioned above; and so it had been recommended that the timeframe for the Task and Finish workstream be extended for a six month period to July 2026; that the inquiry be refocussed on positive joint working with Town and Parish Councils in the context of forthcoming Devolution and LGR; and that the Group reflects on some of the constructive and collaborative work that had taken place in the last year, including engagement on the Local Plan and exploring the implications and opportunities around assets.

It was unanimously **RESOLVED** that:

(a) the Task and Finish Group looking into opportunities for mutually beneficial collaboration between Tendring District Council and Town and Parish Councils within the District should work to an extended timeframe to July 2026 and refocus its inquiry in the context of forthcoming Devolution and Local Government Reorganisation (LGR);

(b) the inquiry continues, where it left off, with the actions agreed at its inaugural meeting on 18 November 2025 albeit, again in the context of the changing landscape around Devolution and LGR;

(c) in doing so, the Group reflects upon the engagement and collaboration that has taken place over the last year – including (but not limited to) in respect of communicating and discussing the potential implications of Devolution and LGR, the review of the Local Plan against the backdrop of the newly introduced Government housing targets and implications and potential opportunities around assets; and

(d) the membership of the Task and Finish Working Group remain the same, with the addition of Councillor Doyle.

30. REPORT OF THE ASSISTANT DIRECTOR (CORPORATE POLICY AND SUPPORT) - A.1 - KONECTBUS ATTENDANCE AT THE COMMITTEE

The Chairman of the Committee noted for the public record, that Members had prepared questions prior to the meeting, upon which Officers had drafted responses. Those questions and responses were not read out individually but were referenced several times in supplementary questions. It was therefore agreed that those questions would be included in the minutes.

Members received a presentation from the Stakeholder Engagement Lead for Konectbus. The presentation provided an overview of operational improvements, including enhanced punctuality and reliability statistics. It also outlined the Tendring BSIP grants and associated additional services, developments within the commercial network, progress on Park and Ride and Demand Responsive Transport initiatives, and matters relating to socially necessary travel.

Members were invited to raise local transport concerns and discuss opportunities for collaborative work to strengthen transport links for residents. Discussions focused on residents' priorities and potential measures to improve the provision and reliability of public transport services.

Questions by Members:	**Answers:**
(For Lee Heley / Councillor Placey) Could you please provide an update on the delivery against the recommendations from this Committee previously approved? *[The recommendations are set out in the papers for the meeting]*	*RECOMMENDED TO CABINET:* ***a) Hold a summit with local transport providers including Hedingham and Chambers and Greater Anglia, to seek to improve the frequency, reliability and quality of local public transport services;*** *TDC have met with providers and partners a number of times to discuss the opportunity for a summit meeting. However, due to continued policy changes including devolution, the emergence of the Local Transport Plan, and importantly changes in the ownership of bus operators, it was felt there has not been a 'right time' to hold it. A future meeting is in the calendar to decide on when a summit would be most advantageous.* ***b) Support advocacy for an improved rail service from Clacton, moving to a half hourly service;*** *In September 2025, TDC wrote to Jonathan Denby, Head of Corporate Affairs, Greater Anglia requesting two*

	trains an hour from Clacton to Colchester. Also in November 2025, Transport East wrote a joint letter which included ECC and TDC, to Martin Beable, Managing Director of Greater Anglia making the same request. TDC are currently awaiting an update. The Council has worked with partner councils across north Essex to gain their support for the proposal. ***c) Take advantage of the levelling up funding where available to support improved public transport;*** *Transport projects within the Community Regeneration Partnership Funding including:* • *Provision of three new community buses to enhance the quality of community transport, one of which is specifically for disadvantaged young people to support access to education and support services.* • *Fund ECC to provide Bus Stop improvements, including upgrading five bus stops where there is sufficient space to include shelters, lighting, seating and paving.* *Uk Shared Prosperity Funding included:* • *A Local Cycling and Walking Infrastructure Plan for Clacton and Harwich. These plans have been considered within the Clacton Regeneration Plan and the Cultural Masterplan and supported decisions regarding projects in these areas.* *d**) Engage with ECC and providers on the potential for Demand Responsive Transport to supplement the current public transport offer;*** *Essex County Council's (ECC) bus strategy detailed in its Bus Service Improvement Plan (BSIP) incorporates Demand Responsive*

	Transport (DRT) for rural areas. However, this has not been rolled out in Tendring. ***e) Advocate where possible for services to be brought to coastal areas so that there is less need to travel for education and health care;*** *This is ongoing working with partners in education and health and with improvements under the Community Regeneration Partnership Funding including:* • *Redevelopment and improvements to Clacton Library including ACL's relocation to support adult education.* • *Match funding the NHS to develop Clacton Hospital further enabling improvements to the Urgent Treatment Centre.* • *Invest in the community ride and play zone at Clacton Leisure Centre.* *The Capital Regeneration Project in Harwich has:* • *Redeveloped the library to provide a stronger ACL offer.* *Further examples include.* • *Working with Clarion to provide construction training in Jaywick Sands in partnership with TDC, SignPost and Colchester Institute.* • *Clarion working with Colchester Institute to provide a training centre to support the Tendring, Colchester Boarder Garden Community.* • *Colchester Institute are providing construction courses in Harwich* • *Supporting health partners to provide a mobile service to the residents of Jaywick Sands withing the Sunspot.* *Planning has worked with Essex County*

	Council (ECC) and the NHS to ensure education and health care provision expands in line with housing growth. ***f) Ask Hedingham to review the provision of a bus stop to support the new Marks and Spencer's store at Brook Park West, the Crematorium and the potential for park and ride to Clacton at peak tourist season building on the experience of the Airshow;*** *On the 21st November 2025, members of TDC met with Transport Made Simple, who are the new owners of KonectBuses. They are currently looking at routes and available resources. One of the routes they are looking at is Clacton to Colchester via Brook Park and particularly the M&S side. They have also suggested they are happy to support further events within Tendring and provide connectivity to Colchester for Events. The Council's Economic Growth team will provide a list of events and dates of importance for their consideration.* ***g) Prioritise gaining developer contributions for new bus routes in the delivery of the revised Local Plan;*** *The revised Local Plan makes clear that new development must help fund the infrastructure needed to support growth. Strategic Policy DI1: Infrastructure Delivery and Impact Mitigation sets out that developers will be expected to contribute towards improvements, including public transport, through legal agreements. Strategic Policy CP1: Sustainable Transport and Active Travel aims to reduce car dependency and improve connections by supporting better bus services alongside walking and cycling routes.* *To make this work in practice, the Council works closely with ECC on*

	sustainable transport and uses Essex County Council's Developer Guide to Infrastructure Contributions, which explains how contributions are calculated and what they can fund. This guide works hand-in-hand with the Local Plan: when planning applications come forward, we assess what transport improvements are needed, such as new bus route and then seek developer funding to deliver them. This ensures growth is supported by sustainable travel options, making it easier for residents and visitors to get around without relying on cars. ***h) Councils should take these recommendations into account when developing the Tendring Future Transport Strategy (ECC) and the Local Plan (TDC).*** *As above in g) the local plan takes these recommendations into account.*
(Gary Guiver) Do you have any insights on how these improvements might be maintained in a commercially sustainable way?	(Charlie Poulter) ECC funding is now secured for a three-year period, representing a significant shift from the previous model in which funding was limited to a maximum of one year. We also anticipate an increase in demand, which could create additional opportunities for growth, although this cannot be assured.
(Gary Guiver) What are your key priorities in Tendring, particularly with respect to improving access to educational facilities?	(Charlie Poulter) In the longer term, we aim to develop a dedicated route to Colchester Institute. This represents an important area for collaboration, where joint planning and shared insights would be particularly valuable.
How can provision be improved to ensure that children are able to travel to St Benedict's in Colchester, given that the existing 'Seaside route' that does not currently operate during school hours? Could you review this issue and provide an update in due course.	(Charlie Poulter) I am happy to take this away with me and provide an update in due course.
Bus arrival times have shown improvement, with the highest current	(Charlie Poulter) We are not working toward a single fixed percentage; the

performance at 75%. What target level of reliability are you working towards, and at what point would you consider the service to be meeting your expectations?	focus is on making steady, incremental improvements over time. A performance level of around 75% is not unusual for the sector, and it is important to note that the remaining 25% includes services running only one or two minutes behind schedule, so the picture is not as negative as it may initially appear.
How does the establishment of the new combined authority factor into your strategic planning?	(Charlie Poulter) As the transition to a unitary authority progresses, we remain committed to maintaining strong relationships with Councillors. At the appropriate stage, we will also engage proactively with the Chief Executive and the Mayor. We look forward to building a constructive and collaborative working relationship.

During this point in the meeting, the Stakeholder Engagement Lead for Konectbus and the Corporate Director (Planning & Community) left the meeting.

It was moved by Councillor Steady, seconded by Councillor Griffiths and **RESOLVED** that the Committee:-

(a) thanks Charlie Poulter on behalf of Konectbus for his presentation and welcome the ongoing commitment to ongoing dialogue with the Council and other partners in relation to possible improvements to the bus network;

(b) welcomes the improvements reported on the punctuality of buses and looks forward to these improvements being maintained and built upon;

(c) urges Cabinet to press Konectbus for solutions to ensure that bus services between such as Harwich, Walton-on-the-Naze and Clacton-on-Sea and Colchester include the Colchester Institute site to facilitate skills development for those with limited ability to otherwise access the Institute from across Tendring, and in addition, to improve access to school sites across the District; and

(d) reemphasises the desirability of prioritising gaining developer contributions for new bus routes in the delivery of the revised local plan.

31. REPORT OF THE ASSISTANT DIRECTOR (SPORT, CULTURE AND HEALTH) - A.2 - GRANT FUNDING

The Head of Health and Partnerships presented Members with the report of the Assistant Director (Sport, Culture and Health) which provided the Committee with an overview of grant funding opportunities available in the District, and an update in respect of a future Council grant funding policy.

It was reported that at its meeting held on 20 September 2024, the Cabinet had approved an external funding review which had examined the Council's funding of external organisations and had provided for a protocol to follow for allocating funding.

As part of the recommendations an external funding policy had been required to be written and a policy had currently been in the process of being developed for adoption for use across the Council, which would be used in the management of future funds.

Members heard that the proposed draft External Funding Policy would be approved by the Leader of the Council, in his capacity as Corporate Finance and Governance Portfolio Holder and would also be presented to a future Audit Committee meeting for their support and assurance on the governance process.

It was reported that the initial external funding review and subsequently the adopted policy would apply across all areas of the Council allocating grant funding and would complement the provisions of the Council's Constitution.

The Committee was advised that in terms of any budget proposals which may have included allocation of any external funding, those had not yet been considered by the Cabinet for 2026/27, and therefore had not been included within the report.

Questions by Members:	**Answers:**
Could you please provide the specific figures for grant giving in 2024/25, 2025/26, along with the forecast for 2026/27 for each grant scheme applicable for those years and the source of the grant sums?	*The attached table allows reference back to the funding identified in the report to Cabinet of 24 April 2024 (Public Pack)Agenda Document for Cabinet, 19/04/2024 10:30 (page 119) on the Grant Funding Review and compare since then.* *Figures in red are significant changes from the previous year.* *No figures are included for 26/27 as the Council's budget has not yet been agreed. Items such as the funding to Citizen's Advice Tendring (CAT) for the advice service will remain the same as the Council holds a three year contract with CAT. Similarly, the funding of £23K for the mental health hub is part of the base budget.* *External funding is likely to reduce very significantly as there is only limited funding left from health partners and no new funding will be offered and other funding such as the Shared Prosperity Funding (UKSPF) and Rural England Prosperity Funding (REPF) is not being provided by the Government next financial year.*

We were discussing a new Grants Policy this time last year. What is the projected timeframe for the policy's completion?	*By March 2026. The High Level Funding Framework was agreed by Cabinet on 20 September 2024(Public Pack)Agenda Document for Cabinet, 20/09/2024 10:30 (page 673) which set out a high level approach to allocating funding. It also agreed that an External Funding Policy be produced to be agreed by the Leader of the Council as the Portfolio Holder for Corporate Governance and Finance. The High Level Funding Framework has now been used by officers for a period of time and has proved to be effective for allocating funding.* *Following this successful period of operation, the draft External Funding Policy is now being written to build on the High Level Funding Framework.*
Is there a commitment to consulting this Committee at a formative stage in the development of a Grants Policy?	*The concepts in the new Policy will be highlighted at this meeting for any comments which will then be considered for inclusion in the Policy.*
Could you please provide an update on the delivery against the recommendations from this Committee previously approved in respect of a grants policy? *[The recommendations are set out in the papers for the meeting]*	*The Committee RESOLVED TO RECOMMEND to Cabinet to seriously consider the following actions:* *(a) the establishment of an Oversight Group of Members for grant schemes across the Council;* *No decision was made by Cabinet to set up an oversight group* *(b) some form of gap analysis – even is full analysis is too large a project to be achieved and the opportunities to 'flex' grant giving to maximise the range of organisations receiving financial support in the District across the years.* *While the Council has not completed a formal gap analysis, it has maximised the range of organisations benefiting from grants by providing "open calls" for projects, for example for the UK Shared Prosperity Fund, with broad criteria that enable a wide range of organisations from across the district to apply for and to benefit from funding.*

	The proposed External Funding Policy seeks to set a framework around how funding is allocated which will provide a fair and equitable allocation so that a wide variety of organisations can apply which will be in line with the Council's Corporate Plan and need within the district. *(c) further standardised processes for different grant giving arrangements to help deliver best practice across those separate grant giving arrangements (eg around the length of time between opening invitations for applications and the closing date, common and plain language to explain the processes (and be available on the website), details of other grants received, the time between closure of application and determination/notification of outcomes, and the post grant-giving monitoring arrangements).* *The proposed Policy highlights the importance of timely processing of grants, the need for plain and clear language, the importance of publicising the grant opportunities, the provision of support for applicants where appropriate, the identification of other grants received and monitoring.* *However, it also retains the necessary flexibility given that there may be revenue and capital grants, grants of different sizes, and with different external funder conditions, so it does not seek to impose full standardisation on all grants.* *(d) Adopt a consistent 'you said, we did' opportunity for organisations applying for grant funding to feed back on their experiences;* *The proposed External Funding Policy requires that feedback is obtained from a sample of those who have received grant funding to understand their*

	experience which can then be used to improve processes. *(e) Look at organising an open day for community/voluntary groups in conjunction with other grant funding organisations (and CVST) to disseminate information on those grant schemes and help to break down barriers to access grant funding for these community/voluntary groups.* *On 12 March 2025 the team running the major open funding stream, UKSPF, held an open day for voluntary groups in the Princes Theatre to launch the funding and promote it to local organisations.*
[If not answered in the above] Is it intended that the Grants policy will include provisions for monitoring how Council-allocated grants has been utilised?	*The proposed External Funding Policy has a specific section on monitoring and evaluation. This requires funding recipients to undertake evaluation of their work in accordance with the grant giving criteria to ensure their activities meet the purpose of the funding. This must be monitored by officers following reporting from the funding recipient and the proposed Policy refers to claw back of funding where there is a failure to deliver against the criteria for the funding.*
[If not answered in the above] Could you clarify whether it is intended for the policy to include specific monitoring requirements and criteria for lower-level expenditures, and how these are determined?	*The Policy does require evaluation and monitoring of all allocations of funding which would include lower levels and these are determined in relation to the criteria identified through the application process which will then be transferred into any subsequent agreement. It is however accepted that at low grant levels this is likely to be a straightforward monitoring process.*
[If not answered in the above] How are potential applicants notified of these grants in the absence of broad advertising?	*The proposed Policy identifies the need to ensure there is equitability of access for applicants to apply for funding and therefore opportunities should be advertised for example on the Council website and newsletters, for example from the economic growth team, in addition disseminated to partners for further sharing. There is also the*

	potential for Members to be able to help link to relevant organisations in their areas to help make them aware of any funding opportunity.
[If not answered in the above] This Committee has previously requested Member oversight; could you confirm whether such oversight has been applied to this policy?	*Yes. The draft Policy is proposed to be agreed by the Leader of the Council as Portfolio Holder for Corporate Finance and Governance in accordance with the Cabinet decision. This provides Member oversight of the Policy. In terms of agreeing allocation of funding to particular programmes, this is done via Executive Decisions, which is again A Member decision (Cabinet member).*
Could you provide a detailed overview of the sports and recreational activities currently being undertaken within Tendring District, including information on team visits and any invitations for attendance?	*An amount of funding (£122K) has been set aside to implement the Sports and Activity Strategy which will be allocated over a number of years and is proposed to include grant funding and direct spending on Council initiatives to support physical activity.* *A number of Sports Forum events are taking place across the district in 2026 which will provide information about opportunities and funding for sports clubs, activity providers and community groups to support local physical activity. This includes events at the Columbine Centre on 21 January, Dovercourt Bay Lifestyles on 23 January, Mistley Parish Council on 28 January and Clacton Leisure Centre on 3 February with all events occurring between 6pm and 7pm.*
Could you outline the progression plan in the context of Local Government Reorganisation, particularly given that some grants will continue for several years? How will these programmes be evaluated under the new governance arrangements, and what assurances can be provided that recipients of existing grants will remain protected under any new policies?	(John Fox) The current authority cannot bind the new unitary authority. However, a written document has been agreed between both parties setting out the areas to be taken forward. In addition, a number of existing contracts carry legal obligations over a defined period, which the new authority will be required to honour. As the transition date approaches, these matters will become more pertinent. [This point was noted for further consideration by the Head of Health & Partnerships].

Given that some individuals and services are dependent on this funding, what safeguards will be in place to ensure continuity, particularly in areas such as mental health provision where clients rely on ongoing support? Would it be feasible to incorporate such a safeguard within the Committee's recommendations? Is it possible to include a provision within the policy, notwithstanding that it would not be binding on the new authority?	(John Fox) There is merit in that point, particularly regarding the need to manage the transition effectively and ensure that the necessary discussions take place in advance. (Richard Barrett) The Committee may put forward a recommendation; however, its implementation cannot be guaranteed, as the Committee has no authority to bind the new unitary body. (Richard Barrett) There is no reason a reference to this cannot be included.
In relation to the adoption timeline, are we currently on track?	(John Fox) Yes, we are.
I welcome the emphasis on equality in the assessment process. Could you outline how applications are reviewed to ensure that those which may be less polished in presentation are nonetheless given full and fair consideration based on their substantive content?	(Richard Barrett) Both Cabinet and the Audit Committee will review the policy in accordance with the Annual Governance Statement. The Head of Internal Audit will also be asked to consider the policy, although in practice they are already engaged on a consultative basis. As the period of extensive scheme activity has now concluded, there is limited grant funding available for 2026/27, resulting in fewer opportunities going forward.
Could an example of a monitoring or end-of-project report be provided to illustrate the expected format and level of detail?	(John Fox) It is difficult to provide a single example given the varying levels of grant funding. However, guidance could be added to the monitoring section to indicate the key information that should be included.
Given that external funding is likely to reduce significantly, has consideration been given to the implications for the transition to the unitary authority should available funding prove insufficient?	(John Fox) We must work within the funding available to us. Our health partners have previously provided substantial support, but their circumstances have changed and that level of funding is no longer available, which we will need to manage carefully. It is clear across the wider system that funding is currently constrained, and this will present challenges for our area. Both we and our partners are therefore focused on the sustainability of

	activities, particularly as we enter a period of reduced Council and external funding.
What is the proposed approach for managing any residual grant funding at the point of Local Government Reorganisation?	(Richard Barrett) My expectation is that there will be no TDC-specific scheme. Any future scheme is likely to be funded by an external body, and we would therefore be subject to their requirements. I do not anticipate a locally administered scheme, as this is not part of the current plan. The conditions attached to any grant funding we receive will depend on the grant provider and the arrangements in place over the coming years.

It was moved by Councillor Griffiths, seconded by Councillor Davidson and **RESOLVED** that the Committee:

(a) thanks the Portfolio Holder for Partnerships, the Corporate Director (Finance & IT) and the Head of Health and Partnerships for their update on the development of a grant giving policy for the Council;

(b) reaffirms to Cabinet that the recommendations originally made by the Community Leadership Overview and Scrutiny Committee at its meeting on 14 January 2025 in respect of the grants giving policy of the Council and ask that there is reconsideration of those items not yet pursued as set out in the answers to questions asked by Members; and

(c) urges Cabinet or the Portfolio Holder as relevant to include in the policy some text to alert the intended shadow authority and the successor unitary authority that will cover Tendring to ensure that there is protection of community groups in the District and their access to funding, and that communication with those groups ahead of reorganisation be pursued to ensure they are best prepared for that change.

32. REPORT OF THE ASSISTANT DIRECTOR (CORPORATE POLICY AND SUPPORT) - A.3 - CHIEF EXECUTIVE OF NHS MID AND SOUTH ESSEX INTEGRATED CARE BOARD (ICB) ATTENDANCE AT COMMITTEE MEETING

Regrettably, Tom Abell, the Chief Executive Designate of the Mid and South Essex Integrated Care Board had been unable to attend the meeting. This report was therefore **DEFERRED** to the meeting of the Community Leadership Overview and Scrutiny Committee, due to be held on 10 February 2026.

33. REFERENCE FROM THE COUNCIL'S YOUTH PROVISION OF SCHOOL AGED CHILDREN TASK AND FINISH GROUP - A.4 - FINAL REPORT

Members were presented with the Final Report of the Council's Youth Provision of School Aged Children Task and Finish Working Group which allowed the Committee to consider the recommendations made to it.

It was reported that the Task and Finish Group had examined the extent of information for youth provision of school aged children outside of that school/educational establishment and the opportunity for that provision to be adjusted/supported with improvements for mental health and reduced prosperity anti-social behaviour.

There had been two meetings of the Task and Finish Group between February and November 2025. The Group's final report had been set out in Appendix A, attached to the report A.4.

The Committee **RESOLVED** :

(a) to recommend to Cabinet that a platform is provided for children and young people to access information about activity which is taking place in their community;

(b) to endorse this recommendation, including the proposal to develop the existing Active Essex, 'Find Your Active' database to be promoted through the Community Sports Partnerships section of the developing 'Active Tendring' website; and

(c) to note that funding for that work had been subject to agreement by Cabinet in a separate report (due January 2026), which had provided an update on progress on the implementation of the Sport and Activity Strategy, and sought agreement to a number of budget allocations including the development of the 'Find Your Active' webpage.

The meeting was declared closed at 9.12 pm

Chairman

**MINUTES OF THE MEETING OF THE PLANNING POLICY AND LOCAL PLAN COMMITTEE,
HELD ON THURSDAY, 22ND JANUARY, 2026 AT 6.06 PM
IN THE COMMITTEE ROOM, TOWN HALL, STATION ROAD, CLACTON-ON-SEA, CO15 1SE**

Present:	Councillors Guglielmi (Chairman), M Cossens (Vice-Chairman), Chapman BEM, Newton, Scott, M Stephenson and White
Also Present:	Councillor Keteca
In Attendance:	Lisa Hastings (Corporate Director (Law & Governance) & Monitoring Officer), Gary Guiver (Corporate Director (Planning & Community)), Ian Ford (Democratic Services Manager), Paul Woods (Planning Policy Team Leader), Will Fuller (Senior Planning Policy Officer), Katie Koppenaal (Democratic Services Officer) and Hayley Sargent (Planning Policy Technical Officer)
Also in Attendance:	Adam Derham (Senior Sustainability & Built Environment Specialist – Essex County Council)

21. APOLOGIES FOR ABSENCE AND SUBSTITUTIONS

An apology for absence was submitted on behalf of Councillor Bush.

An apology was also submitted on behalf of the Housing and Planning Portfolio Holder (Councillor Baker), who had a standing invitation, under Council Procedure Rule 36.1, to attend meetings of this Committee and to express the views of the Council's Executive on strategic planning issues.

22. MINUTES OF THE LAST MEETING

It was **RESOLVED** that the Minutes of the last meeting of the Committee, held on Monday 8 December 2025, be approved as a correct record and be signed by the Chairman.

23. DECLARATIONS OF INTEREST

In relation to report A.1, Councillor Scott declared an Interest in respect of new non-strategic policy PPL12b (St. Osyth Priory) insofar as he was a Trustee of the St. Osyth Priory Education Trust. However, he stated that this would not affect his ability to impartially consider the contents of report A.1.

24. QUESTIONS ON NOTICE PURSUANT TO COUNCIL PROCEDURE RULE 38

No questions on notice pursuant to Council Procedure Rule 38 had been submitted on this occasion.

25. PUBLIC SPEAKING

Pursuant to the provisions of the Council's public speaking scheme for the Planning Policy & Local Plan Committee, no member of the public had registered to ask at this meeting a question on the Officer report (A.1).

A resident of Great Bentley, Chris Morris, attended and made an oral statement in relation to report A.1 of the Corporate Director for Planning and Community, and specifically future housing in Great Bentley. His statement touched upon the following matters:-

- *main concern was the impact of the traffic and parking in the centre of the village, near the railway line and primary school;*
- *in recent years, in the region of 500 new dwellings had been constructed on various sites around the village, and it was evident that vehicle movement and parking, particularly in the centre and along Plough Road to the north had subsequently increased.*
- *situation around the school was particularly dangerous as the school, Tesco Express, garage, bakery/cafe all had no areas for parking. In addition, there were two junctions, New Cut and Station Road, which increased the problem;*
- *several of the areas being considered were further from the village centre - in particular, the proposed extension to the Taylor Wimpey site and the proposed Hills residential site north of Weeley Road. Even though those two sites would have to provide footpaths, many residents would, inevitably, drive to the school, shops, station, etc. due to the distance. The sites south of the village would, however, result in less traffic as they were within comfortable walking distance of those facilities;*
- *understood that the Parish Council had suggested the proposed sites on the northern side of the village were the preferred option, but this was based on the opinion of a handful of people who had attended the recent Parish Council meeting and was not, he felt, representative of the village; and*
- *had recently lodged an objection to planning application 25/01066/OUT for up to 80 houses on the south of Weeley Road and, as part of that, had submitted a petition from local residents who all had concerns about the potential hazard with the excessive traffic problem that already existed.*

Prior to the commencement of the meeting a resident of Brightlingsea, Mat Court, had submitted the following written statement, which had been circulated by the Democratic Services Manager to the members of the Committee:-

"My name is Mat Court. I am a Brightlingsea resident and former town councillor. I am submitting this statement to ensure my comments are formally recorded at this stage of the Local Plan process.

I appreciate that this meeting is not about confirming or removing site allocations, but about progressing the draft plan towards consultation. However, I believe it is important that concerns about specific sites are clearly placed on the record now, particularly where the Council's own evidence identifies significant constraints.

I want to focus on site SAH4 in Brightlingsea, the proposed allocation of approximately 300 homes on land at the northern end of Samsons Road, to the east of the road.

Having read the agenda papers and supporting reports, my concern is that SAH4 is one of the most constrained sites in the draft plan, and that this is acknowledged repeatedly in the Council's own documentation. It would also be one of the most controversial allocations and is likely to cause significant upset in the town affected.

The report notes, in summary, that:

- *It already takes around 30 minutes to exit Brightlingsea at peak times, and this would inevitably worsen*
- *Parts of the site fall within Flood Risk Zone 3, where development is discouraged unless robust mitigation is provided*
- *The site is 1.3 to 1.4 km from the school, and further from the town centre and GP services, meaning residents would be reliant on car travel, therefore increasing in town traffic and already stretch parking*
- *The site is distant from services despite being proposed at scale*
- *Biodiversity Net Gain may be difficult to achieve given the proposed dwelling yield*
- *Development would need to be undertaken "sensitively" due to the physical and environmental context of this part of the town*

Taken together, this does not describe a straightforward or low risk allocation.

In parallel, information released through Environmental Information requests I have done shows:

- *Regular storm overflow activity within the Brightlingsea wastewater network*
- *Confirmed sewage pollution incidents in recent years linked to infrastructure capacity or failure*

I am not presenting myself as a technical expert, and I am not suggesting the system is currently failing. However, this evidence does suggest limited headroom, and it raises a legitimate question about whether an additional 300 dwellings can be accommodated without major infrastructure upgrades.

Crucially, the inclusion of SAH4 is not required for the Local Plan to meet its housing numbers.

Based on the figures presented by the Council:

- *Removing SAH4 would still leave Tendring exceeding its minimum housing requirement*
- *The Plan would still remain considerably above the required 5 percent buffer*
- *The overall soundness of the Plan would not be undermined in numerical terms*

Given this, it is reasonable to ask why one of the most constrained and controversial sites remains included when it is not necessary to achieve compliance.

I am not opposed to growth or new homes in principle. However, growth needs to be deliverable, infrastructure led, and appropriate to the location. In my view, SAH4 does not currently meet that test.

I would therefore ask that, as the Plan progresses to consultation, the Council gives serious consideration to whether SAH4 should remain in the draft at all, or whether its removal would result in a stronger and more defensible Local Plan overall.

Thank you for placing this statement on the record."

The Chairman requested Officers to treat Mr. Court's written statement as a response to the forthcoming public consultation.

26. REPORT OF CORPORATE DIRECTOR (PLANNING & COMMUNITY) - A.1 - TENDRING DISTRICT LOCAL PLAN REVIEW: PREFERRED OPTIONS DRAFT

Earlier on in the meeting, as detailed under Minute 23 above, Councillor Scott had declared an Interest in respect of new non-strategic policy PPL12b (St. Osyth Priory) insofar as he was a Trustee of the St. Osyth Priory Education Trust. However, he had stated that this would not affect his ability to impartially consider the contents of report A.1.

The Committee considered a comprehensive report of the Corporate Director (Planning and Community) (A.1) which presented the Tendring District Local Plan – Preferred Options Draft and which sought the Committee's agreement for this document, along with the associated evidence base (including the Sustainability Appraisal, Habitat Regulations Assessment and other relevant technical studies) to be recommended for approval by Full Council to proceed to formal public consultation in line with Regulation 18 of the statutory plan-making process.

Members were reminded that the Preferred Options Draft for the first time contained the full suite of planning policies and detailed policies maps recommended by Officers; incorporating and reflecting the spatial strategy, locations and sites for growth that had been agreed by the Committee at its meeting held on 8 December 2025 and the overarching guiding principles established at the beginning of the Local Plan review process.

The Committee was cognisant that the Local Plan would help guide the direction of growth and the shape of the Tendring area – not just in the coming years to address immediate pressures, but for future decades and generations to come. The choices made by the Council on the content of the Local Plan in 2026 would be more important than ever before as it would likely be the last one prepared by Tendring District Council before Local Government Reorganisation and the establishment of a new unitary authority in 2028. The timeframes for agreeing and carrying out consultation on the Local Plan and submitting a final version to the Secretary of State under the current plan-making system were extremely tight and the strict rules laid down by central Government in respect of mandatory housebuilding targets made the task even more challenging. However, choices over the location of growth and the content of policy were important decisions to be taken locally, by the elected Members of the Council, having considered the advice of their Officers and feedback from communities and other stakeholders.

Members were aware that, in its role as a Local Planning Authority, the Council had a statutory duty to produce a Local Plan and to keep it up to date. The Local Plan was one of the most important documents the Council produced, setting out both the blueprint for future growth and the policies against which planning applications were determined. It was important for Councils to keep their Local Plans up to date to ensure they could manage the pattern of growth and quality of development to achieve sustainable development that weighed up economic, social and environmental factors and maximised the benefit to the existing local community and future generations.

Background

The Committee recognised that, over the last two years, the Council had been in the process of updating and reviewing the Tendring District Local Plan under its statutory

duties and had done so clearly and transparently through its reports and meetings – following a logical sequence and an agreed set of overarching guiding principles. The various stages of this process had been extensively documented in reports to, and associated decisions from, the Planning Policy and Local Plan Committee since December 2023.

Members recognised that, with Devolution and Local Government Reorganisation on the horizon, this Local Plan review was likely to be the last one carried out by Tendring District Council (TDC) in its current configuration – and so this could be TDC's last opportunity to influence the long-term approach to growth in the District before future strategic planning powers passed to the future combined mayoral authority for Greater Essex and Local Plan making powers passed to a future unitary authority.

The Committee was aware that failing to keep the Local Plan up to date risked losing control of the pattern of growth and the quality of development and having decisions taken out of this Council's hands or overturned on appeal. However, in preparing and reviewing Local Plans, Councils were expected to follow national planning policy produced by the Government – which now included a requirement to comply with challenging mandatory housebuilding targets which, for Tendring, meant a significant increase in the requirement for new housing development – with no mechanism anymore to challenge or argue for a lower target.

Preferred Options stage and future programme

Members were informed that the 'Preferred Options' stage of the statutory plan-making process involved producing and publishing, for public consultation, a first detailed draft of the new Local Plan containing a full suite of planning policies and associated maps. The intention would be that the comments received in response to the consultation would be considered in preparing a final 'publication' draft version of the Local Plan for a further final round of public consultation before it was then submitted to the Secretary of State to be examined by a government-appointed Planning Inspector. The Inspector's duty would be to test the legal compliance and soundness of the Plan, to ensure compliance with national requirements, before it could be formally adopted by the Council.

Members recalled that, at its last meeting held on 8 December 2025, the Committee had agreed an updated Local Development Scheme (LDS) which included the revised work programme and timetable for completing the Local Plan review process. In line with the agreed timetable, it was the Council's intention to carry out consultation on the Preferred Options Draft in early 2026 with the aim of progressing to the final Publication Draft consultation and submission of the Plan to the Secretary of State by the end of 2026, before the national plan-making rules changed to a new system. It was then expected that the Planning Inspector's examination could take place in 2027 so that the Council would be able adopt the new Local Plan by the end of 2027, before Local Government Reorganisation took place in 2028.

Vision, objectives and spatial strategy

The Committee was reminded that Local Plans should plan for growth over a timeframe of at least 15 years from the anticipated point of adoption and therefore the Preferred Options Draft contained a strategy for future growth up to 2042, with development in some locations intended to continue beyond 2042 and into the longer-term to meet the

needs of future generations. At its December 2025 meeting, the Committee had agreed the overarching spatial strategy for growth for delivering at least 18,071 homes between 2025 and 2042 as dictated by the Government's new mandatory housebuilding targets; alongside necessary services, facilities and infrastructure and opportunities for employment creation.

It was reported that the strategy carried forward the major growth already proposed at the Tendring Colchester Borders Garden Community and around Clacton from the Council's current Local Plan along with other sites already granted planning permission, under construction or otherwise expected to come forward elsewhere in the District which, in total, were expected to deliver around 10,700 of the 18,071 homes.

But to deliver the additional housing now required under the Government's mandatory target, the strategy for delivering the extra (approximately) 7,400 homes had focussed growth on locations along the A120 corridor (Harwich, Horsley Cross and Hare Green) and villages with railways stations along the Colchester to Walton-on-the-Naze branch line (particularly Weeley and, to a lesser extent Alresford, Great Bentley and Thorpe-le-Soken); with proportionate additional growth around most (but not all) other towns and villages. The decision previously taken by the Committee on housing numbers, spatial strategy, locations and sites for housing, mixed-use development and employment land was reflected in the recommended Preferred Options Draft Local Plan now presented with this report.

The Committee recalled that, as part of the Issues and Options consultation carried out in Spring 2025, the Council had consulted the public on a draft vision for the Tendring District and an associated set of objectives – updated from the current adopted Local Plan to reflect both an extended time period and the increase in growth anticipated, mainly as a result of the Government's mandatory housebuilding targets. The vision and objectives had been updated further for the purposes of the Preferred Options Draft to reflect the agreed spatial strategy for growth and having considered comments received as part of the last consultation.

Planning policies

Members were reminded that, at the beginning of the Local Plan review, the Committee at its meeting held on 20 December 2023 had agreed an overarching set of guiding principles which had subsequently been the subject of consultation as part of the Issues and Options stage of the process. One of the agreed principles was for the focus of the Local Plan review to be on updating the current adopted Local Plan as opposed to a more fundamental re-write or starting completely from scratch. It had been agreed that this would involve extending the Plan's timeframe; making improvements to selected policies where necessary; topping up the supply of housing and employment land to meet longer-term needs; and ensuring that the Plan aligned with the latest National Planning Policy Framework.

It was further reported, that, at that December 2023 meeting, the Committee had also received the Officers' initial analysis of planning policies from the Council's existing adopted Local Plan looking at which policies could potentially be carried forward unchanged into a new Local Plan, and which policies might need revising or deleting, along with areas where additional policies might be required going forward. This initial analysis had considered changes in national policy and legislation, practical issues experienced in the application of policies in the determination of planning applications,

and whether the evidence in support of certain policies needed to be revisited or updated.

Although there had been further, and significant, changes in national planning policy since that 2023 exercise (particularly in respect of housing targets), that initial analysis had remained broadly relevant and accurate – and had provided a strong basis for progressing the review of planning policies and determining what was now recommended for inclusion in the Preferred Options Draft of the Local Plan.

Therefore, in line with the overarching principle of revising and updating rather than re-writing the Council's existing Local Plan and using the analysis of existing policies as a basis for the review, the Preferred Options Draft recommended in this report had followed a similar format and chapter headings to that of the Council's existing adopted Local Plan and many of the policies had been carried forward either unchanged or only slightly updated and revised. The document did however also contain policies with significant revisions from the previous adopted version along with some entirely new policies – many of which were site-specific relating to the new locations and sites now identified in the Plan for additional future development to meet the Government's housebuilding targets.

Members were informed that, for the purpose of the Preferred Options Draft, completely new policies had been shown with a green background to differentiate them from policies carried forward from the existing adopted Local Plan, which had a light purple background. For policies carried forward from the existing Local Plan with notable revisions, only the sections of those policies containing such revisions or additions had been highlighted green.

The Committee noted that notable new policies included site-specific policies setting out overarching expectations for the mixed-use Garden Village developments proposed at Hare Green, Horsley Cross and Weeley; site-specific policies for the other larger residential and mixed-use developments around the District's towns and villages; as well as policies relating to other complex schemes or heritage and/or regeneration projects such as St. Osyth Priory, Thorpe Maltings and Walton Mere. There were also new policies on managing the location of hot food takeaways on health grounds, extensions to employment sites, Biodiversity Net Gain (BNG), water efficiency (noting the pressure on water resources in the area), energy efficiency and net zero carbon requirements for new development.

It was highlighted that one of the most notable revisions to existing policies related to affordable housing (Policy LP5). Officers had proposed a reduction to the on-site affordable housing requirement from 30% to 20% for most residential developments of ten or more homes; except for the Tendring Colchester Borders Garden Community and the new Garden Village proposals at Hare Green and Horsley Cross, where the requirement would remain at 30%. This adjustment was intended to reflect the added costs associated with delivering zero-carbon homes, higher water-efficiency standards, and a proposed 20% BNG requirement, which taken together impacted upon development viability on all but the largest developments.

It was reported that other key revisions included higher expectations around open space provision on larger residential and mixed-use sites (Policy HP5) and a more permissive approach to custom and self-build housing (Policy LP7), which could create new opportunities for people to build their own homes on sites at the edges of smaller

villages. In addition, the Gypsy and Traveller policy (Policy LP9) had been refreshed to account for the projected need for 38 additional pitches up to 2042.

Policies Maps

It was reported that the policies maps that accompanied the Preferred Options Draft would be presented in a similar format to those in the Council's current adopted Local Plan in the interest of familiarity and continuity. As per the current Local Plan, they would include large scale maps at District level over three foldout maps covering the west, south-east and north-east of the District respectively; and then separately, at a more close-up scale, area by area and settlement by settlement on specific inset maps presented in alphabetical order. The allocations and designations shown across the policies maps and policies map insets included (amongst other things):

- the revised 'settlement development boundaries' for defined towns and villages (commonly referred to as the 'settlement limit' or 'village envelope'), aimed at preventing uncontrolled urban sprawl, and within which there was a general presumption, in principle, in favour of development;

- the 'broad locations' for the larger Garden Communities and Garden Villages within which further, more detailed master-planning in the future would determine more precise boundaries;

- sites specifically allocated for housing, mixed-use development and new (and existing) employment land;

- town centre boundaries and associated primary shopping areas;

- priority areas for regeneration;

- safeguarded holiday parks;

- protected scheduled ancient monuments, conservation areas, historic parks and gardens, local areas of special character and protected lanes;

- areas protected for their international, national and local importance for wildlife;

- areas at risk of flooding based on Environment Agency data;

- national landscapes (formerly known as Areas of Outstanding Natural Beauty (i.e. at Dedham Vale and Suffolk Coast & Heaths)); and

- Strategic Green Gaps, Coastal Protection Belt and protected/safeguarded open space.

All of the designations and notations on the policies maps related to one or more of the planning policies included within the written part of the Draft Local Plan. Of note was the proposed establishment of additional Strategic Green Gaps at Elmstead Market, Weeley Heath and Little Oakley and the extension of the existing Green Gap south of Kirby-le-Soken.

Legal compliance and soundness

The Council was required to produce a Local Plan that was legally compliant and sound and this had to be tested and confirmed by a government-appointed Planning Inspector at the examination stage of the process before the Council could lawfully proceed to formally adopt the Plan.

The legal test was for the Local Plan to have been prepared in accordance with all the relevant legislation, regulations and procedures which included the legal 'Duty to Cooperate' with other bodies on cross-boundary issues (although this was set to be abolished), carrying out consultation in the correct manner and preparing and consulting on a Sustainability Appraisal and Habitat Regulations Assessment. The soundness test for the Local Plan was set out in the National Planning Policy Framework (NPPF) which stated that Plans could be considered 'sound' if they had been positively prepared, justified, were effective and were consistent with national policy.

Officers believed that the Preferred Options Draft Local Plan presented with this report represented a legally compliant and sound Plan as far as was required at this stage of the process. However, others could indicate otherwise through representations in response to the public consultation; and those representations could then be considered by the Council in making any necessary revisions to the Plan at publication stage before it was submitted to the Secretary of State for examination by the Planning Inspector.

Although an Inspector could, through the later examination process, propose modifications to rectify resolvable soundness issues, it could lengthen the examination and delay formal adoption – and it was therefore advisable that Councils carried out their own assessment as their Plans progressed through the different stages of the process. With that in mind, Officers had continually assessed the soundness of policies in the recommended Preferred Options Draft Local Plan with reference to guidance produced by the Planning Advisory Service (PAS).

Weight to be given to the emerging Local Plan

The Committee was cognisant that, from 26 January 2026, the Council's existing Section 1 Local Plan containing the current housebuilding requirement of 550 homes a year would be more than five-years old – thereby requiring the Council to revert to new Government mandatory housebuilding target of 1,063 for the purposes of calculating housing supply and making decisions on planning applications for housing. This would result in the Council initially being unable to demonstrate a five-year supply of deliverable housing land until such time that sufficient sites had obtained planning permission or could otherwise be shown to be deliverable within five years.

Until the supply of housing land increased to the extent that a five-year supply could be demonstrated, the District would be vulnerable to a potential increase in planning applications for housing development. National planning policy would expect the application of the 'tilted balance' to the Government's 'Presumption in Favour of Sustainable Development', which essentially required Councils to grant planning permission for new housing unless there were very good reasons not to do so, regardless of whether sites were allocated in the Local Plan. This created a heightened risk that refusals without sufficiently robust justification would be overturned on appeal by a government-appointed Planning Inspector.

However, Councils were allowed to give some weight to the policies and proposals in emerging Local Plans according to their stage of preparation, the extent to which there

were unresolved objections to relevant policies and the degree of consistency with the policies in the NPPF. Therefore, if the Council agreed to publish the Preferred Options Draft Local Plan for public consultation, Planning Officers and the Council's Planning Committee would have the ability to give some weight to the emerging policies in the determination of planning applications, alongside the existing adopted policies – with the weight increasing as the Plan progressed through the remaining stages of the review process.

Public consultation and community engagement

It was reported that, under the plan-making regulations, the Preferred Options Draft Local Plan must be published alongside the Sustainability Appraisal, Habitat Regulations Assessment and other supporting evidence for six-weeks public consultation. It was proposed that the consultation could take place during February and March 2026 and would include a number of public events, particularly in the areas most affected by the largest of the proposed new developments.

In line with the Council's Constitution, the decision to formally proceed to public consultation was one for Full Council to make on consideration of a recommendation from the Planning Policy and Local Plan Committee. In preparation for both a Full Council decision and the subsequent public consultation that would take place if the Council agreed to proceed with that consultation, an all-Member briefing had been organised for 21 January 2026. Furthermore, Officers had, and would continue to, engage informally with Ward Councillors and Town and Parish Councils. This kind of informal engagement had in the past proven to be very helpful in informing the content of the Draft Local Plan to date and would continue to be valuable in ensuring community engagement was genuinely effective; and even though it was accepted that not everyone would be able to agree with or support the content of the Local Plan, people would at least be as well informed as possible.

At the meeting, the Corporate Director (Planning and Community), assisted by the Planning Policy Team Leader, introduced the report.

The Corporate Director (Planning and Community) responded to the points raised by Mr. Morris under Public Speaking (Minute 25 above).

Officers then responded to the following questions/concerns/queries et cetera from Committee Members:-

- *believed that new Strategic Policy SAH4 (development at land east of Church Road, Brightlingsea) could be omitted without any negative impact on the Local Plan overall due to its additional probable negative impact on traffic movement and peak time congestion; the site's distance from the school, GP surgery, shops et cetera and the absence of a railway station;*
- *pointed out errors in Section 1.3.1 (Retail Development) in Annexes A & B of the ISA Interim Report by ECC Place Services i.e. 18 Victoria Place, Brightlingsea is not vacant;*
- *believed that some open green space areas had not been included in the maps;*
- *wondered whether text relating to water pressure could be included within new Strategic Policy PPL5 (water conservation, drainage and sewerage);*
- *in relation to revised Strategic Policy LP5 (Affordable Housing), had mixed views on the proposal that the current percentage requirement for affordable housing on large*

sites be reduced from 30% on developments of 11 or more homes, to 20% on developments of 10 or more homes with the exception of the TCB Garden Community and the garden villages proposed for Horsley Cross and Hare Green;

- *important to ensure that there is a Local Plan in place when TDC ceases to exist and the new Unitary Authority succeeds as a positive legacy for the District area and its residents;*
- *there must be maximum publicity of the public consultation and a universal effort to urge residents and other interested parties to have their say; and*
- *in relation to bio-diversity net gain, had concerns that the net gain increase to 20% could prove a barrier to housing delivery.*

Having duly taken all the above information into account and having discussed the matter, it was moved by Councillor White, seconded by Councillor M Cossens and unanimously:-

RESOLVED that the Planning Policy and Local Plan Committee –

a) notes the content of this report explaining how the Tendring District Local Plan – Preferred Options Draft has been developed having regard to the direction given and decisions taken by the Committee at previous meetings, feedback from the public consultation on Issues and Options carried out in Spring 2025 and the emerging evidence base – as well as the requirements of national planning policy;

b) having considered the Tendring District Local Plan – Preferred Options Draft (at Appendix 1) agrees to recommend to Full Council, following consultation with the Leader of the Council, that it be approved for six-weeks public consultation, alongside the related Sustainability Appraisal (at Appendix 2), Habitats Regulation Assessment (at Appendix 3) and other supporting evidence (including those listed as background documents) in accordance with Regulation 18 of the Town and Country Planning (Local Planning) (England) Regulations 2012 (as amended) and Regulation 13 of the Environmental Assessment of Plans and Programme Regulations;

c) recommends to Full Council that delegated authority be given to the Corporate Director (Planning and Community), in consultation with the Chairman of the Planning Policy and Local Plan Committee to make corrections, if necessary, to address any minor formatting, mapping, typographical, grammatical or factual errors within the aforementioned Draft Plan (in Appendix 1), in the event that any are discovered before consultation commences; and

d) notes that if, or when, the Local Plan – Preferred Options Draft is agreed by Full Council to be published for consultation, its policies and proposals can be taken into account in the determination of planning applications, alongside those of the current adopted Local Plan – with weight afforded to the emerging policies in accordance with the guidance set out in the National Planning Policy Framework (NPPF).

The meeting was declared closed at 7.20 pm

Chairman

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MINUTES OF THE MEETING OF THE TENDRING/COLCHESTER BORDERS GARDEN COMMUNITY JOINT COMMITTEE, HELD ON MONDAY, 26TH JANUARY, 2026 AT 6.00 PM IN THE ROMAN LOUNGE AT COLCHESTER RUGBY CLUB, RAVEN PARK, CUCKOO FARM WAY, COLCHESTER, CO4 5YX

Present:	Councillors Lee Scott (Chairman) (Essex County Council), Carlo Guglielmi (Deputy Chairman) (Tendring District Council), Andy Baker (Tendring District Council), Mark Cossens (Tendring District Council), David King (Colchester City Council), Andrea Luxford-Vaughan (Colchester City Council), Lesley Wagland (Essex County Council) and Julie Young (Colchester City Council)
Also Present:	Councillors Gary Scott (Tendring District Council), William Sunnucks (Colchester City Council) and Ann Wiggins (Tendring District Council)
In Attendance:	Lisa Hastings (Corporate Director (Law & Governance) & Monitoring Officer - TDC), Gary Guiver (Corporate Director (Planning & Community) - TDC), Andrew Weavers (Head of Governance & Monitoring Officer - CCC), Ian Ford (Democratic Services Manager - TDC), Amy Lester (Garden Community Planning Manager), Amy Collins (Garden Community Senior Infrastructure Planner), Jonathan Schifferes (Head of Housing Growth and Garden Communities - ECC) and Christopher Downes (Garden Communities Manager - ECC)
Also, in Attendance	Lindsay Barker (Deputy Chief Executive - CCC), Paul Wilkinson (Principal Transportation and Infrastructure Planner (New Communities) - ECC), Bethany Jones (Democratic Services Officer - TDC), Fiona Hunter (Senior Planning Officer (TCB Garden Community)), Valeria Nuyanzina (Communications and Engagement Officer (Tendring Colchester Borders Garden Community Project)) and Catherine Gardner (TCB GC Programme Support Officer)

10. APOLOGIES FOR ABSENCE AND SUBSTITUTIONS

There were no apologies for absence submitted nor substitutes appointed on this occasion.

11. MINUTES OF THE PREVIOUS MEETING OF THE JOINT COMMITTEE

It was **RESOLVED** that the minutes of the meeting of the Joint Committee held on Thursday 1st May 2025 be approved as a correct record and be signed by the Chairman.

12. DECLARATIONS OF INTEREST

There were no Declarations of Interest made by Members of the Joint Committee on this occasion.

13. REPORT A.1 - TENDRING DISTRICT COUNCIL PLANNING APPLICATION - 25/00682/FUL - ALLENS FARM, TYE ROAD, ELMSTEAD

This report was not considered by the Joint Committee as planning application 25/00682/FUL had been withdrawn by the applicant.

14. REPORT A.2 - INFRASTRUCTURE UPDATE

The Joint Committee considered a detailed report that provided background and an update to note for information purposes on key forward funded transport infrastructure delivery on site or associated with TCBGC. The report outlined the infrastructure that had been completed or commenced to date, in addition to setting out next steps noting that a detailed assessment of the impacts of the development could only be fully undertaken once all planning documentation had been submitted by the applicant.

Members were aware that the Development Plan Document (DPD) adopted to underpin the consideration and determination of any planning application for development at TCBGC included GC Policy 7 and GC Policy 9 that required the delivery of necessary infrastructure. The scale and nature of a Garden Community development meant that there was a need for significant infrastructure improvements to enable the full growth potential to be secured in a sustainable manner.

The Joint Committee recalled that planning and delivering the required infrastructure was at the heart of sustainable development for the Garden Community and the DPD required that proposals must demonstrate that the required infrastructure to support development would be delivered in a timely and, where appropriate, phased manner.

Members were reminded that, in 2019 Essex County Council (ECC) had successfully bid for funding from the Government's Housing Infrastructure Fund (HIF) to enable the early delivery of elements of significant infrastructure improvements at TCBGC. HIF funding had been secured to deliver the following pieces of strategic transport infrastructure:

The Colchester Rapid Transit System (RTS)

This new public transport system would run through the Garden Community and link the development into destinations in Colchester including the university, the city centre, the mainline railway station and the hospital. The RTS infrastructure, funded by HIF, included new segregated bus lanes and crossing points for cycling and pedestrians as well as new signalised junctions. The objective of the RTS was to provide a transformational public transport offer that provided an attractive, reliable, and affordable alternative to car travel and helped to meet TCBGC's ambitious modal share targets.

Phase 1 of the new A1331 Link Road

Once complete, the A1331 would connect to the Strategic Road Network by linking the A120 with the A133. The new road would help people to more easily access the A120 and A12 and reduce the need to travel through the urban area of Colchester, managing congestion and improving air quality in sensitive areas. The new A1331 Link Road was an important element of TCBGC, unlocking sustainable growth in the area.

It was reported that advanced progress across both schemes had been strong. The HIF funded RTS infrastructure was now largely delivered with works on the Northern Approach Road and Clingoe Hill completed. Phase 1 of the A1331 was also progressing and was due to complete in Summer 2026.

Members were aware that the original commitment had been to fund and deliver the A1331 Link Road in its entirety. However, since the first award of the Government's HIF in 2019, the cost of the Link Road scheme had increased because of unprecedented cost inflation in the macro-economic environment, including supply chain issues, materials and labour costs. In 2023, a formal decision had been made by ECC and Homes England (HE) to vary the HIF agreement to bring forward the A1331 Link Road in two phases with the first phase (Phase 1) being funded by the 2019 HIF award and Phase 2 being delivered by alternative funding sources, including a developer contribution.

The Joint Committee was informed that, in early 2025, due to further cost increases, it had become apparent that the delivery of TCBGC would be unable to support the completion of Phase 2 of the A1331 Link Road whilst maintaining a viable development. Given that the DPD required funding for the (entire) A1331 to be secured prior to the grant of planning permission for development forming part of the Garden Community, it had been clear that additional funding would be required to ensure that the development was deliverable, viable and able to meet policy requirements.

Members were advised that, throughout 2025, ECC had been working closely with the master developer for TCBGC and HE to set out the business case for additional funding via HIF, culminating in the submission of a further formal request of £65m, to be match-funded by a £21m developer contribution. The Councils were currently awaiting confirmation from Homes England of approval for that funding request. ECC would be responsible for delivery, subject to a ECC Cabinet Decision which had been proposed for coming months.

The report was introduced by way of a presentation given by Amy Collins, the Garden Community Senior Infrastructure Planner. That presentation covered the following matters:-

(1) Introduction;
(2) Background;
(3) Colchester RTS;
(4) The A1331 Link Road; and
(5) The report's recommendations.

The Public Speaking Scheme for the Joint Committee gave the opportunity for members of the public and other interested parties/stakeholders to speak to the Joint Committee on any specific agenda item to be considered at this meeting.

The Chairman accordingly invited the following public speakers to come to the table in turn to speak. Their comments are in precis.

Adam Hall (CEAG – Crockleford & Elmstead Action Group)

- *am speaking in relation to Allen's Farm roundabout;*

- *issue in relation to a restricted byway (Elmstead 21 that goes into Ardleigh 46) – no mechanical vehicles are allowed upon it other than agricultural vehicles;*
- *CEAG therefore requests that no public exits off of the roundabout be completed for anything other than the originally agreed routes;*
- *the restricted byway has been used since April 2025 by members of Allen's Farm and works and associated organisations including SRC which is illegal and has been reported several times to Essex Highways and there is an ongoing complaint lodged with ECC Ombudsman in relation to this;*
- *concern is that this restricted byway will be used as a shortcut through to avoid the preferred route which has already been installed to Allen's Farm;*
- *want to see that the roundabout link to the side road should be gated to prevent illegal public use in the exit which leads to onto the restricted byway;*
- *given that this link road is blocked between Tye Road roundabout and Allen's Farm to prevent its use as a racetrack, failure to do this could lead to fatalities.*

Manda O'Connell (Chair, TCBGC Community Liaison Group)

- *whilst it is a relief to know that the application for further funding has now been submitted by ECC to Homes England following due diligence procedure, is there any indication as to when a decision is likely to be made by Homes England;*
- *is there any indication of the approval mechanism within central Government before the final decision;*
- *is it also known whether any further funding granted would be released in a 'lump sum' or in a phased manner to ECC and whether that additional funding would also be subject to a deadline for expenditure as was the original HIF monies;*
- *will ECC be using the usual best value procedures when tendering for contractors to build the second phase of the link road and whether ECC plan to expedite this process to avoid further rises in the cost of building materials e.g. by inviting tenders now as agreed plans and planning permission are already in place;*
- *how will devolution affect this especially with responsibility for delivery and expenditure of the further funding;*
- *are steps being taken to alleviate or mitigate any potential delay that may result from devolution and could those steps be shared;*
- *have any steps been taken now to purchase the land needed for the Phase 2 link road and avoid delay as CPOs are notoriously long-winded affairs;*
- *is there any money left from the original funding that can be put towards this.*

Jonathan Schifferes, Head of Housing Growth and Garden Communities (Essex County Council), responded to those statements as follows:-

In response to Adam Hall:-

- *appreciate the concern as to how the existing PROW network including byways will intersect with the new infrastructure under construction;*
- *confirm the intention that, as the project concludes construction, there will be a gate at the north of the roundabout which will restrict access from the public highway to access Allen's Farm onto that byway which should prevent unauthorised vehicle use;*
- *the suggestion was that the A1331 should be closed north of Tye Road once construction completed – ECC does not, currently, intend to do that as accessing*

Allen's Farm north of the A1331 is a key objective in the interim until phase 2 is delivered;

- *closing the A1331 as suggested would leave Allen's Farm without sufficient access;*
- *current access to Allen's Farm is a temporary route across another landowner's land so that access is on a 'permissive' basis only and which will cease once construction is completed.*

In response to Manda O'Connell:-

- *we would like the HIF decision to be made as soon as possible for the reasons indicated i.e. to get Phase 2 link road delivered as early as possible;*
- *Homes England have indicated that the request is to be submitted imminently to the HIF programme governance board who are likely to take several weeks to finalise their decision;*
- *understand it will go to the board with a recommendation of approval for the requested £65million in grant;*
- *ECC is taking a number of steps to get as far forward as possible legally and financially including lining up ECC governance procedures such as publishing the forthcoming Cabinet decision as an issue on the ECC "Forward Plan" and aiming for ECC Cabinet on 24 February 2026 to accept the funding (assuming Homes England has issued its approval in the meantime) and the associated terms and conditions;*
- *the HIF board is the key central Government decision making body and comprises representatives from across the Government departments e.g. the Treasury and the National Infrastructure and Service Transformation Agency;*
- *any further funding granted would not be released in a lump sum to ECC;*
- *the protocol would be for ECC to claim funding monthly, if not quarterly, in arrears;*
- *ECC would take on the responsibility to deliver the infrastructure, appoint the contractors and pay for it and then ECC would submit valid claims to Homes England who would then reimburse ECC;*
- *there will be a deadline for the expenditure and negotiations are ongoing with Homes England to get as long a period of time as possible;*
- *ECC will be using best value procedures in its procurement in accordance with the procurement regulations and will procure a contractor for phase 2 under the usual highways procurement frameworks;*
- *the Programme Team is focused on expediting delivery as much as possible;*
- *meetings are being held with affected landowners to set terms of negotiation to acquire land but ECC is also preparing now to potentially issue CPOs should those land negotiations not prove successful;*
- *contractual mechanism in place for ECC to request Homes England's consent to use any remaining budget from phase one to acquire land and assemble land and, at present, there is sufficient budget in place;*
- *in regards to devolution there is a Statutory Instrument in the making for the Combine Authority subject to further governance from the Upper Tier members of that combined authority likely to take place after the local government elections in May 2026;*
- *there is also a process of local government reorganisation (LGR) which is on track to go through with new Unitary Authorities vested from April 2028;*
- *inevitable therefore that the delivery of the phase two link round will run across the devolution and LGR timelines – the new UAs will take on ECC's contractual*

obligations and liabilities and that is being taken into account by ECC in all of its GC actions.

The Joint Committee then proceeded to discuss, and debate matters pertaining to the Officer's report as follows:-

Councillor Lesley Wagland (Essex County Council)

- *can you confirm if there is a deadline in relation to the HIF payment and on-going payment.*

Jonathan Schifferes, Head of Housing Growth and Garden Communities (Essex County Council), responded to Councillor Wagland as follows:-

- *there will be a deadline for the expenditure of the £65million and negotiations are ongoing with Homes England to get as long a period of time as possible but in reality, it is, based on previous Home England stipulations, a realistic expectation that their deadline will be 2030.*

Councillor Andrea Luxford-Vaughan (Colchester City Council)

- *my concern on delivery is in the Infrastructure Delivery Plan (IDP) there was a reference to it had to be built by 1,750 homes which is the only policy part that could be latched onto in terms of when it's delivered;*
- *given the build-out rate that is seven years away – am assuming that once the Government has confirmed the funding the report to ECC Cabinet will confirm the delivery date;*
- *another issue is that the £21.5 million will not prove to be enough and Latimer were aware of the tender figures for phase 2 of the link road and therefore knew that it would not be enough going into the DPD hearing;*
- *the Memorandum of Understanding with Latimer is not legally binding so how are we going to secure, as it is not in policy, that the developer's contribution does come within a timescale that's acceptable to the three Councils and the public as the consensus view is that you can't have the houses without the road;*
- *need a reassurance that via the Section 106 legal agreements that there will be a trigger point for when that has to be delivered and if it is not delivered by that trigger point then housebuilding will stop;*
- *need to go out to tender as soon as funding application is approved as no contractor will hold their prices indefinitely so seek a reassurance on that;*
- *Homes England have previously objected to, regarding the link road, the modal shift calculations and the traffic assessments – understand that it is now on Latimer to re-prepare them on the basis of the scheme that they are going to be putting forward – seek assurance that Homes England will not, late on, state that they are still not happy;*
- *Home England had raised a safety point on the A120 and the slip roads – at the time there was an expectation of a large investment on the A120 to increase safety but that is now not going ahead.*

Jonathan Schifferes, Head of Housing Growth and Garden Communities (Essex County Council), responded to Councillor Luxford-Vaughan as follows:-

- *it's correct that the IDP references the delivery of the link road within "the first phase of the development" which is defined as the first 1,750 homes;*
- *should the funding bid to Homes England be successful it would need to be supplemented by a developer contribution and in making the bid ECC had in mind the DPD viability testing which defined a £21million developer contribution so in effect match funding to reach the full cost estimate as it currently stands;*
- *reiterate that the realistic expectation is that Homes England's deadline will be 2030 and the overall delivery is likely to need to align to that;*
- *never was a tender process for phase two as a standalone project – the £21million was an estimate derived from an aborted procurement exercise for the full link road which demonstrated that the Homes England original funding would not meet the cost of the link road – hence the subsequent descoping and two phased approach;*
- *the developer's contribution will be secured through the determination of the planning application and the negotiation of the heads of terms of the Section 106 Agreement and then the signing of that Agreement;*
- *ECC will need that Agreement to be watertight and robust and legally defensible and enforceable to ensure payment from the developer;*
- *the agreement will also be defined against certain trigger points at some point in the development;*
- *if the link road was to be delivered by 2030 or in the early 2030s then it would be well in advance of the 1,750 homes being delivered and therefore within the first phase of development;*
- *the total £86million estimate for the phase two link road does include a "risk buffer" and a best guess forecast for inflation so therefore 'hedging' the risks as much as possible;*
- *Homes England were not a party to the examination-in-public but National Highways (NH) were – ECC is liaising closely with NH now to, in part demonstrate to Homes England that NH supports the phase two scheme and to get ahead of certain issues such as how to construct the scheme as they are a key stakeholder.*

Councillor Julie Young (Colchester City Council)

- *reassuring to hear that an allowance has been made in terms of the costs forecast and a risk buffer;*
- *how long does the planning permission for the link road hold good – don't want to get caught out by losing that planning consent.*

Jonathan Schifferes, Head of Housing Growth and Garden Communities (Essex County Council), responded to Councillor Young as follows:-

- *the construction of phase one is taking place now as the implementation of that planning permission;*
- *before it commenced supplementary material was submitted to ECC Planning to get their approval to implement that planning permission in a phased manner;*
- *there is an overall construction management plan and appropriate environmental assessments etc. which supports phase one and similar will be provided for phase two which is under that same planning permission;*
- *therefore the planning permission can not expire as it has been implemented albeit in a phased manner.*

Councillor David King (Colchester City Council)

- *can you walk us through again the £86million i.e. how much is the buffer; how many sources of advice were taken; how much confidence do you have;*
- *should not see LGR as any kind of impediment;*
- *if the project comes in under the £86million what will happen to that balance.*

Jonathan Schifferes, Head of Housing Growth and Garden Communities (Essex County Council), responded to Councillor King as follows:-

- *earlier in 2025, became aware of two cost estimates in liaison with Latimer in the pre-application process;*
- *both Latimer's consultants and the phase one contractors had been asked to produce "ball park" estimates for the phase two scheme and both had shown it as being much above £21million and much nearer today's assured cost estimate of £86million;*
- *ECC had them commissioned its own retained consultants (Jacobs) to prepare a more detailed cost estimate in summer 2025 and it is on that basis that ECC has worked with Homes England on the material amendment;*
- *scrutiny of the £86million figure has included a "quantified risk assessment" which investigates every element of design and elements such as infrastructure, licences, mitigation, planting etc. – all given a likelihood of occurring and a range of costs as if they had occurred;*
- *at this stage of the project it's appropriate to take a PAT score – look at potential risks and their likelihood and quantify all of them through an algebraic process whereby if you ran a scenario a 1,000 times then 800 times it will be at least better than X figure and that figure is in the cost estimate as the risk envelope – therefore a healthy amount of risk contingency is built in;*
- *for the cost estimates there is then an expenditure forecast over the projected construction period and then applied are the most recent estimates from the Building Cost Information Service (BCIS) which is the industry standard and they are mapped out over the next 4 years with monthly updates from the BCIS on what they think cost inflation will be;*
- *for construction cost forecasting last few years have been extremely challenging due to events such as Covid-19; supply chain shortfalls; Brexit; war in Ukraine etc;*
- *but current cost estimates are considered robust, and it is in Homes England's and Latimer's interests to know that ECC has a good grip on forecast costs;*
- *Homes England appointed their own due diligence cost consultants to scrutinise everything that ECC submitted to them and their report has demonstrated broad alignment with ECC's estimates;*
- *if the scheme is completed under the £86million budget it will not be a case of ECC having to give money back to Homes England due to the fact that ECC has to claim the funds in arrears so essentially the shortfall will never have left Home England's accounts in that scenario;*
- *if there is remaining money left over from the developer's contribution then, depending on the terms of the Section 106 Agreement, it could be put to other infrastructure projects within the garden community.*

Councillor Andrea Luxford-Vaughan (Colchester City Council)

- *there was a previous ECC document that stated that the RTS would be affordable, 20% faster than a car and at some point, there will be a low emission bus – can it be included within a Section 106 Agreement that there will be a cap on fares and a date for when a low emission bus will be included and enforced as necessary;*
- *can't see how it will be 20% faster than car travel with all of the stops / halts along the way;*
- *at one point there was a RTS route along the A120 proposed which has now disappeared from all discussions / aspirations.*

Jonathan Schifferes, Head of Housing Growth and Garden Communities (Essex County Council), responded to Councillor Luxford-Vaughan as follows:-

- *the principle of investing in the RTS infrastructure is that it provides a very significant advantage to public transport vehicles over cars;*
- *the 20% speed advantage at peak hours is still something that ECC would stand behind as being evidenced now by Section A of the RTS and by the other sections when they open;*
- *RTS relies on new routes and potentially new vehicles and new operators;*
- *currently, there is no certainty as to when new routes will come online;*
- *intention is for the RTS to be subsidised in part by a developer contribution which is factored into the IDP policy work that has been undertaken;*
- *until there is an application and a public transport strategy and negotiations with Latimer around what goes into the Section 106 Agreement the RTS in terms of new services is still likely several years away but the infrastructure has been delivered early and is of benefit to existing services along those routes in Colchester;*
- *Bus operators who are at liberty to add or subtract services will benefit from that bus priority infrastructure – it makes their services more reliable and quicker which potentially increases utilisation and reduces service costs and drives passengers and revenue;*
- *so, it is already a good thing and a 'win' for Colchester's bus system as a whole that we have the RTS infrastructure in place;*
- *almost every new bus brought online is a low emission vehicle which meets the Euro6 standard albeit that is still a fossil fuel powered vehicle;*
- *can not say at this point which buses will be procured by which bus operator when they come into service on the RTS;*
- *note that in relation both to LGR and devolution that there is an important but not yet settled position on which forms of bus commissioning and bus franchising will sit either with a Combine Authority (integrated ticketing, concessionary fares / passes) or with the Unitary Authorities as the transport authority and highway authority locally;*
- *the HIF bid did not ultimately include any infrastructure along the A120 route – Route 1 that has made it into the adopted policy is the route from the University and Garden Community into Colchester and through the Town Centre to the Station, the Hospital and the Park and Ride adjacent to this venue.*

Councillor Carlo Guglielmi (Tendring District Council)

- *regarding the procurement exercise due to take place in the Autumn and given that the Homes England funding bid decision is imminent, can that timescale be brought forward.*

Jonathan Schifferes, Head of Housing Growth and Garden Communities (Essex County Council), responded to Councillor Guglielmi as follows:-

- *suffice to say that as and when the HIF Programme Board makes its decision to approve the funding then ECC will move as fast as possible through a number of governance gateways to see the road delivered e.g. will seek a Cabinet decision within days of the Board's decision; officers are already in negotiations with landowners over the land assembly for phase two and will progress very quickly to a detailed design and going out through the approved procurement routes to find a contractor to deliver phase two;*
- *but would likely take 12 – 18 months to have a start on site – all the land would need to be secured to allow the contractor to get on site and that might require, in the end, a CPO to enable that.*

It was thereupon moved by Councillor Carlo Guglielmi, seconded by Councillor Andy Baker and:-

RESOLVED that the Tendring Colchester Borders Garden Community Joint Committee –

(a) notes the contents of this report which presents an update regarding the delivery of the A1331 Link Road and the Colchester Rapid Transit System (RTS) and other work being undertaken to ensure that forward-funded transport infrastructure and services linked to the Garden Community are designed and delivered successfully; and

(b) notes and supports the proposed delivery arrangements for A1331 Link Road Phase 2, subject to funding and governance confirmation.

15. REPORT A.3 - SCHEME OF DELEGATION

The Joint Committee considered a detailed report that sought its agreement to a Scheme of Delegation setting out the type of planning decisions to be delegated to Officers and those that would remain for consideration by the Joint Committee – having regard to standard practice and the Committee's Terms of Reference.

Members were reminded that the Terms of Reference for the Joint Committee at paragraph 4.6 permitted the powers of delegation contained in section 101(2) of the Local Government Act 1972, to be exercised. To date a Scheme of Delegation had not been proposed due to the nature of the decision-making responsibilities that had so far rested with the Joint Committee. Those had been mainly focussed on the plan-making process in respect of the Development Plan Document (DPD). The strategic and policy setting decisions for the Garden Community, including endorsement of the DPD and the granting of relevant planning permissions, were decisions for the elected Members of

the Joint Committee rather than Officers, given the significance of the development and its cross-border nature.

It was reported that there were however planning-related functions of an operational and technical nature that required speedy resolution and which, for most other developments within the respective authorities, were typically delegated to Officers through an agreed Scheme of Delegation. With the DPD having now been adopted in May/June 2025, the Garden Community project had progressed into the Development Management phase of the planning process involving the consideration and determination of planning applications.

In the light of the progression of the programme, and as anticipated in the Joint Committee's Terms of Reference, a comprehensive Scheme of Delegation to Officers had been prepared for the Committee's consideration and approval.

Members were informed that the committee process represented a very significant investment in scarce capacity and resources by each of the partner authorities and it was therefore critical, given the opportunity cost of that time, that this investment was targeted to have the greatest benefit for the communities that the Councils served. This reflected the need to make the most efficient use of Officer and Member time at the Joint Committee by focusing on the most sensitive and complex applications.

The Joint Committee was reminded that, generally, it was considered best practice by the Planning Advisory Service (the Government's appointed experts in planning matters) that approximately 95% of planning applications were determined by Officers. Nationally, decisions on 96% of applications had been made by officers in Quarter 2 2024 with committees focusing on the largest or most controversial applications, figures consistent with local decision making. Furthermore, all three partner authorities (i.e. Tendring District Council (TDC), Colchester City Council (CCC) and Essex County Council (ECC)) already had established Schemes of Delegation in place for planning matters.

For the Garden Community development, it was considered appropriate for important decisions to be taken by the Joint Committee and therefore only selected types of decisions of a more minor, technical and time constrained nature were suggested for delegation to Officers. This would allow the smooth running of Council functions; timely determinations and an efficient turnaround of planning matters aligned with the Government's statutory targets.

The report was introduced by way of a presentation by Amy Lester, the Garden Community Planning Manager. That presentation covered the following matters:-

(1) Introduction and purpose of the report;
(2) Background;
(3) Schedule A – matters to be decided by the Joint Committee;
(4) Schedule B – matters to be delegated to Officers;
(5) The emerging national scheme of delegation under the auspices of the Planning and Infrastructure Act 2025;
(6) Conclusions;
(7) The Joint Committee's role in considering planning applications and particularly the related Section 106 legal agreements; and

(8) The report's recommendations.

The Public Speaking Scheme for the Joint Committee gave the opportunity for members of the public and other interested parties/stakeholders to speak to the Joint Committee on any specific agenda item to be considered at this meeting.

The Chairman accordingly invited the following public speakers to come to the table in turn to speak. Their comments are in precis.

Sir Bob Russell

- *point out that there has been no public consultation on this proposed scheme of delegation;*
- *public will be consulted on certain planning matters but it won't then be Members making the decision it will be Officers;*
- *Garden Community was sold on the basis of the link road between the A133 and the A120 but that is still wishful thinking in many respects;*
- *the RTS is a glorified bus lane;*
- *proposals have changed along the western boundary of this development as viewed across Salary Brook valley from Greenstead and Longridge Park – has changed from being nothing visible to at least two alternatives, one being a school and the other being housing;*
- *under proposed scheme nothing to stop Officers from approving, for example, five hectares of commercial buildings or houses on top of that hill;*
- *would suggest therefore that any proposals affecting the western boundary must come to the Joint Committee for determination;*
- *has no confidence or trust.*

Amy Lester, the Garden Community Planning Manager, responded to Sir Bob Russell's statement as follows:-

- *future GC planning applications will be subject to same standards regarding public consultation as apply to Colchester City Council and Tendring District Council planning applications;*
- *if it falls below the threshold for Joint Committee consideration there is the exception tests and Member call-in requirements;*
- *with regard to the impact on the views across Salary Brook from Greenstead and Longridge Park that was well considered during the development of the DPD and discussed at length during the examination of the DPD as well;*
- *don't yet have a planning application submitted so don't know what is being proposed – but have worked closely with the developer in the pre-application process;*
- *the DPD was subject to detailed assessments as to the landscape impacts on the views across Salary Brook and that was built into the strategic framework master plan and the overall consideration of the DPD and there are specific policies which look to protect the slopes of Salary Brook;*
- *the outline planning permission would be subject to parameter plans and they would include height, massing and scale of the built form across the GC area – would be subject to a very detailed assessment of views both from Greenstead and Longridge across Salary Brook taking into account the existing vegetation which is all protected as part of the DPD;*

- *so, there would be control within that initial outline planning application of both the views and the height of buildings across the GC including within the area of concern raised here;*
- *any subsequent Reserved Matters application would be governed by that overarching outline permission and its parameter plans and there would be detailed design codes which would also deal with the various neighbourhoods within the GC which would also be approved at the outline planning application stage so the Joint Committee will have a high level of control.*

Manda O'Connell (Chair of the Community Liaison Group)

- *the CLG supports this scheme of delegation as it would seem to offer a less bureaucratic and timelier route to achieving the same ends;*
- *the planning officers are recognised as experts in their fields and fully committed to the aspirational goals of the garden community.*

Councillor William Sunnucks (Colchester City Council)

- *what assurances can be given that there will be proper democratic oversight of the key decisions relating to infrastructure funding;*
- *can see why the scheme of delegation would make sense for planning matters but there are many other matters such as the planning obligations statement;*
- *there needs to be a framework for democratic accountability;*
- *do the references to the development plan include the Infrastructure Delivery Phasing and Funding Plan (IDPFP);*
- *the IDPFP shows extremely large numbers – around £547million in total infrastructure costs including about £300million in cash contributions to off-site infrastructure – but at present not clear who will fund what or how delivery will be secured;*
- *will it be the master developer or the plot developers;*
- *there is no community infrastructure levy envisaged or a developer's guide indicating the contributions expected – so not much structure around it yet;*
- *hoping to hear that the policy framework around the Section 106 Agreement will be strengthened in conjunction with Latimer and the Joint Committee;*
- *any departures from the IDPFP should be subject to the Joint Committee's approval;*
- *not suggesting however that Members get involved in commercial negotiations, merely that a clear framework is put in place which can be subject to proper democratic oversight.*

Amy Lester, the Garden Community Planning Manager, responded to Councillor Sunnuck's statement as follows:-

- *with regard to the policy framework, the development plan for the GC is the DPD that was adopted in 2025 and the Section 1 Local Plan;*
- *the IDPFD was part of the supporting evidence behind the DPD and it is referenced within the DPD that future planning applications must have regard to this documents as well – but it does not form part of the DPD and that is entirely appropriate;*
- *the IDPFD is a 'live' changing document which needs to respond to development that comes forward at the point that the planning application is submitted;*

- *the DPD contains a robust policy framework for future planning obligations to come forward – it identifies the required contributions needed to support the development and mitigate any impact of the development;*
- *when the planning application is before us it will be at that time that the development impacts will be assessed and the mitigation that is required;*
- *it may be different from what has been previously assessed in the IDP and that is why do not wish to rely on a document such as the IDP that can become outdated over time;*
- *at present time the pre-application discussions indicate that all of the IDPFD requirements will be met;*
- *when the planning application is submitted that will be robustly evidenced throughout the application documents and assessed by planning officers and presented to the Joint Committee for consideration as a material consideration in the determination of the planning application;*
- *may be that at that time some elements of the IDPFD will no longer be required and other elements may now need to be included due to changing circumstances;*
- *will expect detailed heads of terms of the Section 106 Agreement to come forward as part of the planning application which will need to be weighed up by the Joint Committee as part of its determination of the application.*

The Joint Committee then proceeded to discuss, and debate matters pertaining to the Officers' report as follows:-

Councillor David King (Colchester City Council)

- *the proposition here for the Scheme of Delegation feels right as long as call-in is always available and on the understanding that there is a real clarity and awareness and letting Members know what's in process at any one time – there will be hugely complex discussions and understanding required around the original planning application followed by changes and alterations and follow up applications to consider.*

Amy Lester, the Garden Community Planning Manager (TDC), responded to Councillor King as follows:-

- *agree that the consideration of the planning application will be incredibly complex – it will be the biggest planning application in Essex when it is submitted;*
- *will take an immense amount of organisation by both Officers and Joint Committee members to understand the proposal and to reach a balanced and appropriate decision;*
- *Officers will provide Members with information throughout that process and guide Members to ensure that Members are fully aware of everything pertinent when they come to determine the application;*
- *Officers will follow the agreed Planning Probity Protocol in taking Members through the process.*

Councillor Andrea Luxford-Vaughan (Colchester City Council)

- *residents will have to rely on their Ward Councillor to call-in an application – problematic with issues of political balance, the individual abilities of Members et cetera;*

- *Members will need to justify their call-in and therefore Officers can rule it out – will it need all three Council's Planning Officer to accept the call-in or only one;*
- *how will conditions on development be controlled;*
- *will there be separate Section 106 legal agreements for each planning application;*
- *how will arguments on the viability of individual plots be dealt with – they will take time and cost of sourcing independent viability assessments;*
- *would prefer that for every plot a figure is pre-determined in the original Section 106 Agreement and if that can't be met then development does not take place.*

Amy Lester, the Garden Community Planning Manager (TDC), responded to Councillor Luxford-Vaughan as follows:-

- *there will be an overarching Section 106 with the first hybrid outline planning application which would cover everything and would be with Latimer, the applicant and master developer;*
- *it would cover the entire development process – will avoid need for multiple legal agreements individually negotiated on each individual plot which would be unmanageable over time;*
- *due to the long development period for the GC there will be review mechanisms built into the Section 106 which will be incredibly complex but will need to be able to respond over time;*
- *would not preclude other developments from "slotting in" which may need other Section 106 Agreements;*
- *the Joint Committee will be able to impose a whole range of conditions on the development at outline application stage if they were reasonable and appropriate;*
- *there would also be the Reserved Matters applications when again reasonable and appropriate conditions could be imposed;*
- *the Member Referral Scheme picks up the differing practices of the three Councils – will allow any members of those three Councils to make a referral and call-in an application;*
- *requests in the first instance would be submitted to the relevant Officer at that Member's own Authority;*
- *the requirement to give reasons for the call-in request is a standard approach and is reasonable;*
- *given the strategic impact of this development its effects will be far-reaching beyond the immediate neighbourhoods of the GC area so allowing any Member across the three authorities to call in is appropriate.*

Lisa Hastings, Corporate Director (Law and Governance) (TDC) also responded to Councillor Luxford-Vaughan as follows:-

- *in asking for reasons the Scheme seeks information as to the potential direct impact on a particular Ward;*
- *the Scheme also seeks to protect the relationship between Ward Councillors;*
- *will expect a degree of collaboration, co-operation, consensus and practicality of the three Council's planning officers in making a judgement on the validity of a call-in;*
- *whilst not explicit stated in the Scheme all three Councils' Constitutions will contains sections on Officers exercising delegated powers will do so on certain principles including political awareness, consulting with Members where necessary and recording reasons for their decisions.*

Councillor Julie Young (Colchester City Council)

- *can I have a clarification on Sir Bob Russell's comments on the western boundary and changes to the views across Salary Brook et cetera.*

Amy Lester, the Garden Community Planning Manager (TDC), responded to Councillor Young as follows:-

- *there has been no encroachment of the developable area onto the Salary Brook slopes – the country park allocation remains as it was set at the adoption of the DPD – a clear line for the protection of those slopes.*

Councillor Lesley Wagland (Essex County Council)

- *refers within the Members' Referral Scheme to "significantly contrary" which feel is hard to define legally – therefore would advocate relying instead on the tried and tested "materially contrary" – it's an issue of relevance as well as scale;*
- *not clear as to how the impact on Ward test would apply to Essex County Councillors – perhaps change wording to impact on matters pertaining to the relevant authority.*

Amy Lester, the Garden Community Planning Manager (TDC), responded to Councillor Wagland as follows:-

- *in Schedule B this would pick up on those relatively minor applications that would be considered contrary to the adopted policies but are recommended by Officers for approval;*
- *no reason why "materially" could not be substituted for "significantly".*

Lisa Hastings, Corporate Director (Law and Governance) (TDC) also responded to Councillor Wagland's points as follows:-

- *could consider changing the wording so that ECC Portfolio Holders could call-in rather than Essex County Councillors per se;*
- *all policies and procedures and schemes et cetera of the three Councils and this Joint Committee will need to be reviewed when Devolution comes into effect.*

Councillor Andy Baker (Tendring District Council)

- *if the national scheme of planning delegation is brought in and that impacts on this proposed Scheme of Delegation before then presume that this Joint Committee will have to revisit this Scheme;*
- *if the Joint Committee wishes to consider itself any specific Reserved Matters application (rather than it falling to Officers) will they need to specifically request that as part of its decision making on the Outline Planning Application.*

Amy Lester, the Garden Community Planning Manager (TDC), responded to Councillor Baker as follows:-

- *yes, the Joint Committee could request that specific elements are referred to the JC for its consideration and determination;*

- *a national scheme of delegation would take precedence over the Joint Committee's scheme of delegation;*
- *the scheme before Members tonight has been drafted to be consistent with the direction of travel which the Government has indicated for a national scheme of delegation;*
- *some recognition from Government so far that developments of a strategic nature (e.g. new towns, garden communities) could follow a slightly different course than set out within the national scheme.*

Councillor Andrea Luxford-Vaughan (Colchester City Council)

- *how do we ensure that the Section 106 legal agreement is robust enough but also flexible enough to respond to changing circumstances;*
- *would advocate that only one Head of Planning (i.e. from Member's own authority) is necessary to accept / determine validity of a call-in and could not support it remaining as all three.*

Amy Lester, the Garden Community Planning Manager (TDC), responded to Councillor Luxford-Vaughan as follows:-

- *will be challenging to ensure that the Section 106 Agreement is flexible enough to cope with changing circumstances over the 30 – 40 year build out of the GC – will be mechanisms built in to allow that flexibility and robustness to occur as needed such as review mechanisms after certain periods of time; monitor and manage approach for transport obligations which is embedded in the DPD; variations of the Legal Agreement could be made by the Joint Committee as other applications "slot in" or "slot out".*

Councillor Carlo Guglielmi (Tendring District Council)

- *can you confirm that a Householder planning application will be able to be called in by a Member (as that is not the case at TDC);*
- *raise the future existence of this Joint Committee as once the Unitary Authority is set up the number of planning committees will need to be looked at – will also need to consider any Government Guidance issued on this aspect of LGR (e.g. Area Committees)*

Amy Lester, the Garden Community Planning Manager (TDC), responded to Councillor Guglielmi as follows:-

- *under this proposed Scheme any application (including a householder application) could be called in by a Member – this is a result of combining together the three Council's separate Member Referral Schemes.*

Lisa Hastings, Corporate Director (Law and Governance) (TDC) also responded to Councillor Guglielmi's points as follows:-

- *agree that Area Committees could be on the horizon again – in previous LGRs some Unitary Authorities have ended up with Area Committees that have covered whole Council area(s) or specific parts of the Council area or for specific developments;*
- *so, there are a range of options available;*

- *central Government has been impressed with the way that this Joint Committee has worked (reflected in the funding that this area has received) – would be a shame therefore to lose this Joint Committee especially given the long build out of the GC;*
- *the Joint Committee is a model that other parts of Essex have started to look at for LGR purposes and Area Committees;*
- *Officers will put forward options for the Councils to consider.*

It was thereupon moved by Councillor Lee Scott, seconded by Councillor Carlo Guglielmi and:-

RESOLVED that –

(a) the Tendring Colchester Borders Garden Community Joint Committee exercises its powers of delegation in accordance with its Terms of Reference and in accordance with Section 101(2) of the Local Government Act 1972, and delegates authority to the Corporate Director (Planning and Community) of Tendring District Council, the Head of Planning of Colchester City Council and the Head of Planning and Sustainable Development of Essex County Council for joint agreement those matters as outlined within the appended 'Scheme of Delegation to Officers' January 2026 (Appendix 1 to report A.3);

(b) the aforementioned 'Scheme of Delegation to Officers' be subject to the amendments put forward by Members at the meeting in relation to the 'Member Referral Scheme'; and

(c) the Corporate Director (Planning & Community) of Tendring District Council, the Head of Planning of Colchester City Council and the Head of Planning and Sustainable Development of Essex County Council, in consultation with those Council's Monitoring Officers and the Chairman of the Joint Committee, be authorised to amend the 'Scheme of Delegation to Officers' but only in response to national planning policy changes and Local Government Reorganisation.

NOTE: Councillor Andrea Luxford-Vaughan required that her vote be recorded in the minutes as having been cast against approval of Councillor Lee Scott's motion.

The meeting was declared closed at 8.01 pm

Chairman

**MINUTES OF THE MEETING OF THE COMMUNITY LEADERSHIP OVERVIEW AND SCRUTINY COMMITTEE,
HELD ON TUESDAY, 10TH FEBRUARY, 2026 AT 7.30 PM
IN THE COMMITTEE ROOM, TOWN HALL, STATION ROAD, CLACTON-ON-SEA, CO15 1SE**

Present:	Councillors Steady (Chairman), Barrett (Vice-Chairman), Codling, Davidson, Doyle and Griffiths
Also Present:	Councilor Placey (Portfolio Holder for Partnerships)
In Attendance:	Lee Heley (Corporate Director (Place and Wellbeing) & Deputy Chief Executive), Ian Ford (Democratic Services Manager), Katie Koppenaal (Democratic Services Officer) and Bethany Jones (Democratic Services Officer)
Also in Attendance:	James Halden (Chief of Staff to the Chief Executive Designate – Essex ICB) (except items 39 and 40)

34. APOLOGIES FOR ABSENCE AND SUBSTITUTIONS

Apologies for absence were received from Councillors Ferguson and Oxley with no substitutions appointed.

It was noted that the Assistant Director (Corporate Policy & Support), Keith Simmons, had sent his apologies for being unable to attend. Ian Ford, Democratic Services Manager, attended the meeting in his place.

35. MINUTES OF THE LAST MEETING

It was moved by Councillor Barrett, seconded by Councillor Davidson and unanimously **RESOLVED** that the minutes of the last meeting of the Committee held on Thursday, 15 January 2026, be approved as a correct record and be signed by the Chairman.

36. DECLARATIONS OF INTEREST

There were no declarations of interest made by Councillors in relation to any item on the agenda for this meeting.

37. QUESTIONS ON NOTICE PURSUANT TO COUNCIL PROCEDURE RULE 38

No Questions on Notice pursuant to Council Procedure Rule 38 had been submitted by Members for this meeting.

38. REPORT OF THE ASSISTANT DIRECTOR (CORPORATE POLICY AND SUPPORT) - A.1 - CHIEF EXECUTIVE OF NHS MID AND SOUTH ESSEX INTEGRATED CARE BOARD (ICB) ATTENDANCE AT COMMITTEE MEETING

Members of the Committee received a presentation from James Halden, Chief of Staff and representative of Tom Abell, Chief Executive Designate of the new Essex Integrated Care Board (ICB). It was confirmed that the Essex ICB was scheduled to be

formally established on 1 April 2026. The presentation outlined the ICB's emerging strategic direction as preparations for its formation progressed. Members were also updated on ongoing discussions regarding the definition of neighbourhoods within Essex and on the ICB's work to identify opportunities for strengthening collaboration with voluntary and community sector (VCS) organisations.

The Corporate Director (Place & Wellbeing) and Deputy Chief Executive, Lee Heley, acknowledged the ongoing work and commitment of the ICB. He highlighted the consideration given to the division of proposed neighbourhoods and noted that this Authority's feedback had been reflected in the proposed neighbourhood structure, which was welcomed. The positive implications of this approach in the context of Local Government Reorganisation (LGR) were also recognised.

The Corporate Director further noted the range of healthy lifestyles initiatives that Tendring District Council had delivered and continued to support, including Essex Pedal Power, leisure facilities, and rehabilitation programmes for individuals leaving hospital. Additional areas of work referenced included the Jaywick Sunspot, the role of Family Support Officers in providing social support, suicide prevention activity across Essex, and the establishment of Mental Health Hubs in 31 primary schools within the District. It was highlighted that the Health Index Score for Tendring had increased significantly, reflecting the impact of the Council's continued involvement in those programmes.

It was also noted that previous collaboration with the predecessor organisation, Suffolk and North East Essex (SNEE), had focused on the wider determinants of health. This had aligned with the Council's broader public sector responsibilities and its ongoing voluntary and community sector partnerships.

At an informal meeting of the Committee held on 4 February 2026, the Committee had assembled the following questions which had been shared with James Halden in the days leading up to this meeting:-

(1) *are you familiar with the District-specific health and inequalities issues we face, and how do these compare with those encountered in Colchester, Braintree, and other surrounding areas?;*
(2) *how is the new ICB intending to develop its working relationships with hospital trusts and Alliances, and what has this process entailed to date, as well as what is anticipated moving forward?*
(3) *is there scope for common working geographies among public services aligning with the new NHS neighbourhood health services, such as working in tandem with the new governance arrangements post LGR and emerging neighbourhood policing initiatives?*
(4) *given the forthcoming transition to a Unitary Authority and the introduction of a Mayoral model, how is the new ICB factoring these structural changes into its planning? For instance, is there an expectation of an interim governance or operational arrangement over the next two years, followed by further adjustments once the new system is fully in place?*

Those questions had been answered to a greater or lesser extent by Mr. Halden in his presentation.

At this meeting, Members asked further questions, as set out below, to which Mr. Halden responded as follows:-

Questions by Members:	Answers:
One concern I have regarding the proposal to merge the three ICBs is that, although the population requiring services and the range of partner organisations will remain unchanged, staffing levels are set to be reduced. What assessment has been undertaken of the potential impact on health provision in Essex as a result of this change, including the disproportionate effects on rural communities compared with major urban centres that typically benefit from large-scale centralisation, and can we be confident that this approach represents the most effective way forward?	(James Halden) We should remain mindful of the risks associated with increased centralisation. While we cannot directly influence decisions relating to staffing reductions, we can determine how we respond and adapt. It is therefore essential that our approach prioritises resilience and long-term sustainability. The Convener Model demonstrates clearly that greater trust in, and investment in, the community sector is not only beneficial but necessary. This must remain a core principle of our strategy, irrespective of structural changes elsewhere. Attempting to run a newly centralised ICB across three existing areas, serving a population of more than two million, with an approximate 30% reduction in staffing would be an unsustainable and ultimately damaging model. However, by pursuing the collaborative approach we are now consulting on and implementing, we avoid the pitfalls of over-centralised planning and instead give greater autonomy to community partners working on the ground. In my view, this significantly mitigates the risks associated with centralisation. Another important consideration is recognising where the NHS does not need to retain direct control. For example, some of the work taking place in leisure centres is exemplary and could open up opportunities to explore areas such as physiotherapy provision. This illustrates how the NHS can act as a supportive partner without needing to lead every element of delivery. We will continue to emphasise that being a centralised organisation does not require us to adopt a centralised planning mindset.

	It is also important to note that there are no reductions to the GMS contract for doctors; the cuts relate solely to the administrative running of the ICB. While this will inevitably create challenges for alliance working due to reduced capacity, we are committed to maintaining strong and effective relationships. I would be pleased to return to this Committee in a year's time to revisit the question of centralisation, with the aim of demonstrating that we have done everything possible to avoid unnecessary central planning despite becoming a larger organisation.
The Convener model is encouraging, and it is positive to see care being brought back into neighbourhoods where it rightly belongs. However, professionals across health, social care and local government can sometimes be protective of their roles and organisational boundaries, rather than focusing on the best outcomes for individuals and their families. What steps are you taking to address this cultural challenge and to ensure that colleagues from different sectors work together effectively?	(James Halden) There are two keyways in which the ICB can address the cultural changes required. First, the Population Health Management Plan provides a data-led foundation for understanding need. Second, the new neighbourhood contract is the primary mechanism through which funding can be directed into communities. Together, these tools offer a clear, data-driven view of the patient population and help to challenge traditional expectations, ensuring that individuals receive the right care regardless of which organisation delivers it. For example, this includes enabling greater use of pharmacies for certain minor health issues. We are developing a primary-care-led neighbourhood contract and, as part of this, are engaging with the Local Medical Committee (representing GPs), the Local Pharmacy Committee, the Optometry Committee and the Local Dental Committee. This collaborative approach is designed to ensure that each profession is supported to deliver its role effectively, while maintaining a strong focus on patient-centred care.
(Asked to John Fox at previous meeting) Could you provide details of	The Council has received: £900K all allocated for a Jaywick

the funding that Tendring District Council has received from health bodies? Supplement – to the ICB representative – what is the prospect of similar funding streams going forward?	healthy homes project; £600K for health inequalities (all spent or allocated); £245K for wellbeing hubs in primary schools (spent); £68K further for the wellbeing hubs project; and £165K for health and housing (still to be allocated). (James Halden) The funding will, of course, be subject to rigorous standards. In relation to the neighbourhood health hubs specifically, we do not yet have national guidance on the level of capital allocation we will receive. However, we are already exploring how best to use the resources currently available to us. For example, we have begun discussions regarding Harwich and what improvements can be made within our existing budget. Any additional resources we secure will be used in close collaboration with the Local Authority to ensure maximum value and impact.
Are the neighbourhood delivery committees going to be medical based or elected?	(James Halden) What the Government is proposing should form the basis of Local Government Reorganisation (LGR). Once we receive the "minded-to" decision, a statutory Transition Committee will be established. Neighbourhood delivery committees should remain focused on local communities to ensure that new unitary authorities do not become too distant from the people they serve. The plan I presented, which sets out the health neighbourhoods, is already informing our approach. We intend to work closely with all transition committees formed under LGR to ensure alignment. This is important because, for example, if a neighbourhood delivery committee in Local Government is supporting the homeless population, it is highly likely that the NHS will be commissioning

	services that overlap. Aligning the geography of local Government Delivery Committees with our neighbourhood health hubs will therefore be beneficial. The same principle applies to governance. Neighbourhood Delivery Committees in Local Government will inevitably include elected Members, so we need to consider how best to integrate both Officers and elected representatives into a coherent structure. Our commitment is to ensure these arrangements operate in sync. Once we receive the “minded-to” decision, we will be able to return with more detailed and concrete proposals.
Access to doctors and dentists is clearly falling short of what residents need. Could you outline what steps are being taken to improve this, how meaningful change can be delivered, and what is being done to encourage doctors and dentists to return to and remain in our local surgeries?	(James Halden) There are, of course, national contractual constraints, but within that framework the ICB can take three key approaches. First, we can work with you on capital issues by making a strong offer to clinicians—providing modern, fit-for-purpose facilities such as the Community Diagnostics Centre in Clacton. Second, we can reduce the number of people who need to see a practitioner in the first place by accelerating community-based diagnosis and addressing non-clinical needs that contribute to demand. A good example is in mental health, where only a proportion of need can be met through psychotherapy or medication; much of the lower-level wellbeing support can be delivered effectively through community and voluntary sector partners, reducing pressure on clinical services. Finally, neighbourhood teams will ensure that people with complex needs can access the care they require. By addressing other needs earlier and more effectively, we can free up appointments for those who will not benefit from redirection or prevention because of acute or ongoing health

	conditions and who genuinely need to see their practitioner.
If residents are unable to see a doctor to obtain the necessary referrals, how will we ensure that those who need primary care or community-based support are reached and treated?	(James Halden) There are several measures we can take to reduce the need for patients to see a GP simply to obtain a referral. In parts of the county, for example, we are implementing Pharmacy First Plus as part of the wider Pharmacy First scheme, which provides a quicker route into the system and we are exploring how this can be further strengthened. For certain conditions—such as those requiring specific antibiotics—we can ensure that patients are seen by an appropriate health professional who is authorised to prescribe, removing the need for a GP appointment. This approach frees up GP capacity, allowing them to focus on patients with more complex needs rather than spending time on conditions that can be safely managed elsewhere.
Many older residents lack confidence in approaching a pharmacy for support. How do we ensure that this group is not overlooked and continues to receive the care they need, particularly those in smaller villages?	(James Halden) While we are exploring digital solutions, we fully recognise the need to maintain accessible options for those who prefer to speak to someone by phone or see a professional in person.
While I appreciate the responses provided, we continue to face significant challenges with excessive waiting times simply to make contact with GP surgeries.	(James Halden) Our Primary Care Team works closely with GP practices across all 203 surgeries in Essex. Where specific surgeries are experiencing bottlenecks, there may be a range of underlying causes. If you are willing to contact me by email, I would be happy to ask the Primary Care Team to investigate the issues and identify opportunities to strengthen the triage process and improve patient access.
Given the backdrop of organisational restructuring and reduced staffing levels, do you appreciate why many people remain sceptical? In addition, can you provide more than reassurance and demonstrate how this new system will genuinely deliver better healthcare outcomes?	(James Halden) I appreciate the scepticism — it's understandable, particularly given how much the sector has changed during the time I've worked in it. The neighbourhood agenda I outlined reflects what I would prioritise regardless of any restructure, streamlining, or budget pressures. Community-focused healthcare is, in my

	view, the most logical and sustainable approach, and it creates the conditions for local government and the NHS to work together effectively. A primary-led model is also the most sensible direction. The largest proportion of NHS spending currently goes toward services such as urgent treatment centres, even though these areas do not see the highest patient volumes. In reality, most people in the community will interact far more frequently with their GP, dentist, or optometrist than with a trauma surgeon in A&E. Aligning resources with actual patterns of need is why I believe this approach is the most coherent and future-proof.
Would it be possible for James to return next year so that the committee can review progress against the commitments outlined, particularly given the current uncertainties surrounding LGR and the likelihood that many existing Council Officers may have moved into different roles or even left the sector by that time	(James Halden) You're right that LGR may result in significant and rapid organisational changes. What matters from our perspective, however, is that—using the convener model as an example—we are working with established community groups. If we implement this correctly, those groups should experience very little disruption as a result of any restructuring. Given the strength of the CVS in Tendring, they should in fact gain improved access to funding and support through the convener model. The internal adjustments required to deliver this should not materially affect them. I am happy to return in a year, as discussed. However, we will be going out to consultation on the model in September, so if the Committee would find it helpful for me to return sooner to talk through the proposals in more detail, I would be very willing to do so. This would also give the Committee an opportunity to engage with GPs and other partners to ensure the model is workable for them. (Lee Heley) I wanted to reassure the Committee that Tendring staff will

	transition into the new Authority with continuity, and that the Council remains committed to putting Tendring in the best possible position throughout this process. A key part of achieving this is maintaining our existing partnerships and the strong relationships we have built. While LGR will inevitably bring change, it will also involve a significant degree of continuity. Our aim is to ensure that, as the ICB continues to develop and as we navigate LGR in a calm and measured way, we preserve those external partnerships—even as relationships and geographies inevitably evolve. At the same time, we remain focused on delivering services effectively and improving population health, and we are confident that this will continue throughout the transition.
Following the recent announcement by Mid and South Essex NHS Trust regarding the addition of three new Right to Choose providers for autism and ADHD assessments, is the newly formed Essex ICB considering registering further providers to help reduce extensive waiting times across the county?	(James Halden) Yes, this is a significant national issue. The ability to access a private diagnosis has led to a rapid increase in the number of people seeking assessments, and understandably many assume that doing so entitles them to the full range of post-diagnostic support within the NHS. As a result, demand for services continues to rise even after diagnosis, placing sustained pressure on the system. It is also important to note that the Government is in the process of revising its national approach to SEND, which will have implications for how assessment pathways and support services are delivered. This is therefore an area that will require ongoing review as national policy, local demand, and provider capacity continue to evolve. The ICB will need to keep the position under regular consideration, including the potential registration of additional providers where this is appropriate and sustainable. I would be happy to

	arrange a dedicated session for the Committee to explore these issues in more depth, including the wider policy context and the implications for local services.

At their informal meeting, the Committee had also compiled the following question to the Partnerships Portfolio Holder to which a written response (as detailed below) had been received and circulated:-

Questions by Members:	Answers:
(Asked to Councillor Placey at previous meeting) Are you confident in your ability to maintain effective communication channels with the new ICB and to advocate for the district, and what strategies do you intend to employ to achieve this?	Yes. I have already met with the Chief Executive, Chief of Staff and Neighbourhood Director for the incoming Essex ICB and expect to hold future meetings. In addition, I attend the local health Alliance meetings which are attended by the ICB and I attend the Essex Health and Wellbeing Board which also has the ICB represented. These meetings allow me to advocate for our district and as part of this I have already shared the Council's Health and Wellbeing Strategy, co-chair the Council's Community Safety Partnership and Health and Wellbeing Board and attend a variety of Alliance meetings including co-chairing the Alliance Place Group which focuses on our place and provides opportunity to influence and communicate with wider partners including the ICB.

It was moved by Councillor Griffiths, seconded by Councillor Doyle and:-

RESOLVED that the Committee –

(a) formally records its thanks and appreciation to James Halden for his informative presentation and the answers he gave to the Committee's questions;
(b) is gratified to note the positive working relationships that exist between the Portfolio Holder for Partnerships and the Officers and the Integrated Care Board (ICB);

(c) welcomes the new Essex ICB's ongoing work, and is excited at the prospect of, health services being brought closer to the community, given the backdrop of continuing turbulence within the NHS;

(d) formally invites Tom Abell and James Halden to attend future meetings of the Committee to give an update on the implementation of the new Essex ICB cluster and further information on the Essex ICB's progress in reducing reduce extensive waiting times across the county for autism and ADHD assessments;

(e) requests Officers to investigate opportunities for joined up working on health scrutiny matters with its local authority partners once the configuration of the new Unitary Authority is known; and

(f) approves the matters referred to in resolutions (d) and (e) above being included within the Committee's work programme for 2026/2027.

39. REPORT OF THE ASSISTANT DIRECTOR (CORPORATE POLICY & SUPPORT) - A.2 - WORK PROGRAMME - INCLUDING MONITORING OF PREVIOUS RECOMMENDATIONS AND SUMMARY OF FORTHCOMING DECISIONS

The Committee was presented with the Report of the Assistant Director (Corporate Policy & Support) which provided it with its approved Work Programme for 2025/26, feedback to the Committee in respect of previous recommendations from the Committee in respect of enquiries undertaken and a list of forthcoming decisions for which public notice had been given.

In the absence of the Assistant Director, the report was introduced at the meeting by the Democratic Services Manager (Ian Ford).

The Democratic Services Officer, Katie Koppenaal, provided Members with an update on the proposal of a joint working with Colchester City Council and Braintree District Council in respect of scrutiny matters. It was reported that Colchester City Council had responded to the initial invitation and steps were being taken to secure a meeting date. A response from Braintree District Council had not yet been received in relation to any joint working opportunities.

The Democratic Services Officer further reported that in November 2025 she had held a meeting with Kirsty Hunt who was the Governance, Development and Consultancy Manager at South East Employers. The meeting had been to discuss her podcast, Governance Matters and within that discussion, the practice around evidence-based scrutiny had been referenced and it was intended that Officers examine practice at another Council. That Council had been contacted; however, a response had not yet been received.

The Chairman, Councillor Steady, formally recorded his thanks to the Officers in compiling the detailed contents of this report.

It was moved by Councillor Steady, seconded by Councillor Davidson and:-

RESOLVED that the Committee –

a) notes its Work Programme for 2025/26 (Appendix A) together with the feedback to the Committee on the decisions in respect of previous recommendations (Appendix B) and the list of forthcoming decisions (Appendix C);

b) notes the remaining contents of the report; and

c) notes that the Assistant Director (Corporate Policy & Support), in consultation with the Chairman of the Committee, will exercise, in due course, the authority delegated to him by the Committee at its meeting held on 17 November 2025 and will:-

(i) establish the Youth Mental Health Issues Task & Finish Working Group and make the necessary arrangements for that Working Group to meet; and

(ii) formally appoint Councillor Chapman BEM to the membership of the 'Joint Working with Parish and Town Councils' Task & Finish Working Group.

40. CARNARVON TERRACE REGENERATION PROJECT TASK AND FINISH GROUP

It was moved by Councillor Davidson, seconded by Councillor Griffiths and:-

RESOLVED that the Committee –

(a) notes and endorses the establishment of a Carnarvon Terrace Regeneration Project Task and Finish Working Group, and its appointed membership; and

(b) authorises, in view of the restricted timescales involved, the Assistant Director (Corporate Policy & Support), in consultation with the Chairman of the Committee, to directly report to the Cabinet meeting to be held on 20 March 2026 the outcome of the Task and Finish Working Group's enquiry together with its recommendations and/or comments et cetera.

The meeting was declared closed at 9.00 pm

Chairman

MINUTES OF THE MEETING OF THE AUDIT COMMITTEE, HELD ON THURSDAY, 19TH FEBRUARY, 2026 AT 10.30 AM IN THE COMMITTEE ROOM, TOWN HALL, STATION ROAD, CLACTON-ON-SEA, CO15 1SE

Present:	Councillors Sudra (Chairman), Steady (Vice-Chairman), Fairley, Keteca and Morrison
Also Present:	Councillor Calver
In Attendance:	Richard Barrett (Corporate Director (Finance and IT) & Section 151 Officer), Damian Williams (Corporate Director (Operations and Delivery)), Craig Clawson (Internal Audit Manager), John Pateman-Gee (Head of Planning & Building Control), Katie Koppenaal (Democratic Services Officer) and Rebecca Catchpole (Leadership Support Officer)
Also In Attendance:	Sarah McKean (External Auditor (Director - KPMG)) and Jodie Preston (External Auditor (Manager - KPMG))

17. APOLOGIES FOR ABSENCE AND SUBSTITUTIONS

Apologies for absence were received from Councillor Placey, with no substitute appointed.

18. MINUTES OF THE LAST MEETING

It was unanimously **RESOLVED** that the Minutes of the last meeting of the Committee, held on Tuesday, September 2025, be approved as a correct record and be signed by the Chairman.

19. DECLARATIONS OF INTEREST

There were no declarations of interest made by Councillors in relation to any item on the agenda for this meeting.

20. QUESTIONS ON NOTICE PURSUANT TO COUNCIL PROCEDURE RULE 38

On this occasion no Councillor had submitted notice of a question pursuant to Council Procedure Rule 38.

21. REPORT OF THE CORPORATE DIRECTOR (FINANCE & IT) - A.1 - STATEMENT OF ACCOUNTS 2024/25 AND ASSOCIATED ANNUAL AND YEAR END REPORTS OF THE EXTERNAL AUDITOR

The Committee received a report whereby the External Auditor was able to formally issue the final opinion on the accounts and the value for money arrangements. This allowed Members to consider the following:

- The External Auditor's Annual Report for the year ended 31 March 2025
- The External Auditor's Year End Report for the year ended 31 March 2025

- The Council's Statement of Accounts (including the Annual Governance Statement and proposed External Auditor's Opinion) for 2024/25 for consideration and approval for publication by the backstop date of 27 February 2026.

The first two reports included the External Auditor's Value for Money commentary.

The Council's External Auditors had prepared the following two reports:

1) ***The External Auditor's Annual Report for the year ended 31 March 2025 (Attachment 1)***

External Auditors were required to prepare such reports setting out the outcomes from their review of the Statement of Accounts (including the Annual Governance Statement) and the Council's value for money arrangements. The Audit Committee was asked to consider the content of this annual report as part of the associated approval process that had related to the publication of the final audited Statement of Accounts and Annual Governance Statement.

2) ***The External Auditor's Year End Report for the year ended 31 March 2025 (Attachment 2)***

To a large extent this covered the issues raised in the report highlighted above but along with some additional matters, it effectively acted as an overall and detailed summary of the various activities undertaken by the External Auditor and their associated findings for 2024/25.

The External Auditor reported that the audit was substantially complete, subject to a small number of outstanding items, including the Management Representation Letter.

It was noted that the Audit Committee was required to approve the Management Representation Letter separately and to authorise the Corporate Director (Finance & IT) and the Chairman of the Audit Committee to sign it prior to its submission to the External Auditor. The proposed letter (Attachment 3) followed the standard template, and based on current information, the External Auditor did not anticipate requesting any additional representations beyond those normally required.

Once the remaining tasks had been completed, the External Auditor would be able to finalise and formally issue the audit opinion and certify the accounts for 2024/25

Members were advised that the reports included detailed value for money commentary, building on the interim report presented to the Committee in September 2025. The Council was required to publish this commentary on its website at the same time as the Statement of Accounts.

A summary of the key content of the External Auditor's reports was provided as follows:

External Auditor's Annual Report for the year ended 31 March 2025

The Interim Annual Report had been presented to the Committee at its meeting held on 25 September 2025. Work had continued since this date and an updated and useful

high-level summary against various key elements was set out on page 4 of the External Auditor's latest report.

At the time of finalising this report, the External Auditor anticipated issuing a disclaimed audit opinion primarily due to the limitations imposed by the backstop date, but attention had also been drawn to the valuation of a limited number of specialised assets held by the Council. This latter point had previously been discussed with the Committee and remained an on-going issue and the Council was working with the External Auditor in advance of the 2025/26 audit to ensure that that could be satisfactorily resolved.

External Auditor's Year End Report for the year ended 31 March 2025

In terms of both reports, a limited number of recommendations / performance improvement observations had been made by the External Auditor, although that was set against the underlying position where no material misstatements or identified significant risks had been identified in terms of the financial statements. Management responses against each item had been provided where necessary. Several items were on-going from last year and along with any new observations or commentary this year, such activities would remain in progress, with updates to be provided to future meetings of the Committee.

The Statement of Accounts (including the Annual Governance Statement) for 2024/25 were set out as Attachment 4. Those included any required changes made in consultation with the External Auditor, with no direct impact on the overall financial position of the Council.

Subject to the Committee's approval of the recommendations and the completion of the External Auditor's outstanding work, the final Statement of Accounts for 2024/25 would be published by the backstop deadline of 27 February 2026.

It was moved by Councillor Sudra, seconded by Councillor Fairley and **RESOLVED** that:-

In respect of the 2024/25 Statement of Accounts and the associated External Auditor Reports relating to the year ended 31 March 2025, the Audit Committee:

(a) notes the contents of the External Auditor's reports attached, including the value for money commentary set out therein;

(b) endorses the management responses set out within the attached External Auditor reports and requests Officers to report the status / progress against each item to future meetings of the Committee;

(c) approves the management representation letter relating to the year ended 31 March 2025 (Attachment 3);

(d) authorises the Corporate Director (Finance & IT) and the Chairman of the Audit Committee to sign the management representation letter for forwarding to the External Auditor;

(e) approves for publication the audited Statement of Accounts for 2024/25 as attached (including the External Auditor's proposed opinion), and approves for signing, the Annual Governance Statement (AGS) set out in therein; and

(f) in the event that changes to the Statement of Accounts, AGS and/or the External Auditor's Reports are required following the completion of the External Audit Process, authorises the Chairman of the Audit Committee and the Corporate Director (Finance & IT) to consider and approve any required amendments before publication / onward signing as necessary.

22. REPORT OF THE INTERNAL AUDIT MANAGER - A.2 - REPORT ON INTERNAL AUDIT

The Internal Audit Manager provided a periodic report on the Internal Audit function for the period September 2025 – January 2026 along with an annual review of the Anti-Fraud and Corruption Strategy.

The Committee was informed that the Global Audit Standards required the Internal Audit Manager to plan for reporting to senior management (Management Board) and to the board (Audit Committee) during the year, and to produce an annual Internal Audit opinion and report that could be used to inform the Annual Governance Statement.

It was reported that seven audits had been completed since the last meeting of the Audit Committee held in September 2025 and that all seven audits had received a satisfactory level of overall assurance of 'Adequate Assurance' or 'Substantial Assurance'.

A further eight audits from the 2025/26 Internal Audit Plan had been allocated (three of which were consultative reviews) and nine were currently at the fieldwork phase.

The audits that had been completed in this period were:

- Corporate Governance
- Housing Strategy and Homelessness
- Environmental Services
- Emergency Planning
- Corporate Complaints
- Members Conduct and Expenses
- Treasury Management

No significant issues had been identified for the Audit Committee to be concerned about, with only some moderate actions agreed to be managed through the regular follow-up process with the service.

Quality Assurance – The Internal Audit function issued satisfaction surveys for each audit had been completed. No unsatisfactory responses had been received in this period.

Resourcing

Members were informed that Internal Audit currently had an establishment of 4 FTE posts with access to a third-party provider of Internal Audit Services for specialist audit

days as and when required. The Internal Audit Team currently had an Audit Technician post vacant. They had had an apprentice working within the team for over a year who was continuing to develop well and who had currently been undertaking the administrative responsibilities for the Audit, Fraud and Compliance functions.

Outcomes of Internal Audit Work

The Public Sector Internal Audit Standards required the Internal Audit Manager to report to the Audit Committee on significant risk exposures and control issues. Since the last report four audits had been completed and the final report issued.

Assurance	Colour	Number this Period	Total for 2025/26 Plan	
Substantial		4	5	
Adequate		3	5	
Improvement Required		0	1	
Significant Improvement Required		0	0	
No Opinion Required		0	0	Three consultative engagements in 2025/26 to date

For the purpose of the colour coding approach, both the substantial and adequate opinions had been shown in green as both were within acceptable tolerances.

Members heard that no issues had been reported arising from audits completed in the period under review with none receiving an 'Improvement Required' opinion that required reporting to the Audit Committee.

Management Response to Internal Audit Findings

It was reported that there were processes in place to track the action taken regarding findings that had been raised in Internal Audit reports and to seek assurance that appropriate corrective action had been taken. Where appropriate, follow up audits had been arranged to revisit significant issues identified after an appropriate time.

The number of high severity issues outstanding was as follows:-

Status	Number	Comments
Overdue more than 3 months	0	
Overdue less than 3 months	0	
Not yet due	2	

The Audit Committee had previously requested more detail on the outstanding actions within the above table and on previous significant findings as a matter of context. Appendix B, to the A.2 report, showed a summary of those findings and agreed actions

as well as including the service response and internal audit status. It was noted that this would become a regular appendix of the periodic progress reports going forward.

It was reported that the Council was required to have an Anti-Fraud and Corruption Strategy, which had been last updated in March 2025. The Strategy was subject to an annual review process.

The amended strategy was set out in Appendix C to the A.2 report. Amendments made since the last review had been highlighted in red font.

Members were informed that the main updates related to the inclusion of the Fighting Fraud Locally pillars 'Govern, Prevent and Protect' and to also include a reference to the Economic Crime and Corporate Transparency Act 2023, relating to the requirement for all organisations over a certain size to evidence that they had reasonably tried to prevent fraud. If the Authority could not evidence that, fines and sanctions could be imposed.

The Strategy had continued to be based on CIPFA's code of practice on managing the risk of fraud and corruption. As its foundation, the Strategy had set out the Council's commitments along with the following key areas:

- Strategic Framework
- Legislation and General Governance
- Definitions
- Standards, Expectations and Commitment
- Roles and Responsibilities
- Prevention
- Detection and Investigation
- Resources and Invested in Counter Fraud and Corruption

The Committee heard that the Strategy would continue to be subject to an annual review process against identified actions and had therefore been included on the ongoing work programme of the Committee. It was acknowledged that through its application, the Strategy would evolve to reflect the various strands of work that were being developed within the Council, which would be included in future updates presented to the Audit Committee.

The Committee had also been provided with a Fraud Risk Register within Appendix D to review and adopt. The Fraud Risk Register had now been updated with the mitigating controls evidencing how the Council defenced itself against different types of fraud.

To demonstrate the effectiveness of the Anti-Fraud and Corruption Strategy and address how fraud risks impacted on achieving the Council's objectives and its service users, the Internal Audit Manager would continue to provide an update on the work undertaken by the Fraud and Risk Team and the outcomes of that work on a bi-annual basis.

The Internal Audit Manager reported that he was required to undertake an annual Quality Assurance Improvement Programme (QAIP) via a self-assessment of the Internal Audit Function against the Global Internal Audit Standards. That was a full review of the Council's working practices against the standards set by the Institute of Internal Audit and adopted by CIPFA.

It was further reported that the assessment against those standards had been now completed and any actions and recommendations deemed necessary had been reported in Appendix E to the A.2 report. There was a programme of work to be carried out over the forthcoming twelve to eighteen months as there had been some changes in the Global Internal Audit Standards that had not been previously in the Public Sector Internal Audit Standards. The team would work to action those requirements where possible and update the Audit Committee on their progress.

Currently, the current Internal Audit Team would be classified as non-compliant as they had yet to undergo another External Quality Assessment, which was required every five years. In the light of Local Government Reorganisation (LGR), the Internal Audit Manager had felt it prudent to discuss with the Audit Committee as to whether the external assessment was worth completing due to the fact that the team, in its current form, would not exist and therefore any new audit function under a Unitary Council would need another external assessment. Those external assessments could cost anywhere £6,000 to £12,000 dependent on the size of the authority. Those assessments could also be very resource intensive, which would mean less availability of Officers during the LGR transition period.

It was moved by Councillor Fairley, seconded by Councillor Sudra and **RESOLVED** that the Committee:-

(a) notes the External Auditor's Periodic Report September 2025 – January 2026, and agrees that a satisfactory level of assurance has been provided within the following reports submitted by the Internal Audit Manager:

- Periodic Internal Audit Report
- Appendix A – Internal Audit Progress Report
- Appendix B – Agreed Action Tracking
- Appendix C – Anti-Fraud and Corruption Strategy
- Appendix D – Fraud Risk Register
- Appendix E – Quality Assurance Improvement Programme (QAIP)

23. REPORT OF THE HEAD OF PLANNING AND BUILDING CONTROL - A.3 - BUILDING SAFETY INSPECTION REVIEW - OUTCOMES AND ACTIONS

Members received a report of the Head of Planning and Building Control (A.3) which outlined the recent Building Safety Regulator (BSR) audit of the Council's Building Control function, which had been requested by the Corporate Director (Finance & IT) and Section 151 Officer and the Corporate Governance, Performance and Procurement Manager.

It was reported that this was the first ever BSR review completed and that Tendring District Council had no outstanding matters to address.

The Committee heard that in December 2024 Tendring District Council had been advised that the BSR would be undertaking an audit of its building control services. That had been the Council's first audit following the creation of the BSR and Tendring District Council was one of many authorities being reviewed. Tendring District Council was required to operate in accordance with the Building Act and Operational Standards

Rules (OSRs), which set out the minimum performance standards expected. All authorities would be subject to ongoing monitoring and have at least one inspection over a five-year period.

The inspection of services had been carried out via online interviews and requests of information on the processes, including samples of work. Those inspections had mainly occurred during April, May and June 2025.

It was reported that the official BSR Letter of Contravention had been received on the 29 October 2025. That letter had detailed their findings and recommendations for action and were summarised as follows:

- *Policies, procedures, and processes were not fully documented. There was no documented approach for allocating work based on building types and Registered Building Inspector (RBI) registration. Lack of documented procedures for supervising RBIs working outside their registration class and for statutory consultations. Gaps in arrangements for monitoring and managing building control projects, including scheduling and delivery of inspections. No documented criteria for prioritising, timing, or reviewing caseloads. 1,291 open projects with outstanding completion certificates and no follow-up.*

- *Insufficient resourcing, including a lack of comprehensive assessment of RBI resource requirements. No effective controls for ensuring RBIs act within their competence and registration. Gaps in record-keeping for statutory consultations. Unclear governance and oversight, particularly regarding terms of engagement and outsourced service providers (e.g., Babergh Mid Suffolk District Council). No assurance that outsourced providers comply with OSRs and legal requirements.*

- *Unawareness of the duty to inform statutory consultees of decisions and reasons for accepting or declining recommendations.*

It was further reported that to resolve those points the letter had instructed Tendring District Council to implement an operational manual, resource the building control function adequately, improve record-keeping and controls for statutory consultations and ensure all statutory requirements were met, and strengthen governance regarding outsourced services.

The Head of Planning and Building Control had noted that the wording used in the BSR's Contravention was unhelpful, as closer examination often revealed that a single, typically minor, issue could relate to multiple BSR standards.

Procedure Documentation

It was noted that, although Building Control had followed the correct processes, not all procedures had been formally documented, and certain requirements were only clarified by the BSR during the audit.

In some instances, it had been assumed that particular elements were already covered under adopted LABC requirements or were sufficiently defined through established practice. During the audit, however, the BSR had provided further interpretation of the OSRs and/or requested explicit articulation of areas that had not previously been highlighted.

An example of this concerned the handling of open cases. Legislation provided no mechanism to close a case when a builder ceased work for any reason. In accordance with statutory requirements, such cases were kept open even when sites became inactive. The BSR had considered this approach to be unsatisfactory from a governance perspective without additional explanation. In response, the service has now introduced its own criteria for case closure and was seeking assurance from the BSR that those criteria were acceptable and did not introduce risk. While the criteria were considered logical, they would inevitably differ from those adopted by other authorities.

Definitions and criteria developed through this process have been shared with other authorities, who in turn have shared their own interpretations, reflecting the continued absence of formal guidance from the BSR.

Outsourcing to Partners and Oversight

Building Control outsources certain functions—such as plan checking and some inspection support—to partner authorities and relies on their expertise and professional judgement. As the partner authority is itself a local authority and an active LABC member, compliance with all building regulations and BSR requirements had been assumed.

The BSR had, however, deemed this assumption insufficient. Consequently, additional checks had now been introduced to strengthen oversight of outsourced work upon its return.

Consultee Reporting

Under the BSR's new OSRs, all consultee responses must be recorded, together with the officer's decision to accept or reject the advice. While consultee responses had been consistently documented, the officer's acceptance or rejection of that advice had not previously been recorded.

It was emphasised that, since the introduction of the new regulations, the service had not disagreed with any consultee response. For example, where the Fire Service had identified a fire risk, there was no basis on which such advice could be challenged.

Going forward, the service would explicitly record whether consultee advice was accepted or declined, along with the rationale, within the case file. This constituted a minor but necessary procedural amendment.

It was further noted that, at no point had this Council's Building Control team acted outside the Building Regulations or the Act; all matters raised related solely to the BSR's expectations and interpretation.

Action

The BSR's position and recommendations had been reviewed and accepted. The operations manual, which was already in development, had been updated to incorporate all relevant BSR judgements. A new sign-off form had also been introduced for use by partner authorities when undertaking plan-checking work on the Council's behalf. In addition, the Building Control team was increasing the number of domestic plan checks

completed in-house to reduce reliance on outsourcing, although some external support would remain necessary due to inspector grading requirements.

As a result of those changes, all Building Control policies, procedures and processes were now fully documented and appropriately signposted. A new “hibernation” process had been introduced for inactive cases which could not legally be closed, reducing the number of open cases to approximately five hundred, covering a three-year period. Adjustments to partnership arrangements had addressed the issues raised, and consultee responses were now recorded as a specific task within each case file.

In conclusion, the updated governance manual and the Council’s responses to the issues identified had been submitted to the Building Safety Regulator. On 12 January 2026, the BSR had confirmed:

“Thank you for confirming the actions you have taken to address the non-compliance with the Operational Standards Rules identified during the inspection and confirmed within the letter of contravention dated 29.10.25. We confirm that no further information is required, and this matter is now concluded.”

The matters raised during the BSR audit were therefore considered resolved. Some adjustments were required due to aspects of the BSR’s requirements that had only become clear during the audit process.

It was unanimously **RESOLVED** that the contents of the report A.3 be noted.

24. REPORT OF THE ASSISTANT DIRECTOR (FINANCE & IT) - A.4 - TABLE OF OUTSTANDING ISSUES

Members heard that the Table of Outstanding Issues was maintained and reported to each meeting of the Audit Committee. That approach had enabled the Committee to effectively monitor progress on issues and items that formed part of its governance responsibilities.

There were three main ongoing elements to the report (A.4) highlighted as follows:

1) Updates against general items raised by the Committee – Appendix A

2) Updates against the 2024/25 Annual Governance Statement Action Plan – Appendix B

3) Updates against recommendations made by the External Auditor – Appendix C

In terms of item 1 and 3, there were no significant issues to raise, with actions remaining in progress or further details set out below.

In respect of the 2024/25 Annual Governance Statement Action Plan, although this remained subject to the Committee’s final approval, for timely and practical reasons the current version that had been published at the end of June 2025 alongside the Unaudited Statement of Accounts presented the most up to date position for the Committee’s consideration. Similarly to last year, that approach had enabled the actions and associated updates to be considered as early as possible within the Committee’s annual work programme. Appendix B, attached to the A.4 report, had therefore included

outstanding items from last year's Annual Governance Statement alongside new items for the current year. There were no significant issues to highlight with actions and activities remaining ongoing.

Local Audit Reform

Members were informed that, following the more detailed update at the last meeting of the Committee, the Government had continued to work through the various associated steps to establish the Local Audit Office, as part of enacting the English Devolution and Empowerment Bill. Further updates would be provided as necessary later in the year.

RIPA – Regulatory Investigatory Powers Act 2000

It was highlighted that no activity had been conducted under RIPA by the Authority in the last quarter and it was rare that it would be required to do so.

Whistleblowing

It was further highlighted that at its meeting in September 2025, the Committee had been informed that the Authority had received two notifications of Whistleblowing. The outcome for those two notifications after exploration was that no further action was required and the notifications had been closed. There had been no further notifications since then. Those updates were given as part of the monitoring arrangements in line with the adopted policy of July 2023.

It was moved by Councillor Fairley, seconded by Councillor Sudra and **RESOLVED** that:

(a) the progress against the actions as set out in Appendices A, B and C to the A.4 Report be noted; and

(b) the Committee recommends to Full Council that, at its meeting due to be held on 31 March 2026, and following a recruitment and interview process, Mrs Sue Gallone be appointed as the Independent Person for the Audit Committee.

The meeting was declared closed at 11.37 am

Chairman

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**MINUTES OF THE MEETING OF THE HUMAN RESOURCES AND COUNCIL TAX COMMITTEE,
HELD ON MONDAY, 2ND MARCH, 2026 AT 7.30 PM
IN THE COMMITTEE ROOM - TOWN HALL, STATION ROAD, CLACTON-ON-SEA, CO15 1SE**

Present:	Councillors Chapman BEM (Chairman), Baker, Guglielmi, Keteca and G Stephenson
In Attendance:	Katie Wilkins (Assistant Director (People)), Marcia Fuller (Acting Head of People), Lewis Vella (Senior Finance Manager) (except items 23 - 28), Leanne Thornton (Community Safety and Safeguarding Manager), Debianne Messenger (Work Based Learning Manager), Bethany Jones (Democratic Services Officer) and Katie Koppenaal (Democratic Services Officer)

18. APOLOGIES FOR ABSENCE AND SUBSTITUTIONS

Apologies for absence were received on behalf of Councillors Calver (Vice-Chairman) (with no substitution) and Morrison (with no substitution).

19. MINUTES OF THE LAST MEETING

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

RESOLVED that the minutes of the last meeting of the Committee, held on Tuesday 21 October 2025, be approved as a correct record and be signed by the Chairman.

20. DECLARATIONS OF INTEREST

There were no declarations of interest on this occasion.

21. QUESTIONS ON NOTICE PURSUANT TO COUNCIL PROCEDURE RULE 38

No Questions on Notice pursuant to Council Procedure Rule 38 had been submitted on this occasion.

22. REPORT OF THE CORPORATE DIRECTOR (FINANCE & IT) - A.1 - FORMAL CONFIRMATION OF COUNCIL TAX AMOUNTS FOR 2026/27 FOLLOWING THE NOTIFICATION OF THE PRECEPTS FROM THE MAJOR PRECEPTING AUTHORITIES

The Committee heard that, at its meeting held on 17 February 2026, Council had considered the Executive's Budget and Council Tax proposals for 2026/27 and, as part of that process, the Council Tax for the District and Parish/Town Council Services had been approved.

Members were told that, once the precepts were received from the major precepting authorities, the Human Resources and Council Tax Committee had the delegated responsibility to agree the total Council Tax for 2026/27.

The total Council Tax for the year was made up of the District and Parish/Town Council amounts approved by Council on 17 February 2026 and the corresponding amounts agreed by the major precepting authorities. Legislation required that formal confirmation by Members even though the process was dictated by legislative formulae and there was no judgement or choice to be made.

It was moved by Councillor Guglielmi, seconded by Councillor Baker and unanimously:-

RESOLVED that:

(a) the precepts issued by Essex County Council, Essex Fire and Essex Police, as set out in Appendix A to the Officer report (A.1), be noted; and

(b) the amounts of Council Tax for 2026/27, as shown in Appendix C to the Officer report (A.1), for each of the categories of dwellings be formally confirmed.

23. CAREER TRACK - VERBAL UPDATE

The Committee received a verbal update and watched a video on the following:

- Current number of apprentices/previous apprentices in departments around the Council;
- National Apprenticeship Week;
- What is National Apprenticeship Week?; and
- Statistics on apprentices at Tendring District Council;

Questions from Members:	**Answers from Officers:**
Do Officers have the apprentice destination data handy for the minutes of this meeting?	*Yes, that can be provided.* ***(This information has been provided under this table of questions).***
Does Tendring District Council work with the Sixth Form College in Colchester?	*They are classed as one of Tendring District Council's partners, but the Council does not deliver apprenticeships at the Sixth Form College. The Council has done so previously, and the Council works closely with Colchester Institute, but not specifically the Sixth Form College.*
Has the Council ever thought about giving preferential or priority treatment to children in care that are looking for employment and if it could be fine-tuned with Essex County Council?	*The Council pays for all transport costs for all apprentices that are on apprenticeship contracts and Officers are not aware that any other Authority also does this. The Council has the potential to follow Essex County Council's line which is giving guaranteed interview status for care leavers which could be discussed at another time.*

Career Track Apprentice Destination Data 2023 - 2025

Name of Employer	Number of Apprentices	Progression Following Apprenticeship	Number of Apprentices
ALPH Legal and Compliance	1	Completing Higher Level Apprenticeship	1
Babergh and Mid Suffolk District Council	1	Full Time Employment	1
Braintree District Council	4	Full Time Employment	4
CDC Consultancy	1	Full Time Employment	1
Colchester City Council	8	Full Time Employment	8
Essex County Council	1	Full Time Employment	1
GP Primary Choice Ltd	1	Full Time Employment	1
London Borough of Newham	1	Full Time Employment	1
		Completing Higher Level Apprenticeship	0
Maldon District Council	11	Full Time Employment	9
		Completing Higher Level Apprenticeship	1
		No progression due to medical grounds	1
Silverton Aggregates Ltd - Main	1	Full Time Employment	1
Suffolk County Council	1	Full Time Employment	1
Suffolk County Council - Highways	2	Full Time Employment	2
Tendring District Council	41	Full Time Employment	34
		Completing Higher Level Apprenticeship	5
		Travelling abroad	1
		Maternity Leave	1
The Letting Link	2	Full Time Employment	1
		Completing Higher Level Apprenticeship	1
Virtual Kent School - Kent County Council	8	Full Time Employment	6
		Completing Higher Level Apprenticeship	2

Data Collation:
Training providers record learner achievement and progression outcomes with the Department for Education (DfE) once a learner completes their programme.

Destination data is usually collected within two months of completion and recorded with the DfE to show whether the learner has progressed into employment, further learning, or another apprenticeship.

Providers commonly follow up with learners around three months after completion to confirm and update their destination, ensuring the data reported to the DfE is

accurate.

It was moved by Councillor Chapman BEM, seconded by Councillor Guglielmi and unanimously:-

RESOLVED that an item be included on the next Human Resources and Council Tax Committee agenda to enable the Committee to discuss the Council following in line with Essex County Council i.e. to give guaranteed interview status for care leavers.

24. REPORT OF THE ASSISTANT DIRECTOR (PEOPLE) - A.2 - PEOPLE DEVELOPMENT UPDATE

The Committee heard that the aim of the Officer report (A.2) was to provide Members with an overview of current people development activities across the Council, key achievements, emerging priorities, and future plans. The programme supported the Council's strategic aim to build a skilled, inclusive and motivated workforce, whilst ensuring the Council's staff were in the best possible position as Tendring District Council (TDC) prepared staff for the transition through Local Government Reorganisation (LGR).

Members were told that the training and development statistics provided within the Officer report were based on a 6-month period namely, 1 July 2025 to 31 December 2025. Training identified was a combination of mandatory training, employees requesting additional support through learning, and managers' recommendations for their team members.

Officers informed the Committee that Career Track continued to play an essential role in supporting the Council's commitment to workforce development. In addition to delivering apprenticeships internally, Career Track supported other public sector employers, enabling shared skills development across the region. The contribution was particularly important given the economic challenges with the District and the need to strengthen local employment pathways. By enhancing progression routes and increasing access to accredited training, Career Track directly supported workforce resilience and helped address long-term skills needed within the District.

Apprenticeships

The Council also utilised the Apprenticeship Levy to fund a range of apprenticeship programmes delivered by external training providers. Those apprenticeships were used where specialist qualifications were required, or where programmes fell outside the scope of Career Track's provision. Current externally delivered apprenticeships included:

Regulatory, Compliance & Public Protection

- Level 4 Regulatory Compliance Officer
- Level 4 Anti-Social Behaviour and Community Safety

Planning, Surveying & Built Environment

- Level 6 Chartered Surveyor
- Level 6 Building Control Surveyor
- Level 7 Chartered Town Planner

Environmental Health & Public Health
- Level 6 Environmental Health Practitioner

Digital, Technology & Data
- Level 2 Digital Marketing
- Level 3 Multi-Channel Marketer
- Level 6 Digital and Technology Solutions Professional
- Level 7 Digital and Technology Solutions Specialist (integrated degree)

Finance, Audit & Corporate Services
- Level 7 CIPFA Accountancy/Taxation Professional (x2)
- Level 7 Internal Audit Professional

Human Resources, Learning & Development
- Level 3 CIPD Learning and Development

Community, Leisure & Operational Services
- Level 2 Leisure Team Member
- Level 2 Horticulture Construction Operative

The Committee was made aware that, as a large employer, the Council was able to use the levy funding to support apprenticeship training and assessment costs for employees undertaking qualifications that fell outside of the scope of Career Track's provision.

Members noted that the levy generated a funding allocation based on the Council's pay bill, and that could be used to support internal apprenticeship training. While employers might transfer up to 50% of their levy funds to other organisations, this Council had chosen to retain its levy allocation to ensure that 100% of available funds were invested in developing its own workforce. Where beneficial, the Council also accessed transferable levy funding from other organisations to maximise opportunities for staff.

The Committee was also told that a wide range of approved apprenticeship standards could be funded through the levy, and that information was routinely shared with managers to ensure that opportunities were fully utilised across service areas. This approach ensured resources were used efficiently, provided access to high-quality accredited training, and supported improved service delivery, staff development and retention.

Access to levy funding for Level 7 apprenticeships had ceased on 1 January 2026 for learners aged 22 and over; however, the Council had maximised the opportunity prior to this change by enrolling an additional four employees onto Level 7 programmes.

E-Learning and Development

The Council currently had two e-learning platforms, each offering a variety of online training courses accessible to Council staff via the Council's Intranet. Those systems were iHasco and Skillgate, and each platform offered the opportunity for staff to search for relevant training, to complete the course online at a time that suited them, and to attain a pass mark and, for some courses, a certificate. The e-learning platforms allowed employees to access high-quality content and enabled self-paced learning which could be incorporated into their working day. That was also a cost-effective way to deliver a

high number of courses in varying subject areas, to meet the needs of the services across the organisation. That method of training also allowed Officers to monitor and analyse employee engagement and access.

The courses available were easily accessible and supported the continuous professional development of the workplace. The iHasco e-learning platform specialised in offering training relating to health, safety and wellbeing, whereas the Skillgate e-learning platform was more focused on improving skills and knowledge.

Skillgate and iHasco were used to deliver the Council's mandatory training courses to its employees, allowing Officers to ensure the Council maintained a compliant workforce, and remained up to date with ever-changing legislation and best practice. Employees received regular email reminders from the e-learning systems until the mandatory courses had been completed.

There had been a reduction in the completion of e-learning courses in comparison to the last reporting period. That was primarily due to the previous mandatory Sexual Harassment Awareness Training which had launched in December 2024. Also, during March 2025 – June 2025 the seasonal beach patrol staff had been recruited which had required a high number of mandatory trainings, as part of their induction process.

iHasco E-Learning Data	
Total number of courses completed during that period:	1,005
Total number of different types of courses accessed:	65
Of those, number of mandatory training courses completed: • Sexual Harassment Awareness • Fire Awareness • Essential Health and Safety Training • Environmental Awareness	 61 127 129 50

Skillgate E-Learning Data	
Total number of courses completed during that period:	308
Total number of different types of courses accessed:	126
Of those, number of mandatory training courses completed: • Understanding the Safeguarding of Children, Young People and Adults Level 1 and 2 • Equality, Diversity and Inclusivity • Environmental Awareness at Work • Lone Working Safety for Home and Remote Workers	 25 29 28 25

Sponsored Qualifications Training

The Council actively supported employees to undertake professional qualifications that aligned with their roles, development needs and longer-term career aspirations. Through structured programmes, financial support and dedicated study time, the Council enabled staff to build specialist expertise, progress within career pathways, and to contribute to succession planning and retention.

During the past year, a wide range of qualifications had been completed or were currently being studied, including:

Regulatory, Governance & Public Administration

- Association of Electoral Administrators (AEA) Foundation Course (x3)
- AEA Certificate
- AEA Practical Project Management
- PACE Interviewing (Police and Criminal Evidence)
- Data Protection

Housing & Community Services

- Level 3 Certificate in Housing (x2)
- Level 4 Certificate in Housing
- Chartered Institute of Housing (CIH) – Housing Certificate in Practice
- Level 3 Chartered Institute of Housing (x3)

Environmental Health, Planning & Safety

- MSc Emergency Planning
- Business Continuity Institute (BCI) Training

Leadership, Management & Corporate Skills

- Level 7 Total Leadership
- Level 7 Professional Public Relations Diploma
- Level 3 CIPD Foundation (Chartered Institute of Personnel and Development)

Finance & Professional Services

- Association of Accounting Technicians (AAT) Level 3

Access to Higher Education & Academic Development

- Access to Higher Education Diploma
- BSc Access Modules (x2)

All employees were able to apply for sponsorship through the Council's Qualification Sponsorship Application process. Applicants were required to set out how the qualifications supported their role and service priorities, with managers confirming how it aligned with development needs and operational requirements. Applications were assessed on their merits, the organisational need, and available training budget.

Successful applicants entered into a legally binding Training Agreement, which enabled the Council to recover costs should an employee not complete the qualification or leave the organisation within two years of completing their studies. That approach ensured responsible use of public funds whilst encouraging commitment to completion.

The Council's investment in professional qualifications directly supported Section 7 of the Annual Governance Statement 2024-25, which focused on developing organisational capacity and leadership. Through a planned approach to professional development, the Council continued to build a skilled and resilient workforce, strengthened succession planning, and upheld strong governance and service standards.

Workforce Development

The Council was firmly committed to investing in the growth, capability, and career progression of the workforce. The Council recognised that empowering staff through continuous training and development was fundamental to continuing to deliver high-quality services and fostering a resilient workforce who felt confident as the Council prepared for LGR. In addition to e-learning and apprenticeships, the following training courses had been delivered between 1 July 2025 and 31 December 2025.

Health, Safety & Wellbeing

- Mental Health First Aid Training
- Mental Health First Aid Refresher Training
- Sexual Harassment Training for Managers

Regulatory, Compliance & Enforcement

- PLPO training
- CSAS Training
- Fixed Penalty Notice Training
- Basic Vehicle Inspection Course (x2)
- Vehicle Examination Training

Safeguarding & Professional Standards

- Professional Boundaries Training
- Becoming a DSO (Designated Safeguarding Officer)

Customer Experience, Communication & Public Interaction

- Customer Care Excellence
- Effective Compliant Handling
- Media Training (x5)

Information Governance

- Freedom of Information Practical Training

Team, Leadership & Organisational Development

- MBTI Team Development for Sports and Leisure
- Medication Training

People Strategy Priorities

The Council's People Strategy 2024 – 2029 set out the organisation's long-term approach to supporting, developing and retaining its workforce. The Strategy underpinned the Corporate Plan and ensured that people management activity aligned with the Council's objectives and service priorities.

Workforce Planning

The Acting Head of People had undertaken one-to-one workforce planning sessions with Assistant Directors to review structures, identify critical roles and assess emerging skills gap.

Those discussions had also ensured that the use of career grades was being monitored effectively, with a clear focus on succession planning and the development of internal talent. As the organisation prepared for LGR and the transition to a unitary authority, consideration was being given to the length and timing of qualification pathways and career progression activity. Ensuring the workforce was equipped with the skills and capacity required for future operating models would be central to maintaining service continuity.

The Council continued to face recruitment challenges in key professional areas, including Planning and Environmental Health. To reduce reliance on agency staff and create a more stable and cost-effective workforce, the Council remained committed to a 'grow our own' approach. That included supporting staff to progress through Career Grade Schemes, which provided structured development routes linked to role competencies, technical skills and qualification achievement.

Career Grade Schemes were well-established across the organisation, with 357 posts currently operating within a career-grade structure. Those schemes offered clear and transparent pathways for progression, encouraged continuous improvement, and supported staff retention by providing opportunities for development and advancement. During the six-month monitoring period, 26 Officers had progressed through their career grades by completing qualifications or gaining the skills required for advancement.

Future Initiatives

Over the next two years, the Council would continue to work closely with senior managers to build a skilled, adaptable and resilient workforce capable of responding effectively to changes arising from LGR. Promoting continuous learning and development would remain central to preparing staff for new roles and responsibilities, whilst ensuring that employee wellbeing was supported through periods of transition.

Continued investment in qualifications, apprenticeships, and Career Grade Schemes would strengthen internal capability, support retention, and ensure that staff with the potential to progress were provided with opportunities to do so within available resources. That approach would help the organisation maintain stability, develop future leaders, and secure the skills needed for long-term service delivery.

It was **RESOLVED** that the Human Resources and Council Tax Committee **NOTED** the contents of the People Development Update report.

25. REPORT OF THE ASSISTANT DIRECTOR (PEOPLE) - A.3 - PAY POLICY STATEMENT 2026/27

The Committee heard that the Localism Act 2011 (Chapter 8 – Pay Accountability, Sections 38-39) placed a statutory requirement on all local authorities to prepare and

publish a Pay Policy Statement on an annual basis. The Statement must set out the Council's policy in relation to the pay of its workforce for the forthcoming financial year.

Members were told that, under Schedule 2 of Part 3 of the Council's Constitution, the preparation and approval of the Pay Policy Statement was a function reserved to Full Council. The Human Resources and Council Tax Committee had, however, traditionally exercised responsibility for reviewing the draft Statement for recommendation onto Full Council for its approval and adoption.

Statutory Requirements

Officers informed Members that the Pay Policy Statement must, as a minimum, include the Council's policy on:

- the levels and elements of remuneration for each Chief Officer. *That included the Statutory Officer roles of Head of Paid Service (Chief Executive), Monitoring Officer, and Section 151 Officer. It also applied to Non-Statutory Chief Officers, as defined within the Council's Pay Policy Statement. For the purpose of the Statement, Chief Officers were those Officers who, in addition to the Statutory Officers named above, formed part of the Council's Senior Management Team.*

- the remuneration of the Council's lowest-paid employees, including the definition of 'lowest-paid' and the rationale for its adoption.

- the relationship between the remuneration of Chief Officers and other employees.

- other aspects of Chief Officers' remuneration, including policies on recruitment, pay progression, performance-related pay, bonuses, termination payments, and transparency.

Members were also informed that Sections 38-41 of the Localism Act 2011 set out the statutory framework governing Pay Policy Statements. Section 41 required that decisions relating to Chief Officer remuneration must be made in accordance with the authority's Pay Policy Statement. The Council was also required to comply with wider statutory reporting requirements, including the Local Government Transparency Code 2015 and the Equality Act 2010 (Specific Duties and Public Authorities) Regulations 2017.

Summary of the Draft Pay Policy Statement 2026/27

The draft Pay Policy Statement for 2026/27 set out the Council's overarching approach to pay and remuneration. It affirmed the Council's adherence to the National Joint Council (NJC) National Pay Spine and its commitment to a fair, transparent and equitable pay framework. That included incremental progression based on length of service and performance, alongside compliance with nationally agreed pay awards.

The Statement also detailed:

- discretionary allowances available to statutory and non-statutory Officers;

- the application of market forces supplements where required to support recruitment and retention;

- policies relating to organisational change, redundancy payments, pay protection arrangements and access to the Local Government Pension Scheme;

- provisions relating to mileage and subsistence, overtime, standby payments and other employment-related allowances; and

- the Council's compliance with statutory reporting requirements, including the Gender Pay Gap, off-payroll working rules and the disclosure of senior salaries and severance payments.

Changes for 2026/27

Members noted that the draft Pay Policy Statement for 2026/27 reflected a number of updates to ensure continued compliance, transparency and alignment with national frameworks. The main changes related to updates in national pay arrangements, statutory reporting requirements, and associated workforce policies. Those included:

- implementation of the nationally agreed 2025/26 NJC pay award, including the removal of Spinal Column Point 2 from 1 April 2026, in accordance with the national pay spine changes;

- updated pay multiple calculations to reflect the revised lowest-paid spinal point and the associated forecast change in the pay multiple for 2026/27;

- updated gender pay gap figures and narrative in line with the latest statutory reporting period; and

- confirmation of the Council's use of Essex County Council's Managed Service Solution framework for temporary staffing, supporting consistent and compliant off-payroll engagement.

The Committee was also told that all amendments were shown in red text with the draft Statement (Appendix A) for ease of reference. The Policy had been reviewed to ensure it remained fully compliant with legislation, supported best practice in pay and reward, and maintained transparency for staff, Members and residents.

Officers also informed Members that the Human Resources and Council Tax Committee was invited to review the draft Pay Policy Statement for 2026/27 and provide any comments prior to its submission to Full Council.

The Committee was made aware that, following approval by Full Council on 31 March 2026, the Pay Policy Statement would be published on the Council's website, as required by the Localism Act, as soon as reasonably practicable.

It was moved by Councillor Guglielmi, seconded by Councillor G Stephenson and unanimously:-

RESOLVED that the draft Pay Policy Statement 2026/27, as set out in the Appendix to the Officer report (A.3), be recommended onto Full Council for its formal approval and adoption.

26. REPORT OF THE ASSISTANT DIRECTOR (PEOPLE) - A.4 - SAFEGUARDING POLICY AND PROCEDURES (2026 - 2027) AND SAFEGUARDING HANDBOOK FOR STAFF

The Committee heard that the Council had a statutory duty to safeguard and promote the welfare of children, young people and adults with care and support needs. The updated Safeguarding Policy and Procedures (2026 – 2027) set out the Council's strategic approach to meeting those duties in accordance with the Children Act 1989, the Care Act 2014 and associated safeguarding legislation and statutory guidance.

Members noted that the Policy applied to all individuals working on behalf of the Council, including employees, elected Members, volunteers, contractors, providers commissioned by the Council, and organisations in receipt of Council funding. It established that safeguarding was a shared responsibility and that all individuals engaged in Council activity must recognise, report and respond to safeguarding concerns.

The Committee was told that the Policy was reviewed annually to ensure continued compliance with legislation, guidance issued by the Essex Safeguarding Boards and emerging best practice. The 2026 – 2027 update reflected recent changes in safeguarding legislation, recommendations from the Independent Review of Prevent (2023), and evolving safeguarding risks, including children missing from education. Safeguarding and Prevent training remained mandatory across the workforce and was delivered through the Council's e-learning platform.

The Committee was assured that clear accountability arrangements were set out. The Assistant Director (People) was the named Senior Officer for whistleblowing complaints and worked with Designated Safeguarding Leads and senior management on formal referrals. The Corporate Director (Operations and Delivery) continued to fulfil the statutory Local Authority Designated Officer (LADO) role for children and the non-statutory lead for adult safeguarding, in line with Essex County Council procedures. Safeguarding Champions provided additional advice and escalation routes across directorates.

Officers informed the Committee that the Safeguarding Handbook for Staff provided the detailed operational procedures required to implement the Policy. It outlined reporting pathways, staff responsibilities, whistleblowing arrangements, and supported a multi-agency approach to safeguarding across services.

Members also heard that Cabinet had approved the updated Safeguarding Policy and Procedures (2026-2027) at its meeting held on 30 January 2026 as the Council's overarching safeguarding framework.

It was moved by Councillor Baker, seconded by Councillor G Stephenson and unanimously:-

RESOLVED that the Safeguarding Handbook for Staff be approved as the Council's operational safeguarding procedures for the workforce, following Cabinet's agreement of the overarching Safeguarding Policy and Procedures (2026-2027).

27. REPORT OF THE ASSISTANT DIRECTOR (PEOPLE) - A.5 - UPDATED EQUALITY, DIVERSITY AND INCLUSION POLICY

The Committee heard that the updated Equality, Diversity and Inclusion (EDI) Policy provided an up-to-date and strengthened framework for the Council's internal arrangements and ensured continued alignment with the Equality and Inclusion Strategy 2023 – 2027, as previously approved by Cabinet at its meeting held on 27 January 2023.

Members noted that the Policy set out the Council's commitment to fostering a fair, inclusive and respectful working environment for all employees, workers, apprentices, agency staff, volunteers and job applicants. It aimed to eliminate unlawful discrimination, advance equality of opportunity, and promoted good relations between people who shared protected characteristics and those who did not.

The Committee was reassured that the Policy reaffirmed the Council's duties under the Equality Act 2010 and the Public Sector Equality Duty, ensuring that employment practices, service delivery and decision-making actively supported equality and inclusion. It clearly explained the nine protected characteristics and provided definitions of prohibited conduct, including direct, indirect, associative and perceptive discrimination.

Officers informed the Committee that the Council was committed to ensuring dignity and respect at work and to making reasonable adjustments for disabled employees and applicants. Recruitment, progression and training opportunities were based solely on merit, with inclusive and accessible processes designed to remove barriers. The Policy also reinforced the Council's ongoing commitment as a Disability Confident Leader, demonstrating strong leadership in disability inclusion.

Members also heard that robust requirements for monitoring, reporting and transparency were included, such as the publication of workforce diversity data, gender pay gap reporting and the setting of equality objectives in line with statutory obligations.

Officers made Members aware that the updated Policy had been developed with the support of Unison and would continue to be reviewed regularly. It strengthened the Council's commitment to embedding equality, diversity and inclusion across all organisational practices, ensuring a culture in which individual differences were respected, valued and supported.

It was moved by Councillor Guglielmi, seconded by Councillor Baker and unanimously:-

RESOLVED that the Human Resources and Council Tax Committee:

a) formally adopts the Council's updated Equality, Diversity and Inclusion Policy;

b) notes that, in line with their delegated authority, the Assistant Director (People), in consultation with the Head of Paid Service, will make any necessary amendments to associated People policies arising from the update; and

c) notes that, in line with that same delegated authority, the Assistant Director (People) will make any further amendments required to ensure ongoing legal compliance, including with the Employment Rights Act 2025.

28. REPORT OF THE ASSISTANT DIRECTOR (PEOPLE) - A.6 - TIME OFF AND FACILITIES AGREEMENT FOR TRADE UNION DUTIES AND ACTIVITIES

The Committee heard that the Council and Unison had a constructive and mutually beneficial working relationship that underpinned effective employee relations across the organisation. The updated Time Off and Facilities Agreement strengthened that partnership by providing clear, consistent arrangements that supported accredited Trade Union Representatives in carrying out their duties effectively. That approach promoted early resolution of issues, open communication, and a fair and well-run organisation.

Members were told that the agreement set out a consistent framework for supporting accredited Trade Union Representatives in line with statutory requirements and ACAS guidance. It outlined the principles governing reasonable paid time off for Union Representatives, Health and Safety Representatives, Union Learning Representatives and Union Equality Representatives. It confirmed entitlement to reasonable paid time during working hours for collective bargaining, individual representation, health and safety, learning and equality duties, as well as for approved Trade Union Congress (TUC) or Unison training.

Members were also made aware that Tendring District Council recognised Unison as its trade union for collective bargaining purposes, and the revised agreement reflected the Unison model and ACAS best practice.

It was moved by Councillor G Stephenson, seconded by Councillor Guglielmi and unanimously:-

RESOLVED that the Human Resources and Council Tax Committee:-

a) formally adopts the Council's updated Time Off and Facilities for Trade Union Activities agreement, which consolidates and updates arrangements for Trade Union activities;

b) notes that, in line with their existing delegated authority, the Assistant Director (People), in consultation with the Head of Paid Service, will make any necessary and consequential amendments to associated People policies and procedures arising from the implementation of this updated agreement; and

c) notes that, using that same delegated authority, the Assistant Director (People), in consultation with the Head of Paid Service, will make any further amendments required to ensure ongoing legal compliance, including changes that will arise under the Employment Rights Act 2025, particularly in relation to Trade Union activities.

The meeting was declared closed at 8.38 pm

Chairman

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MINUTES OF THE MEETING OF THE RESOURCES AND SERVICES OVERVIEW AND SCRUTINY COMMITTEE, HELD ON TUESDAY, 10TH MARCH, 2026 AT 7.30 PM IN THE COMMITTEE ROOM, TOWN HALL, STATION ROAD, CLACTON-ON-SEA, CO15 1SE

Present:	Councillors P Honeywood (Chairman), Amos (Vice-Chairman), Bensilum, Bush, Doyle, Harris, J Henderson and Steady
Also Present:	Councillor M Stephenson (Leader of the Council and Portfolio Holder for Corporate Finance & Governance) (except items 38 (part) and 39)
In Attendance:	Richard Barrett (Corporate Director (Finance and IT) & Section 151 Officer), Keith Simmons (Assistant Director (Corporate Policy & Support) & Deputy Monitoring Officer), Katie Koppenaal (Democratic Services Officer) and Bethany Jones (Democratic Services Officer)

34. APOLOGIES FOR ABSENCE AND SUBSTITUTIONS

Apologies for absence were received from Councillors Goldman (who had appointed Councillor Doyle as his substitute) and Newton with no substitute appointed.

35. MINUTES OF THE LAST MEETING

It was moved by Councillor Bush, seconded by Councillor J Henderson and **RESOLVED** that the minutes of the last meeting of the Committee held on Wednesday, 14 January 2026 be confirmed as a correct record and be signed by the Chairman.

36. DECLARATIONS OF INTEREST

There were no Declarations of Interest made by Members on this occasion.

37. QUESTIONS ON NOTICE PURSUANT TO COUNCIL PROCEDURE RULE 38

No Questions on Notice pursuant to Council Procedure Rule 38 had been submitted by Members for this meeting.

38. REPORT OF CORPORATE DIRECTOR (FINANCE & IT) - A.1 - ANNUAL CAPITAL AND TREASURY STRATEGY FOR 2026/27 (INCLUDING PRUDENTIAL AND TREASURY INDICATORS)

The Corporate Director (Finance & IT) introduced the report and informed Members that the Annual Capital and Treasury Strategy was based on the most up to date Treasury Management Code of Practice and the revised Prudential Code, both of which had been published by the Chartered Institute of Public Finance and Accountancy (CIPFA) in December 2021 and had come into force from 2023/24.

It was highlighted that, alongside the wider financial strategy and forecast, the Capital and Treasury Strategy continued to support the ongoing financial strength and stability

of the Council and through its adoption it would ensure that investment and treasury management activities remained effectively managed during 2026/27.

In terms of general context to the above, the Local Government Act 2003 and supporting regulations had required the Council to set out its treasury strategy for borrowing, and to have prepared an Annual Investment Strategy (as required by Investment Guidance subsequent to the Act) that also set out the Council's policies for managing its investments and for giving priority to the security and liquidity of those investments, "having regard" to the CIPFA Prudential Code and the CIPFA Treasury Management Code of Practice.

Members were informed that the Capital Strategy continued to be combined with the Treasury Strategy into one document, which was required to be updated/approved annually.

It was reported that the proposed Annual Capital and Treasury Strategy for 2026/27 was presented in Appendix A to report A.1. The Strategy continued to reflect the changes contained in the latest Codes. No major amendments had been proposed for the forthcoming year, with only a small number of minor changes—shaded in grey and shown in italics—included within the Appendix. The report also acknowledged the two-year forecasting approach that had been previously outlined to Cabinet and to Full Council as part of the 2026/27 budget setting process.

The Capital Strategy element of the combined document covered the various elements surrounding capital investment decisions and key criteria against which proposals were assessed.

The Committee was informed that the Treasury Strategy element of the combined document covered the various elements that satisfied the requirements of the various codes that governed the borrowing and investment activities of the Council and had been prepared in the light of advice received from the Council's Treasury advisors and reflected the latest codes and guidance.

Prudential and Treasury indicators had been included as an Annexe to the combined strategy and were therefore included within Appendix A to report A.1.

It was highlighted that, under the Prudential Code, the Council had freedom over capital expenditure if it was prudent, affordable and sustainable. The Prudential Indicators had either measured the expected activity or introduced limits upon the activity and reflected the underlying capital appraisal systems and enabled the Council to demonstrate that it had been complying with the requirements of the Prudential Code.

It was further highlighted that other 'quality' investment opportunities would always be explored during the year in consultation with the Council's external advisors to maximise returns on investments within a continuing and overall risk-adverse approach.

In following on from comments made last year, the strategy now acknowledged potential obligations that would be placed on the Council due to the emerging legislation around Local Government Reorganisation (LGR).

Questions by Members:	Answers:

What level of investment are we expected to commit before the outcomes of the LGR arrangements are confirmed? Additionally, if the allocated funds are not ultimately required, how will they be managed?	*As set out within the budget / two-year financial plan agreed by Full Council in February, the Council will continue to make 'cash-backed' investments as necessary over 2026/27 and 2027/28.* *The in-principle approach to retaining funding within the Forecast Risk Fund / other 'pots' is subject to on-going review over the next two years as it is recognised that investments and other areas of expenditure will need to balance against the Council's financial obligations to a new Unitary Council from as early as 1 April 2028.*
What could the impact on Tendring District Council be during this process?	(Councillor M Stephenson) The key point that is often overlooked is that, regardless of the amount Tendring District Council anticipates transferring at the point of transition, once the new Unitary Authority takes control, it will be responsible for setting its own budgets and determining how those funds are allocated. Our responsibility is to ensure that we leave the Council's finances in the strongest possible position ahead of that handover. However, we will have no authority over how the money is used once the new organisation assumes responsibility. Much of the confusion stems from the belief that this is a merger of councils. It is not. Tendring District Council, along with several others, will cease to exist entirely under the new structure.
With regard to the transition to the new Unitary Authority, will they assume responsibility for whatever financial balance we have at the point of handover?	(Councillor M Stephenson) Yes. It is a careful balance between maintaining business as usual, ensuring Tendring is left in the strongest possible position, and meeting our responsibilities to the new Unitary Authority. We are working toward an estimated handover figure based on current operations, but unforeseen circumstances could alter that position. If we leave the equivalent of two or three years' funding, for example, it will ultimately be for the Unitary Authority to determine how those resources are used.
Can you provide reassurance that	(Councillor M Stephenson) Yes. While

Tendring District Council are preparing our budgets and managing expenditure in the best interests of our residents? It is important that the committee feels confident that this Council are making sound and responsible financial management decisions.	Tendring District Council remains in existence, so too do the residents and businesses we serve. The Council is currently in a strong financial position, and we will continue to act in their best interests by maintaining that stability and ensuring that we hand over sound finances to the new Unitary Authority (Richard Barrett) The Audit Committee received the Council's 2024/25 accounts a couple of weeks ago. Owing to the internal audit issues experienced nationally, there had been a significant gap in external financial scrutiny. We are now fully up to date, and the external auditors have confirmed that our value-for-money arrangements and financial governance are sound, with no matters to report. This should provide a strong level of reassurance.
With regard to the Housing Strategy and our existing stock, is there an intention to reduce the overall level of stock?	*Similarly to the GF, the HRA will need to balance the investment in the existing level of stock, developing / acquiring new replacement stock and the level of reserves. Based on this approach, the aim would be to increase the level of stock over coming years wherever possible. As set out in the HRA budget agreed by Full Council in February, due to the long-term certainty of rent increases now confirmed by the Government (covering the next ten years) and the repayment of debt, the HRA business plan is expected to generate surpluses over the coming years, which in turn supports the Council in meeting its financial obligations to a new Unitary Council from as early as 1 April 2028.*
With regard to the housing strategy, something that is a concern for when we are going through LGR is our existing stock. What is the outcome of our long-term debt with that and how is that going to be shifted? For example, will it go into the new Unitary Authority? Also, with regard to the stock levels, there are indications in the budget to	(Councillor M Stephenson) You are absolutely right to raise these concerns. Within our authority we manage three distinct types of housing, whereas neighbouring areas such as Braintree do not hold any housing stock of their own. You are also correct that we have disposed of some properties; in fact, several were taken to auction and

sell off some of the stock that wasn't up to standard, but that would be below market value. What impact would that have if we want to increase housing stock? And how do we plan to merge our housing stock with other authorities given that some of them do not have any housing stock?	achieved significantly higher prices than originally anticipated. These were homes that no longer met the standards we consider acceptable, and the rationale was that if the cost of bringing them up to standard exceeded the value of selling them, disposal was the more responsible option. The capital receipts from those sales are now being reinvested as we explore alternative housing solutions. In terms of overall stock levels, they have remained relatively stable, but I am happy to provide a written response with precise figures. Regarding our borrowing position, the original loan total was £36 million, which has now reduced to just over £28 million. A portion of that borrowing will remain in place until 2051/52, partly because the real-terms value of money will diminish over that period. The remainder is being financed through internal borrowing—approximately £7 million across two internal funds. This approach has allowed us to benefit from lower interest costs, and the resulting savings within the HRA have created additional headroom to reinvest in our housing assets.
Page 26 refers to a separation between commercial investments and treasury. Could you clarify whether this distinction relates specifically to commercial property, and how residential property is treated within this framework?	(Richard Barrett) For us it is specific to commercial property. The reason for this is that the classification of residential property depends on the intended purpose of its use. When we purchased the property in Clacton, the decision at that time was made on the basis of an investment opportunity. Where a property is acquired specifically for the purpose of providing social housing, it is not treated as an investment property. Instead, it is considered an addition to our housing stock—a property transaction undertaken to deliver social value rather than to generate an investment return. We do not purchase residential properties for investment purposes; our

	acquisitions of housing stock are solely for social rent and other non-financial, socially driven objectives.
Page 26 states that "the Strategy now acknowledges potential obligation that we placed on the Council due to emerging legislation around Local Government Reorganisation". Can you clarify what those obligations will be?	(Richard Barrett) Not in significant detail, as the Leader has already addressed many of these points in earlier questions. Our focus relates to the obligations we hold in respect of the new Unitary Council. I have statutory responsibilities as the Section 151 Officer, alongside Lisa Hastings as Monitoring Officer and Ian Davidson as the Head of Paid Service. These duties are statutory and therefore prescribed in law and guide our approach throughout the transition. As we progress through the process and as the Structural Order becomes clearer, our specific obligations will continue to be refined. However, the central issue remains: how do we ensure that we meet those obligations effectively? The new authority will inherit both debt and liabilities, and it is therefore essential that we hand over a sustainable Housing Revenue Account both from a professional and moral perspective.
Do we currently provide loans to other councils, and if so, what interest rate is applied?	*Yes, we do, and the rate achieved broadly reflects the underlying market conditions and the relative 'safety' of lending to other Local Authorities. The Council is currently obtaining around the 4% in terms of the most recent transactions.*
Would there be an opportunity for Tendring to provide financing support to Town and Parish Councils, enabling them to access loans at favourable rates and, in doing so, help ensure that Tendring is left in a strong financial position?	(Richard Barrett) It ultimately comes down to risk. When we lend to other local authorities, those arrangements are underwritten by Government, which significantly reduces our exposure. That safeguard would not apply in this scenario. Given the potential risk implications, my view is that we should avoid pursuing this at present. We can, however, undertake a more detailed assessment of the associated

	risks and legal considerations at a later stage and share those with you. It would not be appropriate to give a definitive position now without that fuller analysis.
On page 50, under heading "5. Borrowing Requirement" the highlighted text states "(over and above any amounts already highlighted in the Business Plan considered by Cabinet)", can you expand on this please?	*There are currently no plans to take on any additional external borrowing in 2026/27. The reference to the business plan highlighted, relates to an historic external loan that is due for repayment in the year. Rather than 'replace it' with another external loan, it is proposed to extend the current internal borrowing approach. The loan in question totals £941k.*
What is Tendring District Council's Minimum Revenue Provision?	*This relates to the amounts statutorily required to be set aside to repay debt and it applies to both internal and external borrowing. There are various options in terms of how this can be done, with the approach for 2026/27 agreed at Full Council on 25 November 2025. A helpful extract from the report considered by Full Council in November is as follows:* *"The Council is required to have a policy on providing a prudent minimum revenue provision which must be approved by Full Council each year.* *The duty to make a Minimum Revenue Provision ("MRP") is an important component of the legislative and regulatory framework which underpins the decision making by local authorities to demonstrate that borrowing is prudent, affordable and sustainable.* *Therefore, where local authorities finance capital expenditure with debt, they must set aside an amount of money each year to ensure that debt can be repaid and in deciding whether any capital expenditure is affordable, an authority must consider whether it can meet the cost of the associated MRP charged within its budget."* *The Council's Annual Minimum*

	Revenue Provision Policy Statement for 2026/27 is: ***In accordance with the Local Authorities (Capital Finance and Accounting)(England)(Amendment) Regulations 2003 and having due regard to guidance issued under Section 21 (1A) of the Local Government Act 2003, the Council's policy for the calculation of MRP for 2026/27 shall be the Capital Financing Requirement Method for supported borrowing and the Asset Life (equal instalment) Method for prudential borrowing.*** *The total GF MRP budget for 2026/27 is £250k.* *The statutory MRP rules do not apply to the HRA.*
Would the new waste contract remain viable if Local Government Reorganisation does not proceed? Specifically, given that Reform has indicated it would not comply with the arrangements should it form the next government, how would this affect the contract's deliverability?	*Based on the two-year approach to the budget that was agreed at Full Council in February, the Council will remain in a stable financial position regardless of LGR. This is emphasised via the in-principle / notional approach of holding an amount equal to a multiplier of 2.7 years being retained within the Forecast Risk Fund as of 31 March 2028.* *Within the context of the above, the forecast will be developed as part of the usual annual budget setting processes, which would revisit a number of items, such as the waste contract, if necessary, as part of future years' updates.*
What is the annual rental income for the investment property, and how much has been received to date?	*The current annual rental income is approx. £237k.* *In terms of income received since the property was purchased, a total of just over £1.9m has been received in rental payments to date.*

The meeting was temporarily adjourned, during which the Leader of the Council and the Corporate Director (Finance & IT) departed.

Upon resumption of the meeting, it was moved by Councillor Bensilum, seconded by Councillor J Henderson and:-

RESOLVED that the Committee notes the Annual Capital and Treasury Strategy 2026 and endorses its approval by Cabinet.

39. REPORT OF ASSISTANT DIRECTOR (CORPORATE POLICY & SUPPORT) - A.1 - WORK PROGRAMMING (INCLUDING MONITORING OF PREVIOUS RECOMMENDATIONS AND SUMMARY OF FORTHCOMING DECISIONS

The Assistant Director (Corporate Policy & Support) presented the Committee with an overview of its approved Work Programme for 2025/26, feedback to the Committee on the decisions taken in respect of previous recommendations from the Committee arising from enquiries undertaken, and a list of forthcoming decisions for which public notice had been given.

It was highlighted that a review of the Committee's Work Programme in relation to the anticipated Ministerial announcement on the next steps toward Local Government Reorganisation would be deferred to the next meeting of the Committee, which was currently programmed for 16 June 2026. In the interim, the Chairmen of both Overview and Scrutiny Committees would be meeting with the Leader of the Council, the Deputy Leader, and Senior Officers to consider priorities for the forthcoming municipal year's Work Programmes. Members were therefore invited to submit any proposals or lines of enquiry that they wished to be raised at that meeting in June 2026.

The Assistant Director (Corporate Policy and Support) further provided an update from the Corporate Director (Planning and Community) on the Assets Management Task and Finish Group. It was noted that meeting dates would be arranged in late March, once the Corporate Director (Planning and Community) had completed his duties associated with the Local Plan consultation.

A further update was provided on the Council's Enforcement Arrangements. The Corporate Director (Operations and Delivery) had reported that work was currently underway to identify suitable dates for the reconvened Task and Finish Group, and, in line with established practice, the relevant Portfolio Holders would be contacted to confirm their availability and participation in the forthcoming meetings.

Regarding the Housing Tenancy Deposit Policy, the Committee was informed that a revised policy had now been drafted. Further input from Councillors Baker (Housing and Planning Portfolio Holder) and M Stephenson (Leader of the Council) was required before the policy could progress. A meeting was scheduled for Monday 16 March 2026 to clarify the remaining points, with a decision expected shortly thereafter. Some details were still being finalised, and a full report was anticipated within the next month.
It was additionally noted that the 'Financial Performance Update Quarter 3 2025/26' and the 'Review of the Procurement Procedure Rules', both originally scheduled for Cabinet's consideration on 20 March 2026, would now be submitted to Cabinet on 24 April 2026.

It was moved by Councillor Amos, seconded by Councillor Bensilum and:-

RESOLVED that the item 'Potential use of property in Clacton Town Centre for Temporary Emergency Accommodation' be added to this Committee's Work Programme for 2026/27.

It was further **RESOLVED** that the Committee:-

(a) notes its approved Work Programme for 2025/26 (Appendix A) together with the feedback to the Committee on the Executive's decisions made in respect of previous Committee recommendations (Appendix B), and the list of forthcoming decisions (Appendix C); and

(b) notes the remaining contents of the report.

The meeting was declared closed at 8.12 pm

Chairman

COUNCIL

31 MARCH 2026

REFERENCE FROM CABINET

A.2 ADOPTION OF THE ANNUAL CAPITAL AND TREASURY STRATEGY FOR 2026/27 (INCLUDING PRUDENTIAL AND TREASURY INDICATORS)
(Report prepared by Ian Ford*)*

PART 1 – KEY INFORMATION

PURPOSE OF THE REPORT
The Council is asked to consider the recommendation submitted to it by the Cabinet in respect of the approval of a Capital and Treasury Strategy for 2026/27.

EXECUTIVE SUMMARY
At its meeting held on 20 March 2026 (minute 127 refers), the Cabinet had considered a report of the report of the Corporate Finance and Governance Portfolio Holder (A.9) which had sought Cabinet's agreement of the Annual Capital and Treasury Strategy for 2026/27 (including Prudential and Treasury Indicators) for submission to this meeting of Full Council. Cabinet had been reminded that the Local Government Act 2003 and supporting regulations required the Council to set out its treasury strategy for borrowing, and to prepare an Annual Investment Strategy (as required by Investment Guidance subsequent to that Act) that set out the Council's policies for managing its investments and for giving priority to the security and liquidity of those investments, "having regard" to the Chartered Institute of Public Finance and Accountancy's (CIPFA) Prudential Code and the CIPFA Treasury Management Code of Practice. Revised editions of both documents had come into force in 2023/24. It had been reported that the Capital Strategy continued to be combined with the Treasury Strategy into one document, which was required to be updated / approved annually. The proposed Annual Capital and Treasury Strategy for 2026/27 had been set out in Appendix A2 to the Portfolio Holder's report (A.9) and it continued to reflect the various changes set out in the latest Codes mentioned above. Members of the Cabinet had been informed that the Capital Strategy element of the combined document covered the various elements surrounding capital investment decisions and the key criteria that investment decisions should be considered against. The Treasury Strategy element of the combined document covered the various elements that satisfied the requirements of the various codes that governed the borrowing and investment activities of the Council and had been prepared in the light of advice received from the Council's Treasury advisors and reflected the latest codes and guidance**.** Cabinet had been made aware that Prudential and Treasury indicators had been included as an Annexe to the combined strategy and had therefore been included within Appendix A2. Members of the Cabinet had been advised that, under the Prudential Code, the Council had freedom over capital expenditure if it was prudent, affordable and sustainable. The

Prudential Indicators either measured the expected activity or introduced limits upon the activity and reflected the underlying capital appraisal systems and enabled the Council to demonstrate that it was complying with the requirements of the Prudential Code.

Cabinet had been reassured that the Council's investments would be undertaken in accordance with its Treasury Management Practices (TMPs).

Cabinet had been informed that, following on from comments made last year, the Strategy now acknowledged potential obligations that would be placed on the Council due to the emerging legislation around Local Government Reorganisation (LGR).

Cabinet had, inter alia, ***"****RESOLVED that the Annual Capital and Treasury Strategy for 2026/27 (including Prudential and Treasury Indicators) be recommended to Full Council for its formal approval."*

A copy of the published Corporate Finance & Governance Portfolio Holder's report (and its appendix) to the Cabinet meeting held on 20 March 2026 is attached to this report.

RECOMMENDATIONS

That Council, having considered this reference report from Cabinet, approves and adopts the annual Capital and Treasury Strategy for 2026/27 (including Prudential and Treasury Indicators), as set out in Appendix A hereto.

MONITORING OFFICER'S ADVICE

Nothing further to add to the contents of the report.

BACKGROUND PAPERS FOR THE DECISION

Published Decisions of the meeting of the Cabinet held on 20 March 2026.

APPENDICES

APPENDIX A = Annual Capital and Treasury Strategy 2026/27 (including Prudential and Treasury Indicators) for adoption

APPENDIX B = Published A.9 Report of the Corporate Finance & Governance Portfolio Holder for the meeting of the Cabinet held on 20 March 2026

Tendring
District Council

ANNUAL CAPITAL AND TREASURY STRATEGY 2026/27

PART 1 – CAPITAL STRATEGY 2026/27 to 2028/29

1. Introduction

SECTION A - Achieving Outcomes / Delivering Against Priorities

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

SECTION B - Capital Investment and Sources of Funding

4. Capital Investment Considerations
5. Sources of Funding

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

Part 1 Annex 2 – General Fund and Housing Revenue Account Capital Programmes 2026/27 to 2027/28

PART 2 – TREASURY STRATEGY FOR 2026/27

1. Introduction
2. Treasury Limits for 2026/27 to 2027/28
3. Prudential and Treasury Indicators for 2026/27 to 2027/28
4. Current Portfolio Position
5. Borrowing Requirement
6. Economic Position
7. Interest Rates
8. Borrowing strategy
   - 8.1 External v internal borrowing
   - 8.2 Gross and Net Debt Positions
   - 8.3 Policy on borrowing in advance of need
9. Debt Rescheduling
10. Annual Investment Strategy
    - 10.1 Investment Policy
    - 10.2 Creditworthiness Policy
    - 10.3 Credit Limits
    - 10.4 Country Limits
    - 10.5 Investment Strategy
    - 10.6 Allocation of Investment returns between GF and HRA.
    - 10.7 End of year investment report

Part 2 Annex 1 – Proposed Prudential Indicators 2025/26 revised, 2026/27 and forecasts for 2027/28 to 2028/29

Part 2 Annex 2 – Specified and non-specified investments

PART 1 – CAPITAL STRATEGY

INTRODUCTION

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

1. **Financial Sustainability -** How the Council manages its resources to ensure it can continue to deliver its services.

2. **Governance -** How the Council ensures that it makes informed decisions and properly manages its risks.

3. **Improving economy, efficiency and effectiveness -** How the Council uses information about its costs and performance to improve the way it manages and delivers its services

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

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

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

The Council's cost pressure and investment plans along with the Capital Programme forms the basis of the Council's rolling plan of investment in assets. The Capital Programme spans a number of years and contains a mix of individual schemes.

Investment can include expenditure on:

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

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

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

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

SECTION A - ACHIEVING OUTCOMES/DELIVERING AGAINST PRIORITIES

CORPORATE PRIORITIES

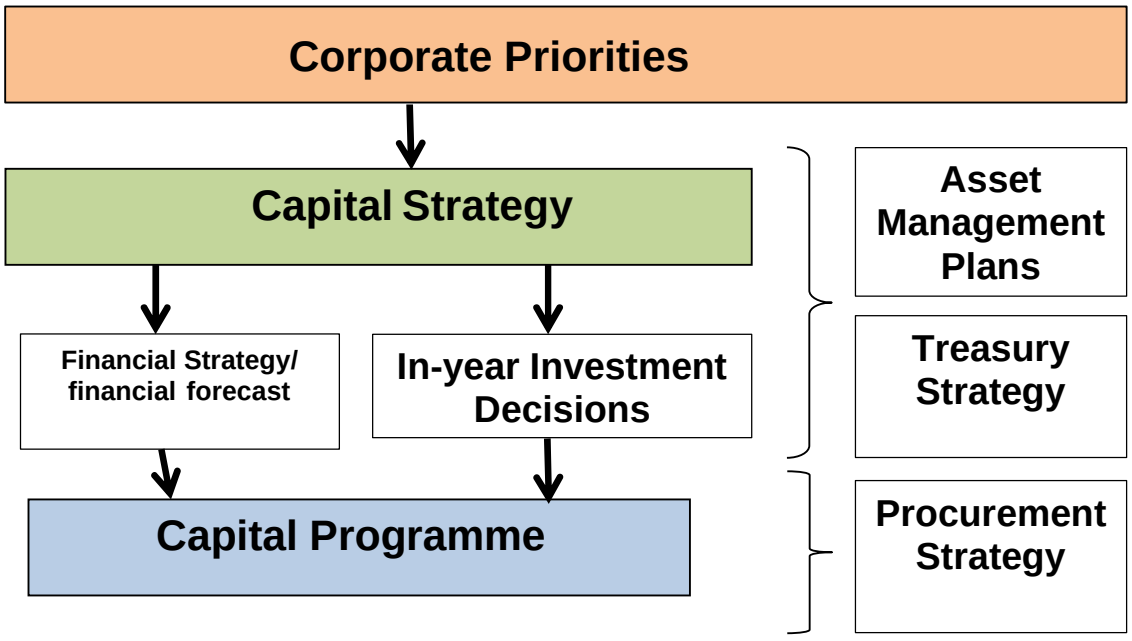
The Capital Strategy is subject to ongoing review and has a key role in supporting the delivery of the Council's Corporate Priorities

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

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

LINKS TO OTHER KEY STRATEGIES

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



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

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

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

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

The Council's cost pressure and investment plans also forms a key element within the framework above as it forms a further link between the Corporate Priorities and the Financial Strategy and complements the development of the forecast and prioritised projects that are included within the Capital Programme.

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

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

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

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

Departments support Management Team in the above process through the development and investigation of investments opportunities and submitting reports / project initiation and development documentation in support of the associated capital projects.

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

Council – Approves a multi-year Capital Programme as part of the budget setting process in February each year and approves the Capital / Treasury Strategy in March each year or as soon as possible thereafter.

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

CONSULTATION

The views of the local community and stakeholders are an important element in developing the priorities for the Council and identifying capital investment opportunities. This can be achieved in a number of ways depending on the specific investment that is considered, which should be complemented by wider consultation exercises such as those associated with the development of corporate priorities and the forecast/corporate investment plans where necessary.

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

MONITORING OF THE CAPITAL INVESTMENT/CAPITAL PROGRAMME

In terms of performance and monitoring the delivery of capital investment, this is primarily achieved through the existing and comprehensive financial processes such as the term financial forecast and budget setting process, outturn review and the quarterly financial performance reporting. In respect of the quarterly financial performance reports, an update on the delivery of projects and the position against the budget is included, which is made available to both Cabinet and the relevant Overview and Scrutiny Committee during the year. Some capital projects may also form part of the Council's separate Performance Monitoring process that is also reported to Members during the

year. *Forward looking prudential indicators are also included within the above regular financial performance reports.*

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

The above is *supported by an Officer 'Project Board'* and also where relevant, by separate Member 'boards' or equivalent, which form an important element of the monitoring process for schemes such as the Levelling Up Fund and Community Regeneration Partnership projects.

SECTION B – CAPITAL INVESTMENT AND SOURCES OF FUNDING

CAPITAL INVESTMENT CONSIDERATIONS

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

All of the Council's capital investment is managed in accordance with the requirements of the Prudential Code. The prioritisation of capital investment is directly linked to the financial forecast and/or in-year budget amendment processes as previously explained, which is complemented by the Council's cost pressure and investment plans, all of which will be undertaken in an open and transparent manner.

Schemes that are agreed but not funded as part of the financial forecast process will be considered as part of a prioritised list within wider cost pressure and investment plans and be a 'live' schedule of investment opportunities against which further investment opportunities should be considered during the year.

A number of obligations will be placed on the Council and its Statutory Officers as part of the Government's on-going Local Government Reorganisation reforms for Greater Essex. These are anticipated to be based on emerging legislation such as the Structural Changes Order (SCO) and existing legislation such as S24 of the Local Government and Public Involvement in Health Act 2007, which will include new statutory duties on existing authorities being abolished by the orders, which will include the control of disposals, contracts and reserves. In practice, they are complementary and cover the abolition of the existing local government areas, wind up and dissolve the existing county and district councils, transfer district and county council functions, establish one or more new local government areas and unitary authority(ies) and providing for the names of each. There will be a number of related key financial

considerations that will remain under review during the period of the proposed two-year plan. As LGR for Greater Essex proceeds further, information on these requirements for Tendring District Council will be brought into future treasury management reports as necessary.

The Council faces ongoing significant financial challenges over the period of this Capital Strategy due to changes in Government Funding over recent years, inflationary pressures and potential uncertainty introduced by local government reforms. *The latest financial forecast for 2026/27 to 2028/29 reflects annual deficits over the remaining period of the plan, which is supported by the Forecast Risk Fund. To support the on-going delivery of efficiencies and transformation that will in turn support the delivery of the forecast, the following key principles should continue to be a key consideration of capital investment decisions:*

Design schemes/projects to limit as far as possible any negative impact on the Council's on-going revenue budget.
Promote capital investment which allows either invest to save outcomes or generates a revenue and/or capital return and/or generates additional external grant or core funding (e.g. Business Rates) whilst clearly setting out how it contributes to the Council's Corporate Priorities.
Foster effective working relationships with potential funders/partners.
Carefully consider value for money and efficiency of projects and associated outcomes.
Project risk is fully explored, and mitigating actions identified and taken as necessary.
Ensure appropriate project management tools and documentation are used and that project timescales are adequately matched to the capacity to deliver the project, both internally and externally (where internal, this needs to include services such as Legal, Finance and HR).
Responsibility for the delivery of the project is clearly defined and understood.
How the proposed investment contributes to the Council's commitment to be carbon neutral by 2050.

In addition to the above, it will also be important to consider the impact of local government reforms through devolution and local government reorganisation as necessary.

Although not always necessarily subject to formal reporting, as part of the Council's project management processes, Departments are expected to evidence the outcome from any investment undertaken against the key criteria set out within this Capital Strategy to inform future investment decisions with

high level information being available within the usual performance/budget monitoring reports.

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

As highlighted above, the Council's cost pressure and investment plans form part of the overall governance framework in terms of linking corporate priorities and strategies to investment priorities. This framework takes into account a number of key priority 'drivers' such as financial viability / sustainability, non-financial consequences such as reputation / health and safety, the outcome from external assessment / regulatory reviews along with being outcome driven.

Impact Assessments

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

SOURCES OF FUNDING

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

In limited cases the cost of capital investment is supported by external grants/ contributions. Any other capital investment the Council wishes to make has to be funded from its own resources or by borrowing (the revenue cost being met entirely by the Council). The Council's Financial Strategy / financial forecast includes consideration of a *multi-year* forecast, taking into account the revenue implications of capital investment plans and the resources available to fund capital investment. The level of capital investment will be constrained by the available resources identified via the financial forecast process including revenue contributions or the ability to attract external funding and the generation of capital receipts. Any decision to invest in capital projects will need to match the available resources against criteria set out above, including how it meets corporate priorities within wider cost pressure and investment plans. The process also includes consideration of, where appropriate, whether to divest any commercial investments, in accordance with the requirements of the updated Prudential and Treasury Management Codes.

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

a) **Revenue Funding (Including Reserves)** – This continues to be limited each year given the challenging financial environment and on-going government grant reductions. This funding stream will need to be considered within the overall financial planning processes each year,

including that for the HRA, which operates under a self-financing environment where changes in Government Policy have limited the revenue contributions available to support capital investment.

b) **Capital grants/contributions** – These have contributed significantly to past and current capital projects and many aspects of the Council's and its partners' objectives can only be met if this funding source continues to be pursued. The delivery of the Council's priorities and commitments continue to be supported by successful grant applications. Section 106 money flowing from the planning process is also a significant source of external funding.

c) **General Fund Capital Receipts** – It is acknowledged that the Council's current property/land holdings are not of significant high value or volume. Nevertheless, the Council recognises this important funding source and continually reviews its assets as part of separate asset management / investment plans which provide the context to consider opportunities to dispose of any assets that are surplus to requirements and/or not contributing to the delivery of the Council's priorities or where they provide alternative investment opportunities.

d) **Borrowing within the Prudential Framework (Prudential Borrowing)** – The Council has the freedom to borrow to finance its capital expenditure provided it can demonstrate the prudence of the investment and its affordability and sustainability. During 2020/21 the rules governing borrowing from the PWLB were amended such that from 25 November 2020 no borrowing from the PWLB is allowed if an authority has purchased assets for yield in its capital programme for the following three years. Neither the General Fund nor the Housing Revenue Account capital programmes for 2025/26 to 2027/28 involve any such schemes. This means the Council is still able to access PWLB funding at preferential rates if it is prudent, affordable and sustainable.

CAPITAL STRATEGY CONCLUSIONS

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

PART 1 - ANNEX 1

QUICK REFERENCE GUIDE – Information Expected to be Included in Capital Investment Decisions Where Relevant

Formal Investment Considerations/Decisions/Business Cases
Link to priorities (including commitment to be carbon neutral by 2050) and/or 'safeguarding' of a Council Asset and what are the measurable benefits of the planned investment
Return on Investment/Net Present Value
Whole Life Costing/Revenue Consequences
Payback Periods
Key risks and how they will be managed
Alternative Options/Opportunity Costs
Sustainability
Financial Resources Available/Funding Options
Impact assessment where relevant
Capacity/Deliverability
Other considerations/important information to discuss/share with relevant internal department(s) and/or for inclusion in the formal decision making process if significant
Cash Flow Forecasts
VAT Arrangements/Implications
Insurance issues
Risk Management implications
Procurement processes
Any potential impact/influence of devolution and local government organisation.

PART 1 - ANNEX 2

General Fund Capital Programme 2025/26 to 2028/29

Capital Expenditure - General Fund £000s	2024/25 Actual	2025/26 Revised	2026/27 Estimate	2027/28 Forecast	*2028/29 Forecast*
Total Capital Expenditure	**3,809**	**68,002**	**1,570**	**1,070**	***1,070***
Financing - General Fund					
External contributions	(333)	*(52)*	*0*	*0*	*0*
Section 106	(14)	*(217)*	*0*	*0*	*0*
Government grants	(1,539)	*(48,370)*	*0*	*0*	*0*
Disabled Facilities Grant	(1,460)	*(12,275)*	*(1,000)*	*(1,000))*	*(1,000)*
Capital receipts	10	*(805)*	*(500)*	*0*	*0*
Direct revenue contributions	(257)	*(1,456)*	*(70)*	*(70)*	*(70)*
Earmarked reserves	(216)	*(4,827)*	*0*	*0*	*0*
Total Capital Financing	**(3,809)**	***(68,002)***	***(1,570)***	***(1,070)***	***(1,070)***
Net Financing need (External Borrowing)	**0**	**0**	**0**	**0**	***0***

HRA Capital Programme 2025/26 to 2028/29

Housing Revenue Account Capital Schemes £000	2024/25 Actual	2025/26 Revised	2026/27 Estimate	2027/28 Forecast	*2028/29 Forecast*
Total Capital Expenditure	**7,916**	**7,312**	**6,900**	**5,139**	**5,186**
Financing - Housing Revenue Account					
Major repairs reserve	(3,314)	*(3,556)*	*(3,556)*	*(3,556)*	*(3,556)*
Direct revenue contributions	(1,015)	*(1,490)*	*(1,537)*	*(1,583)*	*(1,630)*
Earmarked Reserves	(423)	*(1,430)*	*0*	*0*	*0*
Section 106	(651)	*(693)*	*0*	*0*	*0*
Capital receipts	(2,513)	*(143)*	*(1,807)*	*0*	*0*
Total Capital Financing	**(7,916)**	***(7,312)***	***(6,900)***	***(5,139)***	***(5,186)***
Net Financing need (External Borrowing)	**0**	**0**	**0**	**0**	**0**

PART 2 – TREASURY STRATEGY

1. Introduction

The Local Government Act 2003 (the Act) and supporting regulations require the Council to 'have regard to' the CIPFA Prudential Code and the CIPFA Treasury Management Code of Practice to set Prudential and Treasury Indicators for the next three years to ensure that the Council's capital investment plans are affordable, prudent and sustainable. Both CIPFA Codes were revised in December 2021 and adopted by the Council in 2023/24. The revised codes had the following implications:

- A requirement to adopt a new debt liability benchmark treasury indicator
- They clarify what CIPFA expects a local authority to borrow for and what they do not view as appropriate, however it is important to highlight that none of Tendring's borrowing falls within the inappropriate category
- A requirement to address environmental, social and governance (ESG) considerations in the Capital Strategy and in Treasury Management Practice 1 (TMP1).
- Implementation of a policy to review commercial property, with a view to divest where appropriate.
- Create new Investment Practices to manage risks associated with non-treasury investment (for Tendring this is the single Investment Property held) that are similar to the current TMPs
- Expansion of the knowledge and skills register for individuals involved in treasury management, proportionate to the size and complexity of the work involved.
- All investments and investment income to be split between:
    - those held for treasury management arising from cash flows
    - those held for delivery of services such as housing, regeneration and local infrastructure – the Council has none in this category at present
    - those held for commercial return – i.e. investment property

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

The Council's risk appetite is low, and it takes a risk-averse approach to Treasury Management, with the security and liquidity of the investment the prime concern, and the budget for income from investments being formulated on this basis. The Annual Strategy for 2026/27 is based on this risk-averse approach continuing.

For a number of years, the Council has engaged the services of treasury advisors to provide its officers with advice on treasury management issues. The current advisors are Link Asset Services, Treasury solutions. However, the

final decision and responsibility for the actions taken sits with the Council's own officers after considering that advice.

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

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

2. Treasury Limits for 2026/27 to 2027/28

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

The Council must have regard to the Prudential Code when setting the Authorised Limit of external debt, which essentially requires it to ensure that total capital investment remains within sustainable limits and, in particular, that the impact upon its future council tax and council rent levels is 'acceptable'. Capital investment must be considered in the light of the overall strategy and resources available, with decisions made with sufficient regard to the long-term financing implications and potential risks.

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

The authorised limit reflects the additional borrowing requirement as part of the Housing Revenue Account (HRA) self-financing reforms. The Housing self-financing reforms also set an overall 'debt cap' for the HRA which in itself reflects an affordability level based on the Government's model of how much debt can be supported by the HRA after considering the forecast of income from rents and management and maintenance costs over a 30 year period. The HRA debt cap for Tendring was £60,285,000, but the Government announced the abolition of the HRA debt cap from 29 October 2018. The updated HRA Business Plan reported to Members in December 2025 and January 2026 as part of the HRA budget, reflected the financing of maturing loan debts via internal borrowing instead of external borrowing.

Due to a technical accounting change relating to assets the Council leases from 2024/25 and beyond, these assets are now recognised on the Council's balance sheet as right of use assets, matched by a corresponding lease liability. They count as a type of borrowing and will be written down each year. At the present time they are all within the General Fund, relatively short term with a maximum life of five years, so will be written down in line with the actual lease

repayment made. This means that the total spend of the Council counted against the General Fund balance will be unchanged, but the spend was moved to a different line in the Council's accounts and be split between Minimum Revenue Provision and interest.

The amount brought onto the balance sheet at 1 April 2024 was £0.235 million with an additional £0.087million added by 31 March 2025. As short-term lease payments were £0.131million in year this left an outstanding lease liability of £0.191million as at the 31 March 2025. The authorised limit and operational boundary already identified can cover this increase. The overall Capital Financing Requirement (CFR) of the Council for the General Fund has increased, but the loans CFR, which is referred to in the remainder of this Strategy, will not change. At present, the lease liability will continue to reduce until / if further qualifying assets are leased. As at 31 March 2026 liabilities are expected to be £0.073million.

3. Prudential and Treasury Indicators for 2025/26 to 2027/28

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

4. Current Portfolio Position

The Council's treasury position at the end of December 2025 comprised:

- *GF borrowing from The Public Works Loan Board (PWLB) of £0.114 million at fixed rates at an average rate of interest of 6.91%*
- *HRA borrowing from the PWLB of £28.044 million at fixed rates at an average rate of 3.59%*
- *Investments of cash flow surpluses, which include reserves and capital receipts, on a short-term basis (less than 1 year) totalling £106.365 million at an average rate of interest of 4.46%.*

5. Borrowing Requirement

No new, alternative or replacement external borrowing is currently reflected in the budget for the General Fund or for the HRA *(over and above any amounts already highlighted in the Business Plan considered by Cabinet).*

6. Economic Position

The Council's Treasury Advisors provide economic updates during the year with their latest update summarised as follows:

UK economy

The Bank of England Monetary Policy Committee (MPC) has continued to reduce rates in 2025/26 at a gradual pace reducing from 4.25% at the beginning of the year to the current level of 3.75% at the end of December 2025. Due to the 'stickiness' of CPI inflation, rate reductions have been at a slow measured rate as the bank balances this against slow economic growth indicators, with GDP being at 0.1% in quarter 4 2025 (October to December). Given the mixed picture the Council's external treasury advisors have suggested in their forecasts that interest rates will continue to reduce at a steady rate with the 'equilibrium' rate estimated to be at 3.25% in December 2026.

7. Interest Rates

The following table gives the Council's External Treasury Advisor's view on Bank Rate movements and their forecast for the PWLB new borrowing rate based on that view. The PWLB rates are based on the 'Certainty Rate' introduced by the Government for local authorities providing improved information and transparency on their locally determined long-term borrowing and associated capital spending plans. The Council's investment returns continued to be strong in 2025/26 but the average rate has declined in line with the reductions in the bank rate. Returns are expected to drop with lower rates forecast going into 2026/27, but at a gradual rate.

	Bank Rate	Average earnings rate projected by the Council's External Advisors			PWLB Borrowing Rate			
		3 month	6 month	12 month	5 yr.	10 yr.	25 yr.	50 yr.
Mar 2026	*3.75*	*3.80*	*3.80*	*3.90*	*4.60*	*5.20*	*5.80*	*5.60*
Jun 2026	*3.50*	*3.50*	*3.50*	*3.60*	*4.50*	*5.00*	*5.70*	*5.50*
Sep 2026	*3.50*	*3.50*	*3.50*	*3.60*	*4.30*	*4.90*	*5.60*	*5.40*
Dec 2026	*3.25*	*3.30*	*3.40*	*3.50*	*4.20*	*4.80*	*5.50*	*5.30*
Mar 2027	*3.25*	*3.30*	*3.30*	*3.40*	*4.10*	*4.80*	*5.50*	*5.30*
Jun 2027	*3.25*	*3.30*	*3.30*	*3.50*	*4.10*	*4.70*	*5.40*	*5.20*
Sep 2027	*3.25*	*3.30*	*3.30*	*3.50*	*4.10*	*4.70*	*5.30*	*5.10*
Dec 2027	*3.25*	*3.30*	*3.40*	*3.50*	*4.10*	*4.70*	*5.30*	*5.10*
Mar 2028	*3.25*	*3.30*	*3.40*	*3.50*	*4.10*	*4.70*	*5.30*	*5.10*
Jun 2028	*3.25*	*3.30*	*3.40*	*3.50*	*4.10*	*4.60*	*5.20*	*5.00*
Sep 2028	*3.25*	*3.30*	*3.40*	*3.60*	*4.10*	*4.60*	*5.20*	*5.10*
Dec 2028	*3.25*	*3.30*	*3.40*	*3.60*	*4.10*	*4.60*	*5.20*	*5.00*
Mar 2029	*3.25*	*3.30*	*3.40*	*3.60*	*4.10*	*4.70*	*5.20*	*5.00*

8. Borrowing Strategy

8.1 External v Internal Borrowing

The main Prudential Indicator relevant to capital investment is the Capital Financing Requirement (CFR). This is the total outstanding capital expenditure that has not yet been funded from either revenue or capital resources and is therefore a measure of the Council's underlying borrowing need after taking into account the provision included in the revenue budgets for the repayment of outstanding debt. From 2024/25 this figure also takes into account the assets and liabilities created by the impact of the new technical accounting arrangements for leasing.

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

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

Total External Debt

	Actual 2024/25	Revised 2025/26	Estimate 2026/27	Forecast 2027/28	*Forecast 2028/29*
	£000's	£000's	£000's	£000's	*£000's*
Debt as at 1 April	33,277	30,653	28,232	25,811	*24,722*
Estimated repayment of debt	(2,624)	(2,421)	(2,421)	(1,089)	(1,090)
Estimated debt as at 31 March	30,653	28,232	25,811	24,722	23,632
CFR as at 31 March	**37,167**	**35,649**	**34,088**	**32,843**	**31,605**
Difference - internally financed	6,514	7,417	8,277	8,121	7,973

General Fund External Debt

	Actual 2024/25	Revised 2025/26	Estimate 2026/27	Forecast 2027/28	*Forecast 2028/29*
	£000's	£000's	£000's	£000's	£000's
Debt as at 1 April	128	119	112	46	38
Estimated repayment of debt	(9)	(7)	(66)	(8)	(9)
Estimated debt as at 31 March	119	112	46	38	29
CFR as at 31 March	**4,632**	**4,528**	**4,381**	**4,217**	**4,060**
Forecast of internal financing	4,513	4,416	4,335	4,179	4,031

HRA External Debt

	Actual 2024/25	Revised 2025/26	Estimate 2026/27	Forecast 2027/28	*Forecast 2028/29*
	£000's	£000's	£000's	£000's	£000's
Debt as at 1 April	33,149	30,534	28,120	25,765	24,684
Estimated repayment of debt	(2,615)	(2,414)	(2,355)	(1,081)	(1,081)
Estimated debt as at 31 March	30,534	28,120	25,765	24,684	23,603
CFR as at 31 March	**32,535**	**31,121**	**29,707**	**28,626**	**27,545**
Forecast of internal financing	2,001	3,001	3,942	3,942	3,942

The Council is currently maintaining an under-borrowed position for the General Fund and the HRA. This means that the capital borrowing need (the Capital Financing Requirement), has not been fully funded with external loans, as cash supporting the Council's reserves, balances and cash flow has been used as a temporary measure. This strategy remains prudent, as PWLB rates are currently elevated above what the Council's treasury management advisors consider to be a baseline level.

HRA maturity loans of £1.000 million and £0.941 million end in 2025/26 and 2026/27 respectively, which are planned to be met from internal borrowing, although this postion will remain under review as part of the on-going development of the HRA Business Plan.

Based on the Government's current timescales, Local Government Reorganisation (LGR) would create a shadow authority from April 2027. Any decision to borrow from that date would need the authorisation of the new authority. Given the impact of LGR and the continued elevated level in interest rates throughout 2025/26 and looking ahead to 2026/27, it is felt prudent to maintain the current level of internal borrowing as set out within the tables above, although this will be kept under review in consultation with the Council's external advisors.

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

8.2 Gross Debt v Investments

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

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

Comparison of gross and net debt positions at year end	2024/25	2025/26	2026/27	2027/28	2028/29
	Actual	Probable out-turn	Estimate	Estimate	Estimate
	£'000	£'000	£'000	£'000	£'000
General Fund external debt (gross)	119	112	46	38	29
HRA external debt (gross)	30,534	28,120	25,765	24,684	23,603
Investments	95,127	106,365	75,000	61,000	55,500
Net debt	**(64,474)**	**(78,133)**	**(49,189)**	**(36,278)**	**(31,868)**

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

Recent investment balances have been significantly higher than initially forecast in recent years, with the investment balances in 2024/25 and 2025/26 higher due to Government Grant Funding. Based on the most up to date information, including project delivery timescales, the assumption that reserves will be fully spent has been changed to assume that legacy balances will be spent gradually over the period at roughly 25% per annum.

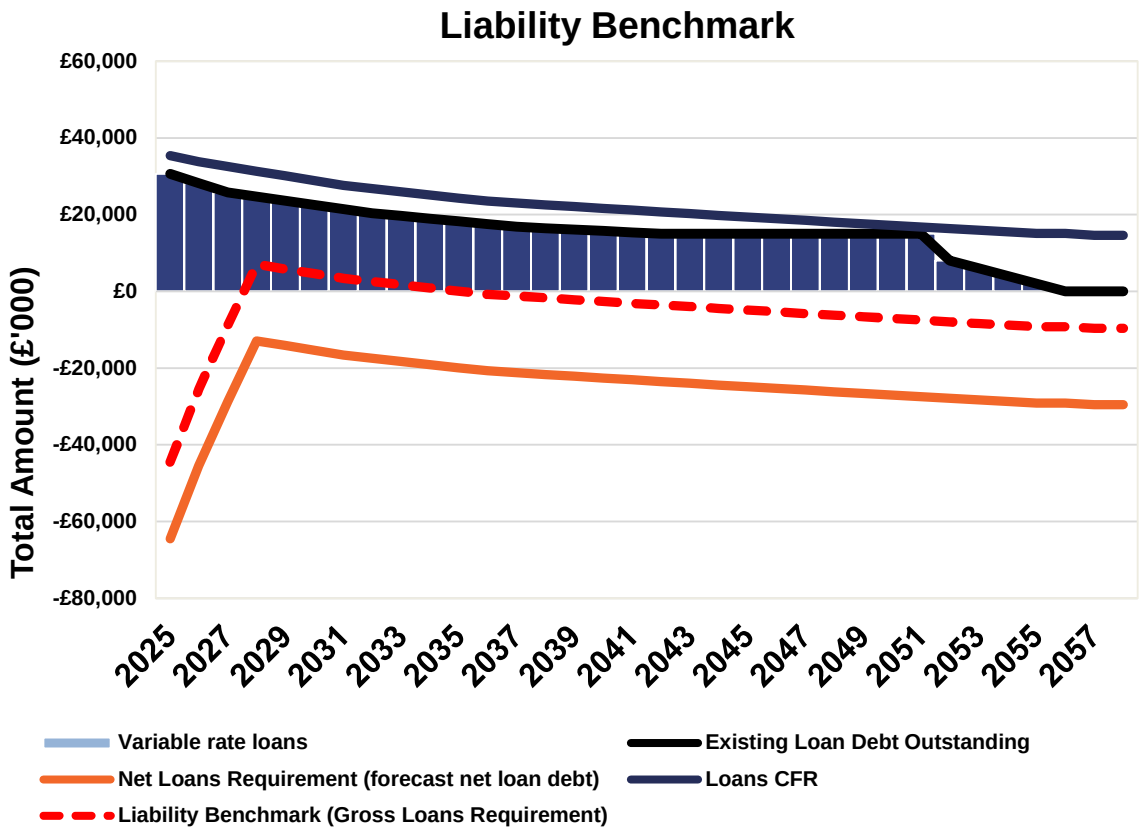
If opportunity arises, external debt will be repaid early, although this is difficult under current arrangements as set out in section 9. If borrowing is required then any requirement will be considered whilst balancing internal resources and forecasted interest rates within the parameters previously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

Against this background caution will be maintained within the 2026/27 treasury operations. Interest rates will be monitored and a pragmatic approach adopted to changing circumstances with appropriate action taken in accordance with the Council's Financial Procedure Rules.

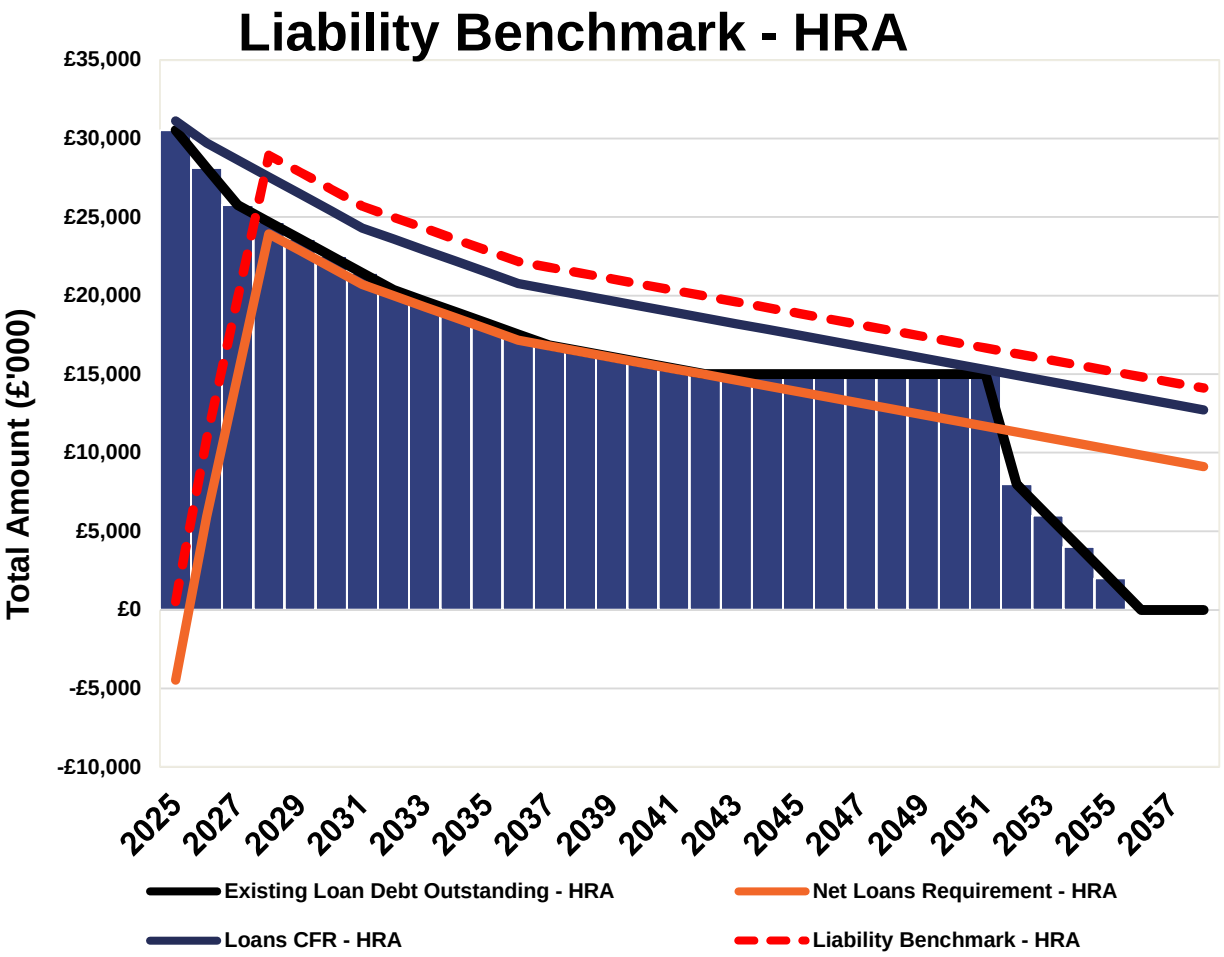
8.3 Liability Index

The tables in sections 8.1 and 8.2 are now required to be shown graphically for a minimum of 10 years and ideally to maturity of loan debt under the 2021 Prudential Code. The charts below show the overall position for the Council and then split over General Fund and HRA.

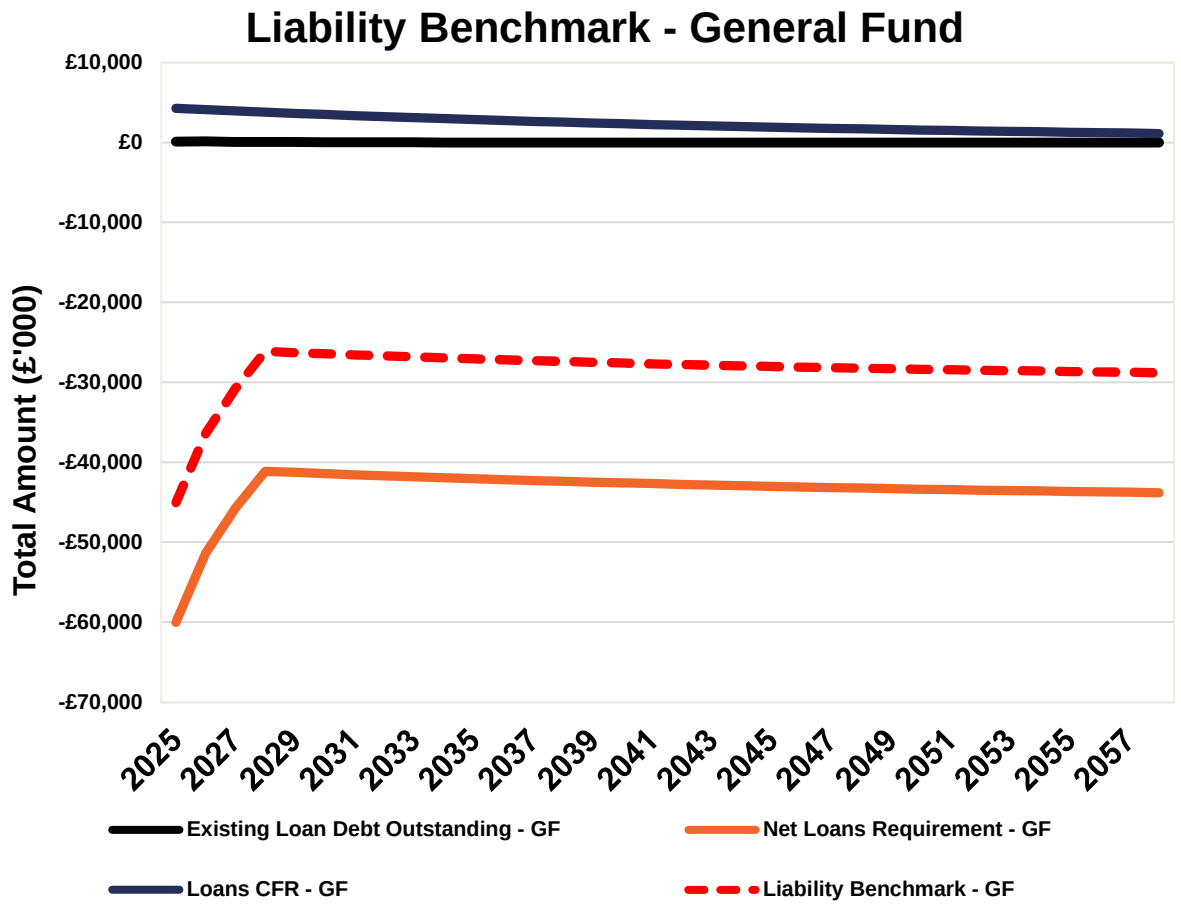
Total Capital Financing Requirement and External Borrowing



The gap between the top of the blue bars and the PWLB loans shows the Council is under-borrowed and well under the authorised limit and operational boundary.



The HRA chart shows also that the HRA is under-borrowed, at least until 2051, unless maturity loans that end over the next few years are re-financed.



The low level of General Fund PWLB debt is demonstrated by this chart. Again, this shows the level of General Fund under-borrowing as set out in the table in section 8.1 above.

8.3 Policy on borrowing in advance of need

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

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

- ensure that there is a clear link between the capital programme and maturity profile of the existing debt portfolio which supports the need to take funding in advance of need;
- ensure the ongoing revenue liabilities created, and the implications for the future plans and budgets have been considered;
- evaluate the economic and market factors that might influence the manner and timing of any decision to borrow;
- consider the merits and demerits of alternative forms of funding;
- consider the alternative interest rate bases available, the most appropriate periods to fund and repayment profiles to use;
- consider the impact of borrowing in advance on temporarily (until required to finance capital expenditure) increasing investment cash balances and the consequent increase in exposure to counterparty risk, and other risks, and the level of such risks given the controls in place to minimise them.

9. Debt Rescheduling

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

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

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

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

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

10. Investment Strategy

10.1 Investment Policy

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

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

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

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

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

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

The property will be subject to annual revaluation to reflect current value under the requirements of the Accounting Code of Practice and this will be reported in the Statement of Accounts. *At 31 March 2025 the carrying value of the property was assessed by the Council's external Valuer at £2.212 million and at 30 September 2025 the carrying value was reduced to £2.135 million* The anticipated return on the property through rental income compared to the

historic cost is forecast to remain in line with the figures included in the report to Cabinet where the decision to purchase was made. Regardless of whether or not the property is being used for trading, the terms of the lease require payment of the rent until the end of the lease term.

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

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

10.2 Creditworthiness Policy and changes to the credit rating methodology

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

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

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

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

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

counterparty will be adjusted accordingly or the counterparty removed from the list.
2. Market data and information,
3. Information on government support for banks and the credit ratings of that government support

10.3 Credit Limits

Through its approved Treasury Management Practices the Council will set maximum limits for the amount that can be invested with any counterparty. This limit will be determined by reference to the counterparty's credit rating and other criteria. In addition the amount invested in building societies and Certificates of Deposit is also limited to 50% of the total investment portfolio.

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

10.4 Country Limits

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

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

10.5 Investment Strategy

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

The bank rate reduced from 4.50% in April 2025 to 3.75% in February 2026. The rate is forecast to gradually reduce over the course of 2026 to 3.25% by March 2027 (see Section 7). The Council will consider entering suitable low risk longer term deals before rates begin to fall without compromising the Council's priority of security of the investments.

For 2026/27 the Council has budgeted for investment returns based on the principles set out in this strategy including the forecast position on interest rates.

For its cash flow generated balances the Council will seek to utilise its business reserve accounts, Money Market Funds and short dated deposits (overnight to three months) in order to benefit from the compounding of interest. At the present time these short dated deposits are paying lower rates, but they provide a good level of liquidity to help manage the Council's cash flow.

10.6 Allocation of Investment returns between GF and HRA

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

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

- Equity
- Risk Sharing
- Minimising volatility between years

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

10.7 End of year investment report

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

GLOSSARY OF TERMS

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

Non-specified investment – as defined in Annex 2.

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

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

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

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

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

Specified investments – as defined in Annex 2.

Proposed Prudential Indicators 2025/26 revised, 2026/27 and forecasts for 2027/28 to 2028/29

Indicators for Prudence

CAPITAL EXPENDITURE

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

Capital Expenditure - General Fund £000s	2024/25 Actual	2025/26 Revised	2026/27 Estimate	2027/28 Forecast	*2028/29* Forecast
Total Capital Expenditure	**3,809**	**68,002**	**1,570**	**1,070**	**1,070**
Financing - General Fund					
External contributions	(333)	(52)	-	-	-
Section 106	(14)	(217)	-	-	-
Government grants	(1,539)	(48,370)	-	-	-
Disabled Facilities Grant	(1,460)	(12,275)	(1,000)	(1,000)	(1.000)
Capital receipts	10	(805)	(500)	-	-
Direct revenue contributions	(257)	(1,456)	(70)	(70)	(70)
Earmarked reserves	(216)	(4,827)	-	-	-
Total Capital Financing	**(3,809)**	**(68,002)**	**(1,570)**	**(1,070)**	**(1,070)**
Net Financing need (External Borrowing)	**0**	**0**	**0**	**0**	**0**

Housing Revenue Account Capital Schemes £000	2024/25 Actual	2025/26 Revised	2026/27 Estimate	2027/28 Forecast	2028/29 Forecast
Total Capital Expenditure	**7,916**	**7,312**	**6,900**	**5,139**	***5,186***
Financing - Housing Revenue Account					
Major repairs reserve	(3,314)	(3,556)	(3,556)	(3,556)	(3,556)
Direct revenue contributions	(1,015)	(1,490)	(1,537)	(1,583)	(1,630)
Earmarked Reserves	(423)	(1,430)			
Section 106	(651)	(693)	-	-	-
Capital receipts	(2,513)	(143)	(1,807)	-	-
Total Capital Financing	**(7,916)**	**(7,312)**	**(6,900)**	**(5,139)**	**(5,186)**
Net Financing need (External Borrowing)	**0**	**0**	**0**	**0**	**0**

CAPITAL FINANCING REQUIREMENT

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

CAPITAL FINANCING REQUIREMENT	2024/25 Actual	2025/26 Revised	2026/27 Estimate	2027/28 Forecast	2028/29 Forecast
	£000	£000	£000	£000	£000
General Fund	4,632	4,528	4,381	4,217	4,060
Housing Revenue Account	32,535	31,121	29,707	28,626	27,545
Total	**37,167**	**35,649**	**34,088**	**32,843**	**31,605**

GROSS DEBT AND THE CAPITAL FINANCING REQUIREMENT

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

PRUDENTIAL INDICATOR	2024/25 Actual	2025/26 Revised	2026/27 Estimate	2027/28 Forecast	2028/29 Forecast
	£000	£000	£000	£000	£000
Capital Financing Requirement	37,167	35,649	34,088	32,843	31,605
External debt	30,654	28,232	25,811	24,722	23,632
Internal borrowing	6,513	7,417	8,277	8,121	7,973

OPERATIONAL BOUNDARY AND AUTHORISED LIMIT

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

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

PRUDENTIAL INDICATOR	2024/25 Actual	2025/26 Revised	2026/27 Estimate	2027/28 Forecast	2028/29 Forecast
	£000	£000	£000	£000	£000
Operational boundary - borrowing	67,603	68,503	70,984	70,829	70,682
Authorised limit - borrowing	76,747	78,171	80,735	80,771	80,820

Indicators for Affordability

RATIO OF FINANCING COSTS TO NET REVENUE STREAM

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

ESTIMATE OF THE RATIO OF FINANCING COSTS TO NET REVENUE	2024/25 Actual	2025/26 Revised	2026/27 Estimate	2027/28 Forecast	2028/29 Forecast
	%	%	%	%	%
General Fund	2.13	1.06	1.04	0.78	0.63
Housing Revenue Account	43.91	38.19	40.87	37.92	36.87

RATIO OF COMMERCIAL AND SERVICE INVESTMENTS TO NET REVENUE STREAM

This indicator highlights how much of the Council's net revenue spend is financed by income from commercial and service investments. The Council has one commercial investment and no service investments

ESTIMATE OF THE RATIO OF COMMERCIAL INVESTMENTS TO NET REVENUE	2024/25 Actual	2025/26 Revised	2026/27 Estimate	2027/28 Forecast	2028/29 Forecast
	%	%	%	%	%
General Fund	-1.43	-1.28	-0.94	-0.43	-0.43

INTEREST RATE EXPOSURE

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

PRUDENTIAL INDICATOR	2024/25 Actual	2025/26 Revised	2026/27 Estimate	2027/28 Forecast	2028/29 Forecast
	£000	£000	£000	£000	£000
Upper limit for Fixed Interest Rates on debt	37,167	35,649	34,088	32,843	31,605
Upper limit for Variable Interest Rates on debt (based on 30% of the fixed rate limit)	11,150	10,695	10,226	9,853	9,841

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

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

PRUDENTIAL INDICATOR	2024/25 Actual	2025/26 Revised	2026/27 Estimate	2027/28 Forecast	2028/29 Forecast
	£000	£000	£000	£000	£000
Limits on the total principal sum invested to final maturities longer than 364 days	3,500	3,500	3,500	3,500	3,500

MATURITY STRUCTURE OF FIXED RATE BORROWING

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

PRUDENTIAL INDICATOR	Upper limit	Lower limit	Estimated outstanding debt maturity % at			
	%	%	31/03/2026	31/03/2027	31/03/2028	31/03/2029
Under 12 months	25	0	8.58%	4.22%	4.41%	4.62%
12 months and within 24 months	30	0	3.86%	4.22%	4.41%	4.62%
24 months and within 5 years	60	0	11.59%	12.67%	11.67%	10.59%
5 years and within 10 years	75	0	13.86%	13.86%	12.91%	12.06%
10 years and above	95	25				
10-20 years			8.98%	8.98%	5.92%	4.65%
20-30 years			53.13%	58.12%	60.89%	63.47%
>30 years			0.00%	0.00%	0.00%	0.00%

TREASURY INDICATOR - EXPOSURE TO CREDIT RISK

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

TREASURY INDICATOR	2024/25 Actual	2025/26 to 31/12	2026/27 Upper limit
Average credit score for investments	1.04	1.02	2.00

SPECIFIED AND NON-SPECIFIED INVESTMENTS

This schedule sets out the specified and Non-Specified investments the Council may use in 2026/27.

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

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

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

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

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

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

Ratings	**Fitch**	**Moodys**	**Standard & Poors**
Short term	F1	P-1	A-1
Long term	A-	A3	A

NON-SPECIFIED INVESTMENTS

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

The only non-Specified investments that the Council will use in 2026/27 are investments for periods of longer than 12 months with any institution or investment instrument that would have been classed as a Specified Investment if the investment had been for less than 12 months or property. The Council currently holds an investment property in Clacton. The historic cost of this property (including stamp duty) is £3.245 million. *The most up to date valuation received by the Council's external valuer is £2.210 million.* The purchase of the property was financed from revenue resources.

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CABINET

20 MARCH 2026

REPORT OF THE PORTFOLIO HOLDER FOR CORPORATE FINANCE & GOVERNANCE

A.9 ANNUAL CAPITAL AND TREASURY STRATEGY FOR 2026/27 (INCLUDING PRUDENTIAL AND TREASURY INDICATORS)

PART 1 – KEY INFORMATION

PURPOSE OF THE REPORT
To agree the Annual Capital and Treasury Strategy for 2026/27 (including Prudential and Treasury Indicators) for submission to Council on 31 March 2026.

EXECUTIVE SUMMARY

- Alongside the wider financial strategy and forecast, the Capital and Treasury Strategy continues to support the on-going financial strength and stability of the Council and through its adoption in 2026/27 will ensure that investment and treasury management activities remain effectively managed.

- In terms of the general context to the above, the Local Government Act 2003 and supporting regulations require the Council to set out its treasury strategy for borrowing, and to prepare an Annual Investment Strategy (as required by Investment Guidance subsequent to the Act) that sets out the Council's policies for managing its investments and for giving priority to the security and liquidity of those investments, "having regard" to the Chartered Institute of Public Finance and Accountancy's (CIPFA) Prudential Code and the CIPFA Treasury Management Code of Practice. Revised editions of both documents came into force from 2023/24.

- The Capital Strategy continues to be combined with the Treasury Strategy into one document, which is required to be updated / approved annually.

- The Annual Capital and Treasury Strategy for 2026/27, including Prudential and Treasury Indicators, was approved by the Finance and Governance Portfolio Holder on 2 March 2026 for consultation with the Resources and Services Overview and Scrutiny Committee.

- The Resources and Services Overview and Scrutiny Committee considered the Strategy at their meeting on 10 March 2026, and their supportive comments are set out in main body of this report.

- The proposed Annual Capital and Treasury Strategy for 2026/27 is set out in **Appendix A.** *(For completeness, **Appendix A** also includes the report considered by the Finance and Governance Portfolio Holder that was considered when approving the Strategy on 2 March 2026 for consultation with the Resources and Services Overview and Scrutiny Committee)*.

- The Capital Strategy element of the combined document covers the various elements

surrounding capital investment decisions and the key criteria that investment decisions should be considered against.

- The Treasury Strategy element of the combined document covers the various elements that satisfy the requirements of the various codes that govern the borrowing and investment activities of the Council and has been prepared in the light of advice received from the Council's Treasury advisors and reflects the latest codes and guidance**.**

- Prudential and Treasury indicators are included as an Annexe to the combined strategy and are therefore included within **Appendix A.**

- Under the Prudential Code the Council has freedom over capital expenditure as long as it is prudent, affordable and sustainable. The Prudential Indicators either measure the expected activity or introduce limits upon the activity and reflect the underlying capital appraisal systems and enable the Council to demonstrate that it is complying with the requirements of the Prudential Code.

- The Council's investments will continue to be undertaken in accordance with its Treasury Management Practices.

- In following on from comments last year, the Strategy now acknowledges potential obligations that will be placed on the Council due to the emerging legislation around Local Government Reorganisation (LGR).

RECOMMENDATION(S)

That Cabinet:

a) notes the contents of the report previously considered by the Portfolio Holder for Corporate Finance and Governance in making his previous executive decision on this matter (as attached) and the supportive comments from the Resources and Services Overview and Scrutiny Committee; and

b) subject to a) above, agrees that the Annual Capital and Treasury Strategy for 2026/27 (including Prudential and Treasury Indicators), as attached within Appendix A, be submitted to Council for its formal approval.

REASON(S) FOR THE RECOMMENDATION(S)

To support the process of ensuring that a Capital and Treasury Strategy for 2026/27 can be considered / approved by Full Council before the start of the 2026/27 financial year.

ALTERNATIVE OPTIONS CONSIDERED

Not applicable given the requirements set out elsewhere in this report.

PART 2 – IMPLICATIONS OF THE DECISION

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DELIVERING PRIORITIES

The adoption of the Capital and Annual Treasury Strategy for 2026/27 will ensure that the Council's Investment and Treasury Management activities are carried out and managed in accordance with best practice, thereby safeguarding money held by the Council and making an appropriate contribution to the Council's overall financial position and priorities.

OUTCOME OF CONSULTATION AND ENGAGEMENT

The Strategy was presented to the Resources and Services Overview and Scrutiny Committee at its meeting on 10 March 2026.

Following its consideration, the Committee resolved:-

"That the Committee notes the Annual Capital and Treasury Strategy 2026/27 and endorses its approval by Cabinet."

LEGAL REQUIREMENTS (including legislation & constitutional powers)

Is the recommendation a Key Decision (see the criteria stated here)	**Yes**	**If Yes, indicate which by which criteria it is a Key Decision**	X **Significant effect on two or more wards** X **Involves £100,000 expenditure/income** ☐ **Is otherwise significant for the service budget**
		And when was the proposed decision published in the Notice of forthcoming decisions for the Council (must be 28 days at the latest prior to the meeting date)	This item has been included within the Forward Plan for a period in excess of 28 days.

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

Section 78 of the Levelling Up and Regeneration Act 2023 inserted sections 12A to 12D into the Local Government Act 2003, which came into force from 31 January 2024. These new sections cover capital finance risk management and include risk mitigation directions, risk thresholds, restrictions of power to give risk-mitigation directions and a duty to cooperate with independent expert. These changes essentially seek to respond to the financial crisis that some local Authorities have found themselves in over previous years. A summary of each section is set out in the attached report that was considered by the Portfolio Holder for Finance and Governance as part of their associated decision on 2 March 2026.

As set out in para 4.3 Part 3.37 of the Constitution, the Portfolio Holder for Finance and Governance has delegated authority to agree the Capital and Treasury Strategy for consultation with the Resources and Services Overview and Scrutiny Committee.

As highlighted in earlier financial / budget reports, a number of obligations will be placed on the

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Council and its Statutory Officers as part of the Government's on-going Local Government Reorganisation reforms for Greater Essex. These are anticipated to be based on emerging legislation such as the Structural Changes Order (SCO) and existing legislation such as S24 of the Local Government and Public Involvement in Health Act 2007, which will include new statutory duties on existing authorities being abolished by the orders, which will include the control of disposals, contracts and reserves. In practice, they are complementary and cover the abolition of the existing local government areas, wind up and dissolve the existing county and district councils, transfer district and county council functions, establish one or more new local government areas and unitary authority(ies) and providing for the names of each. There will be a number of related key financial considerations that will remain under review during the period of the proposed two-year plan. As LGR for Greater Essex proceeds further, information on these requirements for Tendring District Council will be included within future reports as necessary.

Yes	**The Monitoring Officer confirms they have been made aware of the above and any additional comments from them are below:**

The capital and treasury proposals of local authorities which for Tendring District Council are encapsulated within the Annual Capital and Treasury Strategy and Treasury Management Practices, are of significant importance. These documents set out the governance framework in which capital spend, borrowing and investments are made. Clear roles and responsibilities are set out in the strategy, and it is important to highlight that there is no delegation to any single officer, such as the Section 151 Officer to undertake any investments outside of the more 'traditional' money market activities such as lending to other Local Authorities and depositing money in banks and building societies. In terms of these latter investments, the parameters in which the Section 151 Officer can make such investments are set out within the documents referred to above and include a number of criteria such as overall lending / borrowing limits and minimal credit ratings etc.

Treasury performance is reported during the year by way of an outturn report for the preceding year along with quarterly updates during the year, which includes a more detailed half yearly update in September / October.

Any decision to invest in 'non-traditional' money market activities or to undertake any borrowing activities would be subject to separate reports to Cabinet / Council as necessary, which would set out various issues such as risks and resource implications including the level of skill and expertise to manage any associated investments.

The Best Value Duty relates to the statutory requirement for local authorities and other public bodies defined as best value authorities in Part 1 of the Local Government Act 1999 to "make arrangements to secure continuous improvement in the way in which functions are exercised, having regard to a combination of economy, efficiency and effectiveness". Best Value authorities must demonstrate good governance, including a positive organisational culture, across all their functions and effective risk management. Failure to deliver best value can occur within any aspect of governance, delivery of services or financial management. Unlawful or excessively risky borrowing and investment practices with no adequate risk management strategy in place for financial losses is an indicator of potential failure under the Use of Resources theme for a Best Value authority, within the Government's statutory guidance on Best Value Standards and Intervention, issued in May 2024.

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Members need to be satisfied with the governance arrangements set out within the strategy, which can be supported via training etc. as necessary.

FINANCE AND OTHER RESOURCE IMPLICATIONS

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

As highlighted within the strategy, various elements supporting good decision making would need to be set out as part of separate / individual spending and investment decisions where necessary, which would include the various financial and non-financial elements associated with it.

As set out within earlier financial performance / budget reports, the Council has effectively adopted a two-year plan to its financial forecast that in turn reflects the current timetable for LGR, with a successor Unitary Council potentially being established from as early as 1 April 2026. The Annual Capital and Treasury Strategy will continue to complement / support the Council's wider financial position / plans albeit across a two year 'window', that also recognises obligations to successor Unitary Councils. This latter point is particularly relevant in terms of any major capital investments plans during the interim period.

YES	**The Section 151 Officer confirms they have been made aware of the above and any additional comments from them are below:**

The Section 151 Officer is the author of this report.

USE OF RESOURCES AND VALUE FOR MONEY

The following are submitted in respect of the indicated use of resources and value for money indicators:

A) Financial sustainability: how the body plans and manages its resources to ensure it can continue to deliver its services;	This is addressed in the body of the report and appendices where relevant.
B) Governance: how the body ensures that it makes informed decisions and properly manages its risks, including; and	
C) Improving economy, efficiency and effectiveness: how the body uses information about its costs and performance to improve the way it manages and delivers its services.	

MILESTONES AND DELIVERY

This has been highlighted elsewhere within this report.

ASSOCIATED RISKS AND MITIGATION

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

As highlighted elsewhere within the attached, investments are undertaken within an overall risk-averse approach, which is reflected in Treasury Management Practices. With this in mind, a

significant level of investment is undertaken with other Local Authorities and with the Government.

As with recent examples, money lent to other Local Authorities is not at risk of not being repaid, as ultimately the Government would take the necessary steps to ensure liabilities are met as part of any intervention. The risk of lending money to another Local Authority is therefore not the same as lending money to a commercial / private organisation, which is one of the reasons why Councils lending to other Councils is common practice nationally.

When undertaking lending to other Local Authorities, the Council continues to apply as much 'market intelligence' as possible, which would include any adverse reporting in the markets, the media, the risk of S114 reports being issued along with information from our own External Treasury Advisors. The new measures and metrics that have been introduced via the Levelling Up and Regeneration Act 2023 as set out earlier along with any other associated indicators will be additional 'tools' that can be used to complement information already applied in managing the Council's day to day treasury management activities. This can be considered as part of developing the strategy in future years.

As reported previously, the investment property in Clacton is performing satisfactorily against the financial target set out within the original decision to purchase the property, with budgeted investment income continuing to be achieved each year. It is important to highlight that the rental payments can continue to be seen as paying back the original investment made in purchasing the property. The forecast that has been considered by members as part of developing the budgets for 2026/27, continues to prudently include an adjustment to reflect the potential for rental income to reduce once the current lease held by the existing tenant expires.

Within the above context, the overall performance of the investment therefore needs to take into account such considerations over the life of the Council's ownership of the property rather any shorter-term position in isolation. It is also important to highlight that the latest valuation of the property set out in **Appendix A,** is an 'accounting' valuation and not a direct value that would be achieved on the market if it was sold.

It is also worth highlighting that the Council's Commercial Property Investment Policy is underpinned by robust risk management actions, which will respond to any changes to the situation. With the latter point in mind and as set out within the Commercial Property Investment Policy, the Council's wider treasury management activities are designed to ensure that the Council is not faced with a position of having to sell the property for cash flow purposes. This in turn ensures that the Council remains in control of when the property is ever exposed to the market rather than potentially having to sell the property during a period where there may be a downturn in commercial property prices.

EQUALITY IMPLICATIONS

There are no direct implications.

SOCIAL VALUE CONSIDERATIONS

There are no direct implications.

IMPLICATIONS RELATED TO DEVOLUTION AND / OR LOCAL GOVERNMENT REORGANISATION

As set out earlier in the year and elsewhere within this report, the Council's financial position

needs to be considered within an interim period before new / successor Unitary Councils are established from the current expected date of 1 April 2028. Potential implications and impacts have been highlighted elsewhere within this report where necessary and will continue to be reviewed on an on-going basis over the forecast period. Statutory Officers continue to review guidance published by the Government for those Councils on the Devolution / LGR Priority Programme. Where this specifically relates to governance matters impacting decision making, Government's expectations and the Council's responsibilities will be highlighted within advice and reports.

IMPLICATIONS FOR THE COUNCIL'S AIM TO BE NET ZERO BY 2050

There are no direct implications.

OTHER RELEVANT CONSIDERATIONS OR 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	Please see comments above
Health Inequalities	
Area or Ward affected	

PART 3 – SUPPORTING INFORMATION

BACKGROUND AND CURRENT POSITION

The Annual Capital and Treasury Strategy for 2026/27 is set out in **Appendix A** and is based on the most up to date Treasury Management Code of Practice and the revised Prudential Code, both of which were published by CIPFA in December 2021.

Also attached is the covering report considered by the Portfolio Holder for Finance and Governance as part of their associated decision on 2 March 2026. In terms of the Strategy for 2026/27, there have been no changes to the relevant codes and/or accounting practices, so there is only a limited number of amendments required as part of this year's review, which are shaded in grey and are in italic font within the relevant appendix.

The Council continues to maintain a low-risk appetite approach to its treasury activities. However, set against this context, officers will continue to explore opportunities to maximise investment returns in 2026/27.

PREVIOUS RELEVANT DECISIONS

The previous Capital and Treasury Strategy for 2025/26 was agreed by Full Council at its meeting on 20 May 2025.

Treasury Management Performance 2025/26 was reported to Cabinet at its 26 September 2025 meeting.

A mid-year Treasury Performance review was presented to Cabinet at its 14 November 2025 meeting.

On 2 March 2026, the Portfolio Holder for Finance and Governance agreed the Annual

A.2 APPENDIX B

Capital and Treasury Strategy 2026/27 for consultation with the Resources and Overview Scrutiny Committee on 10 March 2026 (attached).
BACKGROUND PAPERS AND PUBLISHED REFERENCE MATERIAL
None

APPENDICES
Appendix A – Annual Capital and Treasury Strategy for 2026/*27 (including Prudential and Treasury Indicators and the covering report considered by the Corporate Finance and Governance Portfolio Holder on 2 March 2026)* **NOTE: THIS DOCUMENT HAS NOT BEEN INCLUDED WITHIN THE AGENDA DOCUMENT PACK FOR THE FULL COUNCIL MEETING ON 31 MARCH 2026.**

REPORT CONTACT OFFICER(S)	
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COUNCIL

31 MARCH 2026

REFERENCE FROM HUMAN RESOURCES & COUNCIL TAX COMMITEE

A.3 PAY POLICY STATEMENT 2026/27
(*Report prepared by Katie Wilkins)*

PART 1 – KEY INFORMATION

PURPOSE OF THE REPORT
The purpose of this report is to invite the Council to consider the recommendations submitted by the Human Resources & Council Tax Committee in relation to the draft Pay Policy for 2026/27.

EXECUTIVE SUMMARY
At its meeting held on 2 March 2026 (Minute 25 refers), the Human Resources & Council Tax Committee considered a report of the Assistant Director of People (A.3), which sought the Committee's endorsement of the draft Pay Policy Statement 2026/27. The Committee was reminded that Sections 38 and 39 of the Localism Act 2011 (Chapter 8 – Pay Accountability) required the Council to prepare and publish a Pay Policy Statement that set out the Council's approach to a range of matters relating to the pay of its workforce. Members were advised that Schedule 2 of Part 3 of the Constitution confirmed that Full Council was responsible for the preparation and approval of a Pay Policy Statement for the forthcoming financial year, in accordance with the requirements of the Localism Act 2011. Officers explained that the Human Resources & Council Tax Committee had historically overseen the preparation of the draft Statement and had recommended it to Full Council for approval and adoption. Members were also reminded that the statutory Pay Policy Statement must include the following matters: • The Council's policy on the level and elements of remuneration for each Chief Officer. • The Council's policy on the remuneration of its lowest-paid employees, including the definition of "lowest-paid employees" and the reasons for adopting that definition. • The Council's policy on the relationship between the remuneration of Chief Officers and other employees. • The Council's policy on other aspects of Chief Officer remuneration, including remuneration on recruitment, increases and additions to remuneration, performance-related pay, bonuses, termination payments and transparency. The Committee noted that the draft Pay Policy Statement 2026/27 incorporated a number of updates to ensure continued compliance, transparency and alignment with national frameworks. The main changes reflected revised national pay arrangements, updated

statutory reporting requirements and associated workforce policies.

These included:

- Implementation of the nationally agreed 2025/26 NJC pay award, including the removal of Spinal Column Point 2 from 1 April 2026, in line with changes to the national pay spine.
- Updated pay multiple calculations to reflect the revised lowest-paid spinal point and the associated forecast pay multiple for 2026/27.
- Updated gender pay gap figures and narrative in accordance with the latest statutory reporting period.
- Confirmation of the Council's continued use of Essex County Council's Managed Service Solution framework for temporary staffing, supporting consistent and compliant off-payroll engagement.

The Committee was further advised that, in the interests of transparency, all amendments had been shown in red within the draft Statement.

Officers confirmed that the Committee was requested to review and provide comments on the draft Pay Policy Statement 2026/27 prior to its submission to Full Council.

It was moved by Councillor Guglielmi, seconded by Councillor G. Stephenson, and unanimously:

RESOLVED that the draft Pay Policy Statement 2026/27, as set out in the Appendix to the Officer report (A.3), be recommended onto Full Council for its formal approval and adoption.

A copy of the published report of the Assistant Director – People (and its appendices) presented to the Human Resources & Council Tax Committee at its meeting on 2 March 2026 is attached to this report.

RECOMMENDATIONS

That the Council, having reviewed this reference report from the Human Resources & Council Tax Committee, approves the draft Pay Policy Statement for 2026/27, as detailed in Appendix 2, for adoption in accordance with the Authority's statutory obligations.

BACKGROUND PAPERS FOR THE DECISION

Published Decision(s) of the meeting of the Human Resources & Council Tax Committee held on 2 March 2026.

APPENDICES

APPENDIX 1 - Published A.3 Report of the Assistant Director People for the meeting of the Human Resources and Council Tax Committee meeting held on 2 March 2026

APPENDIX 2 - Draft Pay Policy Statement 2026/27.

A.3 APPENDIX 1

HUMAN RESOURCES AND COUNCIL TAX COMMITTEE

2 MARCH 2026

REPORT OF ASSISTANT DIRECTOR - PEOPLE

A.3 PAY POLICY STATEMENT 2026/27

PART 1 – KEY INFORMATION

PURPOSE OF THE REPORT
To present the Council's draft Pay Policy Statement for 2026/27 and to invite the Human Resources and Council Tax Committee to review and comment on the Statement prior to its submission to Full Council for approval, in line with the statutory requirements of the Localism Act 2011.

EXECUTIVE SUMMARY

The Localism Act 2011 (Chapter 8 – Pay Accountability, Sections 38–39) places a statutory requirement on all local authorities to prepare and publish a Pay Policy Statement on an annual basis. The Statement must set out the Council's policy in relation to the pay of its workforce for the forthcoming financial year.

In accordance with Schedule 2 of Part 3 of the Council's Constitution, the preparation and approval of the Pay Policy Statement is a function reserved to Full Council. The Human Resources and Council Tax Committee has, however, traditionally exercised responsibility for reviewing the draft Statement and recommending it to Full Council for approval and adoption.

Statutory Requirements

The Pay Policy Statement must, as a minimum, include the Council's policy on:

- The levels and elements of remuneration for each Chief Officer. *This includes the Statutory Officer roles of Head of Paid Service (Chief Executive), Monitoring Officer, and Section 151 Officer. It also applies to Non-Statutory Chief Officers, as defined within the Council's Pay Policy Statement. For the purposes of the Statement, Chief Officers are those officers who, in addition to the Statutory Officers named above, form part of the Council's Senior Management Team.*
- The remuneration of the Council's lowest-paid employees, including the definition of 'lowest-paid' and the rationale for its adoption.
- The relationship between the remuneration of Chief Officers and other employees.
- Other aspects of Chief Officers' remuneration, including policies on recruitment, pay progression, performance-related pay, bonuses, termination payments, and transparency.

Sections 38–41 of the Localism Act 2011 set out the statutory framework governing Pay Policy Statements. Section 41 requires that decisions relating to Chief Officer remuneration must be made in accordance with the authority's adopted Pay Policy Statement. The Council is also required to comply with wider statutory reporting requirements, including the Local Government Transparency Code 2015 and the Equality Act 2010 (Specific Duties and Public Authorities) Regulations 2017.

Summary of the Draft Pay Policy Statement 2026/27

A.3 APPENDIX 1

The draft Pay Policy Statement for 2026/27 sets out the Council's overarching approach to pay and remuneration. It reaffirms the Council's adherence to the National Joint Council (NJC) National Pay Spine and its commitment to a fair, transparent and equitable pay framework. This includes incremental progression based on length of service and performance, alongside compliance with nationally agreed pay awards.

The Statement also details:

- Discretionary allowances available to statutory and non-statutory officers.
- The application of market forces supplements where required to support recruitment and retention.
- Policies relating to organisational change, redundancy payments, pay protection arrangements and access to the Local Government Pension Scheme.
- Provisions relating to mileage and subsistence, overtime, standby payments and other employment-related allowances.
- The Council's compliance with statutory reporting requirements, including the Gender Pay Gap, off-payroll working rules and the disclosure of senior salaries and severance payments.

Changes for 2026/27

The draft Pay Policy Statement for 2026/27 reflects a number of updates to ensure continued compliance, transparency and alignment with national frameworks. The main changes relate to updates in national pay arrangements, statutory reporting requirements, and associated workforce policies. These include:

- Implementation of the nationally agreed 2025/26 NJC pay award, including the removal of Spinal Column Point 2 from 1 April 2026 in accordance with the national pay spine changes.
- Updated pay multiple calculations to reflect the revised lowest-paid spinal point and the associated forecast change in the pay multiple for 2026/27.
- Updated gender pay gap figures and narrative in line with the latest statutory reporting period.
- Confirmation of the Council's use of Essex County Council's Managed Service Solution framework for temporary staffing, supporting consistent and compliant off-payroll engagement.

All amendments are shown in red text within the draft Statement for ease of reference. The Policy has been reviewed to ensure it remains fully compliant with legislation, supports best practice in pay and reward, and maintains transparency for staff, Members and residents.

The Human Resources and Council Tax Committee is invited to review the draft Pay Policy Statement for 2026/27 and provide any comments prior to its submission to Full Council.

Following approval by Full Council in March 2026, the Pay Policy Statement will be published on the Council's website, as required by the Localism Act, as soon as reasonably practicable.

A.3 APPENDIX 1

RECOMMENDATION(S)
It is recommended to Human Resources & Council Tax Committee that: • **the draft Pay Policy Statement 2026/27, set out in Appendix A, be recommended onto Full Council for approval and adoption.**

REASON(S) FOR THE RECOMMENDATION(S)
In order to comply with the requirements of the Localism Act 2011, Section 38 and 39, the Council must adopt and publish an annual Pay Policy Statement.

ALTERNATIVE OPTIONS CONSIDERED
There is no alternative option to consider, as this is a statutory requirement that the Council must comply with.

PART 2 – IMPLICATIONS OF THE DECISION

DELIVERING PRIORITIES
The Council's annual consideration and formal adoption of a Pay Policy Statement forms part of the Council's Policy Framework. By ensuring openness in how the Council sets and manages pay, it promotes transparency and accountability for residents of Tendring. This directly contributes to the Corporate Plan 2024–28 priority of 'Financial Sustainability and Openness'. The framework set out in the Pay Policy Statement supports the Council's ability to attract, recruit and retain skilled and talented individuals across the organisation. A fair, consistent and transparent approach to pay underpins the Council's capacity to deliver high-quality services, thereby contributing to the Corporate Plan 2024–28 priority of 'Pride in Our Area and Services to Residents'.
LEGAL REQUIREMENTS (including legislation & constitutional powers)
Schedule 2 of Part 3 of the Council's Constitution confirms that Full Council is responsible for the preparation and approval of the Pay Policy Statement for the forthcoming financial year. o Sections 38–41 of the Localism Act 2011 set out the statutory duties placed on local authorities in relation to Pay Policy Statements. In particular: o A Pay Policy Statement must be approved by a resolution of Full Council before it comes into force (Section 38(1)). o The Statement must be prepared and approved by 31 March immediately preceding the financial year to which it relates (Section 38(2)). o The authority may amend its Pay Policy Statement by resolution at any time, including after the beginning of the financial year (Section 38(3)). o Following approval or amendment, the Statement must be published as soon as is reasonably practicable, including publication on the Council's website (Section 38(4)). o Under Section 41, decisions relating to the remuneration of Chief Officers must be made in accordance with the adopted Pay Policy Statement. The Council is also required to comply with wider statutory frameworks relating to pay transparency and equality, including: o the Local Government Transparency Code 2015, which sets out publication requirements for

senior salaries and pay-related data; and
- the Equality Act 2010, including the Public Sector Equality Duty and the Specific Duties Regulations (Gender Pay Gap reporting).

The draft Pay Policy Statement 2026/27 has been prepared to ensure full compliance with these legislative and constitutional requirements.

FINANCE AND OTHER RESOURCE IMPLICATIONS

The Conditions of Employment for employees of Tendring District Council largely conform to those established for local government by the National Joint Council (NJC), commonly referred to as the Green Book. NJC agreements constitute collective agreements and, where incorporated into employees' contracts of employment, any changes approved at national level take effect automatically. The only exception to this is the Chief Executive, who is employed under the Joint Negotiating Committee (JNC) Terms and Conditions for Local Authority Chief Executives.

The Pay Policy Statement for 2026/27 provides updated information on the Council's pay spine and remuneration arrangements, reflecting the nationally agreed NJC pay award and the removal of Spinal Column Point 2 from April 2026. These changes have been assessed and incorporated into the Council's financial planning processes to ensure affordability and ongoing compliance with contractual obligations.

The Pay Policy Statement also supports effective workforce planning by ensuring that remuneration remains fair, transparent and competitive, thereby helping the Council to recruit and retain staff within existing resource allocations. There are no additional unbudgeted financial implications arising directly from the adoption of this Statement.

USE OF RESOURCES AND VALUE FOR MONEY

External Audit expect the following matters to be demonstrated in the Council's decision making:

A) Financial sustainability: how the body plans and manages its resources to ensure it can continue to deliver its services;
B) Governance: how the body ensures that it makes informed decisions and properly manages its risks, including; and
C) Improving economy, efficiency and effectiveness: how the body uses information about its costs and performance to improve the way it manages and delivers its services.

As such, set out in this section the relevant facts for the proposal set out in this report.

The following are submitted in respect of the indicated use of resources and value for money indicators:

A) Financial sustainability: how the body plans and manages its resources to ensure it can continue to deliver its services;	Tendring District Council recognises that, in the context of managing public resources, remuneration at all levels must be set at an appropriate level to secure and retain high-quality employees who are dedicated to delivering effective public services, whilst also ensuring value for money for the taxpayer. The primary aim of the Pay Policy Statement is to provide a clear, consistent and sustainable framework for pay that supports the attraction, retention and motivation of a skilled workforce. This

	framework underpins organisational stability and enables the Council to continue delivering quality services within available financial resources.
B) Governance: how the body ensures that it makes informed decisions and properly manages its risks, including; and	Publication of the annual Pay Policy Statement is a statutory requirement. In line with Sections 38 and 39 of the Localism Act 2011, the Statement must be approved by Full Council and published on the Council's website. The Council complies with the Local Government Transparency Code 2015, which sets out clear requirements for openness in remuneration. This includes publication of senior salaries, pay multiples and other relevant pay-related information. The Council's annual Statement of Accounts, published on the authority's website, provides a detailed breakdown of pay, benefits and pension entitlements for Chief Officers. In addition, the Council's transparency pages include a full list of monthly salary information across all pay bands, further supporting open and accountable decision-making. As a Best Value authority, the Council must secure continuous improvement in the way in which its functions are exercised, having regard to economy, efficiency and effectiveness. This duty extends to all decisions on remuneration and severance. The Council must also have regard to the statutory guidance on the making and disclosure of Special Severance Payments (May 2022), ensuring such decisions are proportionate, transparent and consistent with the Best Value Duty.
C) Improving economy, efficiency and effectiveness: how the body uses information about its costs and performance to improve the way it manages and delivers its services.	As a major employer within the district, the Council seeks to model good employment practices that contribute to a more prosperous and resilient local community. Ensuring fairness and consistency in pay and reward arrangements supports employee engagement, productivity and organisational performance. By maintaining transparent pay structures, regularly reviewing market competitiveness and analysing workforce data—such as recruitment and retention patterns, equality data and pay benchmarking—the Council uses cost and performance information to continuously improve its approach to pay, staffing and service delivery.
MILESTONES AND DELIVERY	
(a) Human Resources & Council Tax Committee 02 March 2026 (b) Full Council 31 March 2026 (c) Publication to TDC Website April 2026	

A.3 APPENDIX 1

ASSOCIATED RISKS AND MITIGATION

By not adopting the Council's Pay Policy Statement 2026/27, the Council would be in breach of legislation thereby risking reputational damage.

The Council would also not be able to comply with Section 41 of the Localism Act 2011 (*requirement for determinations relating to terms and conditions of Chief Officers to comply with Pay Policy Statement*) in appointing officers on such reasonable terms and conditions as the authority thinks fit

OUTCOME OF CONSULTATION AND ENGAGEMENT

Full consultation has taken place with the local Unison Branch Executive, and they are supportive of the proposed Statement for 2026/27 and its adoption.

The annual NJC Pay Award is determined following negotiation between the National Employers and National Unions.

EQUALITIES

The Equality Act 2010 legally protects people from discrimination in the workplace and in wider society. In line with the Public Sector Equality Duty, public bodies such as the Council must, in the exercise of their functions, give due regard to the need to eliminate discrimination, harassment, victimisation, to advance equality of opportunity, and to foster good relations between those who share a protected characteristic and those who do not.

The Council is committed to being an inclusive employer in all of its people policies and practices.

The Council ensures its pay structures, and all pay differentials, can be objectively justified through the use of the NJC job evaluation mechanism (with the exception of Chief Officer remuneration), which directly determines the relative levels of posts in grades according to the requirements, demands and responsibilities of the role.

Since 2018, the Council has been required to publish mandatory gender pay gap reporting in order to meet the requirements of the Equality Act 2010 (Specific Duties and Public Authorities) Regulations 2017.

Gender Pay Gap Data 2025/26

Mean difference across gender
The mean represents the average hourly rate of pay for each gender.

- The difference between the male and female mean hourly rate is £0.70.
- The male mean hourly rate is 4.0% higher than the female mean hourly rate.

Median difference across gender
The median represents the midpoint value when all hourly rates are listed in order.

- The difference between the male and female median hourly rate is £0.12.
- The female median hourly rate is 0.8% higher than the male median hourly rate.

The distribution of male and female employees across pay quartiles closely reflects the Council's overall organisational gender balance and demonstrates its commitment to providing fair and equal opportunities.

A higher proportion of males currently occupy Assistant Director and Chief Officer roles, which naturally influences the mean gender pay gap. This reflects organisational structure rather than any difference in pay for equivalent roles. Median calculations, which are less impacted by senior leadership representation, offer a more balanced comparison and show that male and female median hourly rates are closely aligned.

The Council's gender pay gap compares favourably with the UK average of 6.9%, down from 7.0% in 2024, as reported by the Office for National Statistics (ONS) in Gender Pay Gap in the UK, 2025.

In addition, a benchmarking exercise has been undertaken using the latest published gender pay gap data from comparable local authorities across Greater Essex. This confirms that the Council's position is broadly aligned with sector norms and provides assurance that its gender pay profile is stable and consistent with regional peers, supporting future LGR workforce considerations.

The Council's gender pay gap will continue to be reviewed annually in line with statutory reporting requirements. Should any substantial disparities emerge in future reporting periods, an appropriate action plan will be developed to ensure continued compliance and improvement.

SOCIAL VALUE CONSIDERATIONS

Social Value is defined by the Public Services (Social Value) Act 2012, which requires public sector organisations, and their suppliers, to look beyond the financial cost of services and consider how their activities can improve the economic, social and environmental well-being of the community they serve.

As a major local employer, the Council seeks to lead by example by adopting practices that support wider social value outcomes. This includes ensuring fair, transparent and inclusive employment policies, promoting equal opportunities, and modelling best practice in workforce management.

The Council's commitment to social value is demonstrated through its recognised accreditations, such as being a Disability Confident Leader and an Employer Recognition Scheme Gold Award holder. These accreditations reflect the authority's active role in championing inclusive employment, supporting veterans and reservists, and advocating for accessibility and fairness in the workplace.

The Pay Policy Statement contributes to the Council's social value ambitions by ensuring that employment practices are equitable, competitive and aligned with the Council's commitment to being an employer of choice within the local community.

IMPLICATIONS RELATED TO DEVOLUTION AND/OR LOCAL GOVERNMENT REORGANISATION

There are no immediate or direct implications arising from this report in relation to current devolution arrangements or any future proposals for Local Government Reorganisation (LGR).

However, as part of reviewing and updating the Pay Policy Statement, the Council has taken account of the wider operating context, including emerging Local Government Reorganisation (LGR) proposals within North East Essex. This has included consideration of the pay and reward frameworks of neighbouring authorities that could form part of any future unitary arrangement. Braintree District Council continues to operate under the National Joint Council (NJC) national pay framework, while Colchester City Council operates a locally determined job evaluation and pay model. As Essex County Council would be subject to disaggregation under current proposals, it is also relevant to note that ECC operates a locally determined pay framework ("Essex Pay") and maintains different sets of terms and conditions for specific occupational groups.

These differences have no impact on Tendring District Council's current operations. Should structural reform progress, employees would transfer to any new Unitary Authority under the statutory protections that apply to LGR transfers, retaining their existing pay, grading and contractual terms on the day of transfer.

In the longer term, it is normal in any local government reorganisation for the new authority to review the different pay and grading frameworks it inherits. Such reviews are typically undertaken over time to support a fair, consistent and transparent approach to pay and conditions across the integrated workforce.

Any such activity would be undertaken only following full consultation with recognised trade unions and

employees. Importantly, no changes to pay or conditions would occur automatically or immediately as a consequence of the transfer itself.

Maintaining a clear and robust Pay Policy Statement therefore helps ensure transparency, stability and workforce assurance. It also positions the Council to accommodate any potential future changes to governance or organisational structures, while not predetermining or indicating any particular LGR outcome.

OTHER RELEVANT 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	**N/A**
Health Inequalities	**N/A**
Area or Ward affected	**None directly.**

ANY OTHER RELEVANT INFORMATION

There are no background papers associated with this report.

PART 3 – SUPPORTING INFORMATION

BACKGROUND

The Localism Act 2011 required this Council to produce a Pay Policy Statement by 31 March 2012 and every subsequent financial year thereafter.

Members will recall that the Human Resources and Council Tax Committee previously requested that Officers engage the East of England Local Government Association (EELGA) to build upon earlier pay review work and undertake a comprehensive, service-wide review of Tendring District Council's pay structure. The scope of this review included:

An assessment of the whole staffing establishment, including Chief Officers, benchmarked against neighbouring district authorities and wider regional comparators.

A detailed review of professional and technical roles, including consideration of those positions where Market Forces Supplements (MFS) are currently applied to support recruitment and retention.

At its meeting on 30 July 2024, the Human Resources and Council Tax Committee reviewed the findings of the benchmarking analysis. The review concluded that the majority of roles across the organisation are remunerated at levels broadly comparable with similar posts within the East of England region. This evidence aligns with the Council's operational experience and indicates that the current pay structure is appropriately set for most areas of the workforce.

The Committee also noted that specific recruitment and retention challenges persist in some professional and technical disciplines. To mitigate these pressures, the Council has applied its Market Forces Supplement (MFS) Scheme in a targeted and evidence-based manner. The use of MFS continues to support the Council's ability to attract and retain specialist skills in competitive labour markets.

In addition to the EELGA review, the Council utilises the Local Government Association's "Infinistats" system, which provides ongoing benchmarking against the pay levels of neighbouring authorities. This enables continuous monitoring of the Council's market position and informs strategic workforce

planning. The conclusions from the comprehensive, service-wide review undertaken by EELGA, along with ongoing benchmarking information available through Infinistats, have been fully considered in the preparation of the Pay Policy Statement for 2026/27.
PREVIOUS RELEVANT DECISIONS TAKEN BY COUNCIL/CABINET/COMMITTEE ETC.
Full Council adopted the Pay Policy Statement for 2025/26 at its meeting on 25 March 2025. https://tdcdemocracy.tendringdc.gov.uk/documents/s74261/A6%20Appendix%202%20-%20Pay%20Policy%20Statement%202025-26.pdf Report of the Assistant Director (People) - A.4 - Market Forces Policy Update Report https://tdcdemocracy.tendringdc.gov.uk/documents/s69087/A.4%20-%20-%20Market%20Forces%20Policy%20Update%20Report.pdf
BACKGROUND PAPERS AND PUBLISHED REFERENCE MATERIAL
Chief Officer Structure Chart.

APPENDICES
Appendix A – draft Pay Policy Statement 2026/27.

REPORT CONTACT OFFICER(S) *Include here the Name, Job Title and Email/Telephone details of the person(s) who wrote the report and who can answer questions on the content.*	
Name	**Katie Wilkins**
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A.3 APPENDIX 2

Tendring District Council

Pay and Reward Policy Statement 2026/27

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Introduction

Sections 38 and 39 of the Localism Act 2011 (Chapter 8) require local authorities to prepare and publish an annual Pay Policy Statement. While the Act does not change the right of individual local authorities to determine their own pay arrangements, it places an emphasis on transparency and the need to demonstrate value for money for local taxpayers.

Schedule 2 of Part 3 of the Council's Constitution confirms that Full Council is responsible for the preparation and approval of the Pay Policy Statement for the forthcoming financial year, in accordance with Chapter 8 of the Localism Act 2011.

Tendring District Council recognises that, in the context of managing public resources, remuneration at all levels must be sufficient to secure and retain high-quality employees who are committed to public service, while also ensuring value for money for the public purse. The Council's vision includes adopting a reward strategy that is modern, sustainable, fair and transparent, and which appropriately recognises the contribution of its workforce.

The Council complies with the transparency requirements on remuneration set out in the Local Government Transparency Code 2015. The Code was introduced to support the Government's objective of increasing openness, strengthening democratic accountability and enabling local people to engage more fully in local decision-making and public service improvement.

As part of these requirements, the Council publishes information relating to the remuneration of senior officers. A full list of senior remuneration and monthly salary information across all pay bands is published on the Council's website at **www.tendringdc.gov.uk**.

The Council's Statement of Accounts also includes details of the remuneration of all Chief Officers.

In accordance with the Localism Act 2011, the statutory Pay Policy Statement must address the following matters:

- the Council's policy on the level and elements of remuneration for each Chief Officer (*for Tendring District Council this comprises the Chief Executive and those officers serving as members of the Management Team, including the Monitoring Officer and Section 151 Officer*);
- the Council's policy on the remuneration of its lowest-paid employees, including its definition of "lowest-paid employees" and the rationale for that definition;
- the Council's policy on the relationship between the remuneration of Chief Officers and that of other officers; and
- the Council's policy on other aspects of Chief Officers' remuneration, including recruitment, increases and additions to remuneration, the use of performance-related pay and bonuses, termination payments, and transparency.

Purpose of the Statement

The Pay Policy Statement for **2026/27** provides an overview of the Council's framework for staff pay and reward. The framework supports the recruitment and retention of high-quality employees while ensuring value for money for Tendring residents.

Tendring District Council requires capable and effective leaders and employees to deliver high-quality public services, particularly within a challenging financial environment. The Pay Policy is designed to attract, retain and motivate staff, enabling them to perform effectively and deliver the Council's priorities. It seeks to achieve an appropriate balance between financial and non-financial rewards to secure the best outcomes for the organisation and the communities it serves.

The Council is committed to promoting equality, diversity and inclusion, and to maintaining equal pay for work of equal value. The Pay Policy supports fair and transparent pay arrangements and operates in compliance with relevant equal pay and employment legislation.

Managing Remuneration

Tendring District Council operates a fair, equitable and transparent approach to remuneration. Pay arrangements are designed to ensure consistency, affordability and compliance across the organisation.

The Council operates incremental progression within its pay structures, which is normally based on length of service and is subject to satisfactory performance. Progression may also be influenced by the following factors, where applicable:

- achievement of required annual performance standards (where applicable);
- successful development and progression against defined competency or career progression frameworks, where these apply to specific roles.

Such arrangements support the development of skills and capability within the workforce while ensuring that public funds are used effectively and responsibly.

Pay Structure and Determination

The Council has adopted the National Pay Grades as determined by the National Joint Council (NJC) and applies the nationally negotiated terms and conditions of service for local government employees (the *National Agreement on Pay and Conditions of Service*, commonly known as the "Green Book").

The Council's current pay structure consists of 20 pay bands incorporating 79 incremental pay points (*as of 1 April 2026*). This includes the nationally defined NJC spinal column points, which currently extend to Spinal Column Point (SCP) 43, together with additional locally determined pay points above the national maximum, which are applied in accordance with the National Agreement.

Apprentices are excluded from the application of the NJC pay scheme, as they are employed under learning and training contracts and are paid in accordance with Government-approved apprenticeship rates.

The NJC is responsible for negotiating national pay awards for the majority of local government employees, involving both employer representatives and recognised trade unions. In line with national arrangements, the Council applies the nationally agreed NJC Pay Award to all officers, including Chief Officers, with the exception of the Chief Executive, whose pay and conditions are governed by the Joint Negotiating Committee (JNC) Conditions of Service.

Where the Council operates locally determined pay points above the national NJC maximum, these are uplifted in line with nationally agreed NJC pay awards.

The Council's Pay Policy is informed by job market data, market conditions, and affordability within the Council's budget. Pay ranges are reviewed periodically and benchmarked against comparator local authorities and the wider labour market to ensure they remain appropriate, competitive and sustainable, while delivering value for money for local taxpayers.

New employees normally commence employment at the minimum spinal column point of the relevant pay grade. Subject to satisfactory performance, employees progress annually through the grade until they reach the maximum pay point, in line with the Council's performance and progression arrangements.

The Council has adopted the National Single Status Agreement and the NJC Job Evaluation Scheme. Job evaluations are undertaken by trained officers, with training and support provided by Local Government East (formerly EELGA), to ensure that roles are assessed in a fair, consistent and objective manner.

Assistant Directors and Chief Officers are not subject to the NJC Job Evaluation Scheme. Their remuneration is determined through senior management salary benchmarking and evaluation processes, supported by Local Government East (formerly EELGA), to ensure the Council can attract and retain high-calibre senior leaders, while maintaining compliance with equal pay legislation.

Pay Relationship for Chief Officers

In accordance with the requirements of the Localism Act 2011, the Council is required to define its "lowest-paid employees" for the purposes of demonstrating the relationship between the remuneration of its Chief Officers and other employees.

For the purposes of this Pay Policy Statement, "lowest-paid employees" are defined as staff paid at the first applicable spinal column point (SCP) of the Council's pay spine for the relevant financial year. This definition enables the Council to present pay multiple information in a clear, transparent and consistent manner and allows for meaningful year-on-year comparison.

Using this definition, the relationship between Chief Officer remuneration and the pay of the lowest-paid employees is set out below.

Pay relationship information

Measure	2025/26 (£)
Salary midpoint for Head of Paid Service	148,106
Salary midpoint for lowest-paid employees	24,413
Pay multiple: Head of Paid Service to lowest-paid employees	6.07
Median average pay for Chief Officers	101,693
Median average pay for employees (excluding Chief Officers)	31,537

The Council publishes a monthly breakdown of salaries paid, including pay bands and the number of employees within each band, on the Tendring District Council website.

The data above is based on the 2025/26 financial year, as the 2026/27 National Pay Award has not yet been agreed. In line with the nationally agreed pay arrangements 2025/26, from 1 April 2026, Spinal Column Point (SCP) 2 will be permanently deleted from the NJC pay spine. As a result, the first applicable SCP for “lowest-paid employees” will become SCP 3, with a salary of £24,796 (based on 2025/26 rates).

On this basis, and using the current nationally agreed pay spine, the pay multiple is projected to reduce to approximately 5.97, subject to any future national pay awards once confirmed.

Discretionary Allowances for Statutory Officers

The Council applies discretionary responsibility allowances in recognition of the additional statutory and professional duties undertaken by the Monitoring Officer and the Section 151 Officer, as well as their formally designated deputies. An allowance may also be applied in respect of the Deputy Chief Executive designation, where that designation entails additional corporate responsibilities.

These allowances are separate from basic salary and reflect the scope, accountability and statutory obligations associated with these roles. They are index-linked and uprated in line with the annual national pay award applicable to the post (NJC) unless otherwise determined by the Council.

The application of such allowances operates within the Council’s governance and financial controls and is subject to transparency requirements. Details of discretionary allowances paid to Chief Officers and statutory officers are published in accordance with the Local Government Transparency Code 2015 and are reflected in the Council’s Statement of Accounts.

Market Forces Supplements

The National Job Evaluation and Grading Scheme provides a structured, analytical and non-discriminatory method for evaluating and grading roles based on job content. However,

the Council recognises that labour market conditions may, on occasion, make it difficult to recruit or retain staff for certain roles, despite appropriate job evaluation outcomes.

In such circumstances, the Council may apply a Market Forces Supplement, which is a temporary additional payment to basic salary for specific posts where there is clear evidence that market pressures are adversely affecting recruitment or retention. These payments are also referred to as Recruitment and Retention or Market Supplements and are used to support the Council in maintaining essential skills and capacity in critical roles.

Market Forces Supplements are not consolidated into basic salary, are time-limited, and are subject to regular review to ensure they remain necessary, proportionate and affordable.

The Council's Market Forces Policy sets out the framework for the application, approval, review and withdrawal of such supplements. The Policy ensures that any Market Forces Supplement is objectively justified, evidence-based, and applied in a manner that complies with equal pay and employment legislation, particularly where different rates of pay are paid for work of equal value.

Employee Recognition and Reward

As a public sector body, the Council does not operate traditional performance-related bonus schemes or cash incentives. Instead, it supports employee development, motivation and performance through non-consolidated and structured reward mechanisms that are proportionate, transparent and affordable.

The Council recognises and rewards employee contribution through the following arrangements:

Career Grade Schemes

Career Grade Schemes support the development of postholders from initial entry into a role through to effective and sustained performance across the full scope of the post. Progression within career grades is subject to defined criteria, including the achievement of agreed competencies, skills and performance standards, and is applied in accordance with the Council's pay and progression arrangements.

Long Service Awards and Retirement Gifts

The Council recognises long-standing service and the contribution of employees upon retirement through Long Service Awards and Retirement Gifts, which are applied in accordance with the Council's Loyalty and Retirement Gifts Policy.

Acting Up Arrangements

There may be occasions where employees are requested to temporarily undertake additional duties or responsibilities.

In such cases, the employee undertaking these duties is described as ‘acting up’ into that role. Employees will be entitled to an additional payment in recognition of the acting-up arrangement, provided the criteria outlined in the Council’s Acting Up Policy are met.

In addition, Honorarium Payments may be awarded to officers who perform duties outside the normal scope of their post or who undertake (particularly onerous) additional responsibilities, to recognise exceptional contribution for a temporary period.

Relocation

The Council’s Relocation Allowances Scheme assists new recruits with moving expenses. To qualify, employees must meet the specified requirements of the scheme.

The scheme's application is at the discretion of the Head of Paid Service, in consultation with the Assistant Director – People.

Mileage & Subsistence

Mileage Payments

Car, motorcycle and bicycle mileage payments for all employees are paid at the HMRC (formerly Inland Revenue) Approved Mileage Allowance Rates. The current rates are as follows:

- Car mileage: £0.45 per mile for the first 10,000 miles, thereafter £0.25 per mile
- Motorcycles: £0.24 per mile
- Bicycles: £0.20 per mile

To encourage car sharing on business journeys, the Council has adopted an additional passenger payment of £0.05 per mile per passenger, in line with HMRC guidance.

Subsistence Payments

The Council pays subsistence allowances that mirror HMRC benchmark scale rates. These rates are intended to cover meals and other necessary expenses incurred while travelling for work.

Payments are made subject to the production of appropriate receipts and are only allowable where an officer is working outside the district. The current rates of reimbursement are as follows:

- Working outside of the district for more than 5 hours: £5
- Working outside of the district for more than 10 hours: £10
- Working outside of the district for more than 15 hours, or where travel continues after 8:00 pm: £25

The use of HMRC rates ensures a fair and consistent approach to the reimbursement of business mileage and subsistence expenses across the Council.

Other Allowances

The Council's Allowances Policy supplements this Pay Policy Statement and recognises that officers may be required to respond outside of standard working hours to ensure the delivery of essential services.

Allowances Policy Principles

The Allowances Policy:

- ensures consistency of payment arrangements across the organisation;
- compensates staff for out-of-hours standby and call-out arrangements required to meet statutory and operational duties;
- maintains fair and sustainable payment structures; and
- promotes health and safety and employee wellbeing by encouraging the use of time off in lieu (TOIL) to support recovery from out-of-hours working.

Service Categories

The Council operates three categories of service provision:

- Category 1 – services that operate a 24-hour, 7-day-a-week scheduled provision;
- Category 2 – services delivered predominantly during standard office hours but supported by a standby service outside those hours; and
- Category 3 – services delivered during standard office hours that may occasionally be required to respond outside those hours.

Overtime Arrangements

- Employees up to Spinal Column Point (SCP) 43 may be eligible to claim overtime, subject to authorisation.
- Overtime is paid at plain time for Category 2 and Category 3 services.
- Enhanced overtime rates apply for Category 1 services where employees have worked in excess of their standard contractual hours.

Standby or On-Call Arrangements

Services within Category 2 provide a standby or on-call service outside normal office hours, including evenings, weekends and Bank Holidays.

Emergency Response

The Council has a statutory duty to provide an Emergency Response service. Officers supporting this function, including designated First Call Officers, are placed on standby or deployed as required under the Council's emergency response arrangements.

Committee Attendance

- Officers required to attend committee meetings outside normal working hours may receive a committee attendance allowance, which is index-linked to the NJC pay award.

- Where meetings exceed a specified duration, officers may also be eligible for TOIL in accordance with the Allowances Policy.

Election Duties

- In a personal capacity as Returning Officer, Acting Returning Officer or Deputy Returning Officer, the holder of the post of Chief Executive receives separate remuneration in respect of the statutory duties performed at elections and referendums. These duties are undertaken independently of the Council and the remuneration received does not form part of the Council's pay arrangements.

- Remuneration for conducting Parliamentary elections, Police and Crime Commissioner elections, and national referendums is determined through Statutory Instruments issued by the Government.

- In respect of acting as Deputy Returning Officer for the election of County Councillors, fees are paid in accordance with the Scale of Fees and Expenses determined by Essex County Council.

- Fees for undertaking the role of Returning Officer at District and Parish Council elections are paid in accordance with the locally determined Scale of Fees and Expenses applicable to those elections.

- As at the date of publication of this statement, the remuneration received by the holder of the post of Chief Executive in relation to Returning Officer duties during the 2025/26 financial year was £2656.64.

Transparency within Tendring District Council

Existing legislation requires the Council to publish information relating to officer remuneration on an annual basis. The Council's Statement of Accounts includes a detailed analysis of the pay, benefits and pension entitlements of all Chief Officers.

The Council will continue to publish this information annually, and it is readily available on the Council's website. This information also includes details of the Council's senior management structure, including Chief Officers and Assistant Directors.

Equality Act 2010 (Specific Duties and Public Authorities) Regulations 2017

Since 2018, the Council has been required to publish mandatory gender pay gap information in order to comply with the Equality Act 2010 (Specific Duties and Public Authorities) Regulations 2017. The Council is required to publish data which includes the following:

- the mean gender pay gap;
- the median gender pay gap;
- the mean bonus gender pay gap;
- the median bonus gender pay gap;
- the proportion of male and female employees receiving a bonus payment; and
- the proportion of male and female employees in each pay quartile.

Under gender pay reporting legislation, one-off payments, including long service awards and discretionary payments made in recognition of exceptional performance or the undertaking of additional duties outside an individual's normal role, are generally treated as bonus payments where they have a monetary value. Career Grade progression payments are excluded from the definition of bonus payments for the purposes of gender pay gap reporting.

Gender Pay Gap – Bonus and Pay Analysis (2025/26)

During the 2025/26 reporting period, 3.5% of male employees and 9.0% of female employees received bonus payments (as defined for gender pay gap reporting purposes).

Bonus Pay Differences by Gender

Mean bonus difference across gender

The difference between the male and female mean bonus payment is £157.94, with the male mean bonus payment being 28.47% higher than the female mean bonus payment.

Median bonus difference across gender

The difference between the male and female median bonus payment is nil. Based on the dataset, the male median bonus payment is equal to the female median bonus payment.

The higher mean bonus payment for male employees reflects the smaller number of men who received a bonus during the reporting period. When fewer individuals receive a payment, the value of each payment has a proportionately greater effect on the mean (average).

The identical median bonus figure for male and female employees indicates that the typical bonus received is the same across genders, demonstrating consistent and equitable bonus practices within the organisation.

Hourly Pay Differences by Gender

Data for the 2025/26 reporting period shows the following:

Mean difference across gender

The difference between the male and female mean hourly rate is £0.70, with the male mean hourly rate being 4.0% higher than the female mean hourly rate.

Median difference across gender

The difference between the male and female median hourly rate is £0.12, with the female median hourly rate being 0.8% higher than the male median hourly rate.

Interpretation of Results

The distribution of male and female employees across pay quartiles broadly reflects the Council's overall gender profile, demonstrating the Council's commitment to equal opportunity across the workforce.

A higher proportion of male employees currently occupy Assistant Director and Chief Officer roles, which has an impact on the mean gender pay gap. This reflects the structure of the workforce, rather than any difference in pay for employees undertaking work of equal value.

Median calculations, which are less influenced by senior role representation, provide a more balanced comparison. The minimal variance between male and female median hourly rates indicates that pay at the middle of the workforce is closely aligned across genders, demonstrating no applicable disparity.

When viewed in the context of the UK average gender pay gap of 6.9% (down from 7.0% in 2024, *ONS Gender Pay Gap in the UK: 2025*), the Council's data demonstrates that there is no applicable gender pay disparity at each pay level within the organisation.

Ongoing Commitment

The Council continues to recognise the challenge, both locally and nationally, of addressing and reducing gender pay gaps. Where gender pay differences are identified, the Council will review the data and prepare appropriate actions to support continued progress towards equality. This information is published on the Council's website as well as a designated Government website.

Off-Payroll Working in the Public Sector (IR35)

Due to the need for specialist skills or fluctuations in workload, the Council may occasionally engage agency workers or consultants for short-term assignments.

With effect from 1 April 2017, changes to off-payroll working (IR35) legislation in the public sector transferred responsibility for assessing employment status under the intermediaries' legislation, and for accounting for the appropriate tax and National Insurance Contributions, to the public sector body or relevant fee-payer.

The Council has reviewed its arrangements for engaging off-payroll workers and ensures that employment status assessments, contractual arrangements and tax obligations are managed in accordance with HMRC requirements and applicable legislation.

To support compliance, transparency and value for money, the Council has signed up to Essex County Council's Managed Service Solution framework for temporary workers, which operates in accordance with the public procurement regulations. The framework provides access to

pre-approved agency suppliers within agreed rate controls and supports the Council in managing off-payroll engagements in a consistent and compliant manner.

Payments when Employment Status Changes

The Council has adopted policies relating to severance, redundancy and retirement, which set out the circumstances in which payments may be made when an individual's employment status changes. Full details are contained within the following policies:

- Organisational Change and Redundancy Policy
- Flexible Retirement Policy

In operating the Organisational Change and Redundancy Policy, the Council seeks to ensure that arrangements are workable, affordable and reasonable, having regard to foreseeable costs and the requirement to secure value for money.

The Council operates pay protection arrangements for a limited period, in accordance with its Organisational Change and Redundancy Policy. Pay protection may apply where an employee's pay is reduced as a result of organisational change, redeployment or job evaluation outcomes.

Tendring District Council recognises the need to retain sufficient flexibility to respond to unforeseen or exceptional circumstances, and there may be occasions where a pragmatic approach to severance is required. The Council's policies apply consistently and fairly to all employees, including both the lowest-paid employees and Chief Officers.

The Council will comply with statutory guidance relating to Special Severance Payments, issued as part of the Best Value regime for local authorities in England under section 3 of the Local Government Act 1999. Such payments will only be considered in exceptional circumstances and must satisfy the principles of fairness, proportionality, lawfulness and value for money.

Approval Process

The approval of severance and Special Severance Payments operates in accordance with legislative requirements and the Council's governance framework:

- Payments of £100,000 or more must be approved by a vote of Full Council, in accordance with the Localism Act 2011.
- Payments of between £20,000 and £99,999 must be approved by the Head of Paid Service, with the approval of the Leader of the Council.
- Payments below £20,000 are approved in line with the Council's Scheme of Delegation.

As part of their statutory responsibilities, the Section 151 Officer, and where appropriate the Monitoring Officer, will take a close interest in, and be able to justify, any Special Severance Payments, particularly where payments are not fully aligned with national guidance. All

decisions to award Special Severance Payments will therefore be fully documented, justified and recorded.

Local authorities are expected to publish their policy and approval processes for Special Severance Payments. This Pay Policy Statement accordingly sets out the Council's approach to such payments.

Access to the Local Government Pension Scheme

In accordance with statutory provisions, employees are offered membership of the Local Government Pension Scheme (LGPS). The Council has a published Discretionary Pension Policy, which applies to all employees, including Chief Officers, and sets out the Council's approach to the exercise of discretionary powers permitted within the scheme.

The Council also supports the principle of flexible retirement, through which employees may access their pension benefits while continuing in employment, subject to the requirements of the LGPS and the provisions of the Council's Pension Policy. This approach supports workforce planning by enabling the Council to retain skilled and experienced employees while assisting individuals to manage a phased transition to retirement.

Other Rewards

In addition to pay and contractual benefits, the Council offers a range of financial and non-financial rewards available to all employees, including Chief Officers, which support wellbeing, development, and work-life balance. These include:

- Learning and Development, including sponsorship for relevant formal qualifications where appropriate;
- Salary Sacrifice schemes, such as Additional Voluntary Contributions (AVCs), which are tax-efficient and operate at no cost to the Council;
- Health and wellbeing schemes delivered in partnership with PROVIDE, at no cost to the Council;
- Occupational Health services and a fully funded Employee Assistance Programme;
- Additional development opportunities, including secondments, special projects, flexible working arrangements and employee awards;
- Free car parking;
- Participation in the Council's flexi-time scheme;
- Discounted corporate gym membership; and
- Additional annual leave entitlement following five years of continuous service, in line with Council policy.

Other Policies

As referenced elsewhere in this Pay Policy Statement, the Council has a number of policies which include provisions with potential financial implications and should be read in conjunction with this document. These include:

- Allowances Policy

- Organisational Change and Redundancy Policy
- Market Forces Policy
- Flexible Retirement Policy
- Acting Up Policy
- Career Grade Policy
- Relocation Policy
- Long Service and Retirement Gifts Policy
- Pension Policy

These policies apply equally and consistently to all employees of Tendring District Council, regardless of seniority, including Chief Officers.

Governance, Review and Monitoring of the Pay Policy Statement

The Human Resources & Council Tax Committee is a non-executive committee of the Council. It discharges those non-executive functions allocated to it in Part 3 (Delegated Powers) of the Council's Constitution (which reflects the allocation framework in the Local Authorities (Functions and Responsibilities) (England) Regulations 2000). This includes decision-making on key human resources and personnel matters that are not reserved to Full Council or delegated to officers.

Pay Policy and Reward

In accordance with section 38 of the Localism Act 2011, the Council's Pay Policy Statement is prepared and reviewed annually and approved by Full Council. The Council is committed to undertaking a robust annual review of its pay and reward arrangements to ensure they remain fair, transparent, affordable and compliant with legislation and best-value principles, having regard to statutory guidance issued under section 40 of the Act.

COUNCIL

31 MARCH 2026

REPORT OF CHIEF EXECUTIVE

A.4 APPROVAL OF NON-ATTENDANCE AT MEETINGS

(Report prepared by Ian Ford)

PART 1 – KEY INFORMATION

PURPOSE OF THE REPORT

To consider approval of the reason for Councillor Anne Davis's non-attendance at meetings of the Council etc. for the period of six months commencing 30 October 2025 (if she does not attend such a meeting before 29 April 2026).

EXECUTIVE SUMMARY

The last meeting, which Councillor Davis attended, was that of the Licensing and Registration Committee held on 29 October 2025.

If a Councillor does not attend any meeting of the Council (or any of its Committees or Sub-Committees) for a consecutive period of six months, Section 85 of Part V of the Local Government Act 1972 disqualifies them unless the Full Council approves the reason for non-attendance before the end of that period.

On Thursday 19 February 2026, the Leader of the Reform UK Group (Councillor Jeff Bray) handed to the Democratic Services Manager a letter dated 16 February 2026 and signed by Mr. Floyd Davis for, and on behalf of, Councillor Davis. A copy of that letter is appended to this report. Members will be aware that Councillor Davis is a member of the Reform UK Group.

In that letter Councillor Davis informs the Council that she had suffered a major medical issue in November 2025 and that, since that time, Councillor Davis has remained in hospital undergoing treatment. Councillor Davis states that she is recovering well, albeit slowly, and believes it wholly possible that she will be fit and able to return to her Council duties in the not-too-distant-future.

Being mindful of the statutory limit for absence that applies to elected Councillors, Councillor Davis has respectfully requested Council to approve the reason for her non-attendance at meetings thereby removing the risk of disqualification from office and granting Councillor Davis a further period of grace.

If Council approves the recommendation set out below, Councillor Davis would need to attend a meeting of Council, or a Council Committee or Sub-Committee et cetera, before 29 October 2026 to remain a Councillor (or otherwise be subject to a fresh approval of absence by Council prior to that date).

RECOMMENDATION

That the Council approves Councillor Davis's reason (namely health issues) for non-attendance at meetings of the Council etc. for the period of six months commencing 30 October 2025 (in the event of her not attending such a meeting before 29 April 2026).

IAN DAVIDSON
CHIEF EXECUTIVE

COUNCIL

31 MARCH 2026

BACKGROUND PAPERS LIST FOR REPORTS OF CHIEF EXECUTIVE

A.4 APPROVAL OF NON-ATTENDANCE AT MEETINGS

None.

Cllr Anne Davis
173 Frinton Road
Kirby Cross
Frinton on sea
CO13 0PD

16/02/2026

To whom it may concern

As you may be aware, I suffered a major medical issue in November of last year. Since that time, I have been in hospital, receiving treatments of various kinds. As you can no doubt imagine, this has been a difficult time for both me and my family.

As a result of the above, I have not been able to attend Council meetings for some time and am conscious of the impending limit for absence that applies to all elected Councillors.

I am recovering well, all be it more slowly than I would like and I believe it to be wholly possible, if not likely, that I will be fit and able enough to return to my Council duties in the not-too-distant future. That being so, I respectfully request that the Council give due consideration to extending my permitted term of absence for a further six months.

I am aware that this would require a vote at the full Council meeting in March and sincerely hope that such can be arranged in order, subject to the outcome of that vote, that I can return as soon as able to both continue with the work I have started and continue to represent the good people of my ward.

I know that such votes have taken place in the past for other members due to illness or incapacity and hope that the Council feels both willing and able to extend the same opportunity to myself on this occasion.

I look forward with anticipation to returning to both good health and the service of my residents and District Council as soon as I am able and sincerely hope that you will see fit to enable me to do so.

Kind Regards

Floyd Davis
For and on behalf of Cllr Anne Davis

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COUNCIL

31 MARCH 2026

REPORT OF CORPORATE DIRECTOR (FINANCE & IT)

A.5 INDEPENDENT PERSON RECRUITMENT (AUDIT COMMITTEE)

PART 1 – KEY INFORMATION

PURPOSE OF THE REPORT
To approve the recommendations from the Interview Selection Panel (Audit Committee meeting 25 June 2025 minute no. 6) to appoint Mrs Sue Gallone as the Council's Independent Person to the Audit Committee for a term of two years. The recommended appointment is to be for the period expiring 31 March 2028.

EXECUTIVE SUMMARY
Audit Committees are a fundamental pillar of good corporate governance of which the composition is a key factor in achieving the characteristics of a good Audit Committee. The appointment of Independent Person(s) to Audit Committees initially stemmed from recommendations emerging from the Redmond Review, which was a national independent review into oversight of local audit and the transparency of local authority financial reporting undertaken by Sir Tony Redmond. The outcome of this review has remained a cornerstone of various improvement plans and revised arrangements considered and introduced by the Government. In terms of the latest review, the Government propose to mandate audit committees within Local Authorities, including the provision for one independent member on those committees. Notwithstanding the above, CIPFA issued their own guidance which states: *"The audit committees of local authorities should include co-opted independent members in accordance with the appropriate legislation. Where there is no legislative direction to include co-opted independent members, CIPFA recommends that each authority audit committee should include at least two co-opted independent members to provide appropriate technical expertise".* Audit Committee members need an underlying independent, sceptical mindset and a willingness to provide robust challenge. The introduction of independent members is seen as beneficial to the Audit Committee in many ways, including: • Ensuring a mix of skills and experience across a range of functions and activities • Providing an external view can often bring a new approach to committee discussions • Reinforce/support the political neutrality and independence of the Committee within the Council • Helps maintain continuity of committee membership where membership is affected by the electoral cycle Overlaying the above with the CIPFA guidance mentioned previously, general aptitude also needs to be considered alongside relevant knowledge, skills and experience. The appointment needs to take account of the overall knowledge and expertise of the existing members of the

Committee. Based on the most recent review the Council is looking for someone who can demonstrate a good understanding in the following areas:

- Financial stewardship/value for money
- Risk management/business continuity

The Audit Committee has delegated authority to make decisions on behalf of the Council in a number of areas as highlighted within its terms of reference – it is not proposed to provide the independent member with voting rights. This will remain subject to ongoing review to ensure that the arrangements remain appropriate and effective.

Members' Interview Selection Panel

On 5 February 2026, a Panel consisting of Councillors Sudra, Steady and Fairley, together with the Council's Section 151 Officer and the Corporate Governance, Performance and Procurement Manager interviewed a candidate who was identified via an associated application process. The Panel asked the candidate a number of questions, evaluated the responses and upon scoring felt that the candidate would bring a high quality and particular range of skills and experience to the role. As a result of the interview conducted by the Interview Panel as delegated by the Audit Committee, recommends to full Council the appointment as set out below.

RECOMMENDATION(S)

It is recommended that:

a) **Council endorses the recommendation of the Audit Committee and appoints to the role of Independent Person to the Audit Committee, for a two-year term until 31 March 2028, with an Independent Remuneration Panel Band C allowance per annum;**

b) **subject to (a) and following the outcome of the Audit Committee's Interview Panel, Mrs Sue Gallone is appointed as the Council's Independent Person with immediate effect; and**

c) **Council notes that further decisions on the term of the Independent Person may be required, in light of the Local Government Reorganisation programme.**

REASON(S) FOR THE RECOMMENDATION(S)

That the appointment of the Independent Person referred to above is agreed by Council, as recommended by CIPFA, to appoint a maximum of two Independent Persons to work with the Council's Audit Committee within the Audit Committee/Risk framework.

ALTERNATIVE OPTIONS CONSIDERED

Not to appoint an Independent Person – this would not be in line with CIPFA guidance and anticipated Government implementation stemming from the Redmond Review.

Enquiries were also made with neighbouring Councils as to their local arrangements, however no Authority at the time of recruitment had any arrangements in place.

PART 2 – IMPLICATIONS OF THE DECISION

DELIVERING PRIORITIES
The existence of sound governance, internal control and financial management practices and procedures are essential to the delivery of Corporate priorities supported by effective management and forward planning within this overall framework.
LEGAL REQUIREMENTS (including legislation & constitutional powers)
The recommendation to appoint an Independent Person(s) to the Audit Committee initially stemmed from the Redmond Review. This has not materialised into legislation, as is the case with other Independent Persons appointed by the Council (e.g. Independent Persons for the Standards Committee and Independent Remuneration Panel); however CIPFA guidance recommends this practice to be implemented by Audit Committees. The Localism Act 2011 requires each local authority to appoint an Independent Person to work with the Council's Monitoring Officer within the Standards Framework and support the Standards Committee and Sub-Committee. Tendring District Council has an adopted Independent Person Protocol which forms part of the Council's Constitution at Part 6.39 to 6.41. Although the points set out below relate to the appointment of an Independent Person(s) under the Council's Standards Framework, it has been considered as best practice with the general principles applied as necessary (including the statutory Section 151 Officer involved in the process instead of the Monitoring Officer) to the role of the Independent Person for appointment to the Audit Committee. *Section 28(6) and (7) of the Localism Act 2011 requires the Council to appoint at least one Independent Person to work with the Monitoring Officer within the Standards Framework. In accordance with the Council's Constitution, the advertisement of vacancies of Independent Person(s), the review of applications received, the interview of suitable candidates and the making of recommendations to Council as to who should be appointed, are delegated to the Chief Executive or Monitoring Officer. However, as this independent role has strong engagement with Councillors, it was considered appropriate that representatives from the Standards Committee were involved in the recruitment process.* *Part 2, Article 4, 4.02 Functions of the Full Council (13) The appointment of Independent Persons on the recommendation of the Monitoring Officer as to who should be appointed*
FINANCE AND OTHER RESOURCE IMPLICATIONS
At its meeting on 25 June 2025, the Audit Committee resolved that the proposal to recruit an Independent Person, for a term of office for two years be supported (subject to Full Council appointment). In terms of the allowance payable, in accordance with The Local Authorities (Members' Allowances) (England) Regulations 2003, Local Authorities must have regard to an Independent Remuneration Panel's (IRP) recommendations when deciding on the remuneration for such members. The Council has amended its scheme of allowances to be paid to District Councillors as set out with effect from 01 April 2026. The Independent Person role would fall within Category C (new or revised Committee arrangements, the role of Chairman (or other approved special responsibility) at the current rate of £1,679. This remains subject to further review by the IRP at the next timely opportunity during the year.

USE OF RESOURCES AND VALUE FOR MONEY	
The following are submitted in respect of the indicated use of resources and value for money indicators:	
A) Financial sustainability: how the body plans and manages its resources to ensure it can continue to deliver its services;	As stated within Finance and other resource implications. Advertisement of vacancy, interview and recommendation to Full Council has been delegated to the Interview Panel as determined by the Audit Committee.
B) Governance: how the body ensures that it makes informed decisions and properly manages its risks, including; and	
C) Improving economy, efficiency and effectiveness: how the body uses information about its costs and performance to improve the way it manages and delivers its services.	

MILESTONES AND DELIVERY

The appointment of the Independent Person if approved by Council and the completion of any associated training that may be required.

ASSOCIATED RISKS AND MITIGATION

That by not appointing at least one Independent Person, the Council would not be following best practice as contained within CIPFA guidance and following recommendations from the Redmond Review, as detailed throughout the report and attachments.

As highlighted further on within this report, the Council's Audit Committee have endorsed the approach of potentially appointing at least two people in-line with CIPFA guidance, with the recruitment process set out within this report seeking the initial appointment to one of those roles. The further potential appointment to a second IP role remains subject to further consideration during the next two years.

OUTCOME OF CONSULTATION AND ENGAGEMENT

Members of the Audit Committee previously provided comment on the content of the Independent Person Recruitment Pack. The vacancy was advertised on the Council's website.

EQUALITIES

In line with the Public Sector Equality Duty, public bodies such as the Council must, in the exercise of their functions, give due regard to the need to eliminate discrimination, harassment and victimisation to advance equality of opportunity and foster good relations between those who share a protected characteristic and those who do not.

The protected characteristics are age, disability, gender reassignment, marriage and civil partnership, pregnancy and maternity, race, religion or belief, sex and sexual orientation. The Independent Person Recruitment Pack does not impact on the protected characteristics.

SOCIAL VALUE CONSIDERATIONS

There are no direct implications associated with this report.

IMPLICATIONS RELATED TO DEVOLUTION AND/OR LOCAL GOVERNMENT REORGANISATION

There are no direct implications arising from the recruitment process for the Independent

Person, with the appointment for a two-year period until 31 March 2028. However, on the basis that appointing an Independent Person is best practice as previously referenced within the report; there may be a need for consideration of the position for those appointees in respect of the appointment timeframe that would involve the relevant (Shadow) new Unitary Council. This is on the basis that the Government implements Local Government Reorganisation across Greater Essex from 1 April 2028. Likewise, appointees may wish to consider their position at that time also.

IMPLICATIONS FOR THE COUNCIL'S AIM TO BE NET ZERO BY 2050

There are no direct implications associated within this report.

OTHER RELEVANT 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	Not applicable
Health Inequalities	Not applicable
Subsidy Control (the requirements of the Subsidy Control Act 2022 and the related Statutory Guidance)	Not applicable
Area or Ward affected	All Wards could be affected

ANY OTHER RELEVANT INFORMATION

None

PART 3 – SUPPORTING INFORMATION

BACKGROUND

The following recruitment process was undertaken for the role of Independent Person referenced throughout this report and attachments:

- Up to two people are to be appointed to serve in the role of Independent Person
- An allowance of up to £1,800 per annum (if agreed by the Independent Remuneration Panel) has been allocated for payment to each person
- A recruitment pack was produced incorporating comments from the Audit Committee and was subsequently advertised on the Council's website
- An interview has been undertaken by a joint Member/Officer panel
- The recommended appointment by the Panel is contained within this report to Full Council for approval

Audit Committees are a fundamental pillar of good corporate governance and the Council established its own Committee back in 2006. The Council's Audit Committee operates against detailed terms of reference which were appended to the Independent Person specification.

The composition of the Audit Committee is a key factor in achieving the characteristics of a good Audit Committee. The membership of the Council's Audit Committee has recently been increased from five to seven members, which further underlines its important role within the

Council.

The appointment of Independent Person(s) to Audit Committees initially stemmed from recommendations emerging from the Redmond Review, which was a national independent review into the oversight of local audit and the transparency of local authority financial reporting undertaken by Sir Tony Redmond. The outcome of this review has remained a cornerstone of various improvement plans and revised arrangements considered and introduced by the Government. It still features within the latest review into the local audit regime which remains subject to consultation and review by the Government before implementation. In terms of this latest review, the Government propose to mandate audit committees within Local Authorities, including the provision for one independent member on those committees.

Notwithstanding the above, CIPFA have issued their own guidance that states: "The audit committees of local authorities should include co-opted independent members in accordance with the appropriate legislation. Where there is no legislative direction to include co-opted independent members, CIPFA recommends that each authority audit committee should include at least two co-opted independent members to provide appropriate technical expertise".

Taking the above into account, the Council's Audit Committee have endorsed the approach of potentially appointing at least two people, with the recruitment process seeking the initial appointment to one of those roles.

Audit Committee members need an underlying independent, sceptical mindset and a willingness to provide robust challenge. The introduction of independent members is seen as beneficial to the Audit Committee in many ways, including:

- Ensuring a mix of skills and experience across a range of functions and activities
- Providing an external view can often bring a new approach to committee discussions
- Reinforce/support the political neutrality and independence of the Committee within the Council
- Helps maintain continuity of committee membership where membership is affected by the electoral cycle

Overlaying the above with the CIPFA guidance aforementioned, general aptitude also needs to be considered alongside relevant knowledge, skills and experience. The appointment of co-opted independent members therefore needs to take account of the overall knowledge and expertise of the existing members of the Committee. Based on the most recent review, the Council was looking for someone who can demonstrate a good understanding and experience in the following areas:

- Financial stewardship / value for money
- Risk management /business continuity

The Council's Audit Committee has delegated authority to make decisions on behalf of the Council in a number of areas as highlighted within its terms of reference – it is not proposed to provide the independent member with associated voting rights. This will remain subject to on-going review to ensure that the arrangements remain appropriate and effective. The Committee does however also have an advisory role, upon which the independent member would play an essential role, which may include areas of challenge and review.

PREVIOUS RELEVANT DECISIONS TAKEN BY COUNCIL/CABINET/COMMITTEE ETC.
Audit Committee 25 June 2025 minute no. 6 **RESOLVED** that: c) In respect of the appointment of an Independent Person, the Committee notes that the Council is ahead of many other Councils in taking such best practice steps to support its overall Governance arrangements and that in respect of the Independent Person it: a) Reconfirms its support to recruit an Independent Person((s) to a maximum number of two), for a term of office until 31 March 2028, to align with the current proposals of Local Government Reorganisation, subject to Full Council approval on appointment; ii) Agrees the Independent Person Specification, as set out in Appendix D, for the role of the Independent Person; and iii) Authorises the Corporate Director (Finance & IT), in consultation with the Chairman of the Audit Committee, to agree and undertake the associated recruitment process. Audit Committee 19 February 2026 minute no. 24 **RESOLVED** that: b) The Committee recommends to Full Council that, at its meeting due to be held on 31 March 2026, and following a recruitment and interview process, Mrs Sue Gallone be appointed as the Independent Person for the Audit Committee.
BACKGROUND PAPERS AND PUBLISHED REFERENCE MATERIAL
Audit Committee Independent Person specification.

APPENDICES
Appendix A - Table of Outstanding Issues Report to Audit Committee 19 February 2026 **Appendix B - Table of Outstanding Issues Report to Audit Committee 26 June 2025** **Appendix C - Independent Person Specification and Recruitment Pack**

REPORT CONTACT OFFICER(S)	
Name	**Richard Barrett**
Job Title	**Corporate Director (Finance & IT)**
Email	**rbarrett@tendringdc.gov.uk**
Name	**Karen Hayes**
Job Title	**Corporate Governance, Performance & Procurement Manager**
Email	**khayes@tendringdc.gov.uk**

A.5 APPENDIX A

AUDIT COMMITTEE

19 February 2026

REPORT OF DIRECTOR FINANCE & IT

A. AUDIT COMMITTEE – TABLE OF OUTSTANDING ISSUES

PART 1 – KEY INFORMATION

PURPOSE OF THE REPORT
To present to the Committee the progress on outstanding actions identified by the Committee along with general updates on other issues that fall within the responsibilities of the Committee.

EXECUTIVE SUMMARY
• A Table of Outstanding Issues is maintained and reported to each meeting of the Committee. This approach enables the Committee to effectively monitor progress on issues and items that form part of its governance responsibilities. • Updates are set out against general items, the Annual Governance Statement and External Audit recommendations within **Appendix A, B and C respectively.** • To date there are no significant issues arising from the above, with work remaining in progress or updates provided elsewhere on the agenda where appropriate. • Update following the recruitment process of an Independent Person to the Audit Committee.

RECOMMENDATION(S)
It is recommended that the Committee: **a) Notes the progress against the actions set out in Appendices A, B and C;** **b) Recommends the appointment of an Independent Person to the Audit Committee, Mrs Sue Gallone, following a recruitment and interview process for consideration by full Council at its 31 March 2026 meeting.**

REASON(S) FOR THE RECOMMENDATION(S)
To provide a timely update to the Committee along with reassurances that actions previously identified are being addressed accordingly.

ALTERNATIVE OPTIONS CONSIDERED
There are no alternative options associated with this report.

A.5 APPENDIX A

PART 2 – IMPLICATIONS OF THE DECISION

DELIVERING PRIORITIES	
The existence of sound governance, internal control and financial management practices and procedures are essential to the delivery of Corporate priorities supported by effective management and forward planning within this overall framework.	
LEGAL REQUIREMENTS (including legislation & constitutional powers)	
The content of this report and appendices addresses a number of statutory/regulatory requirements placed on the Council, which are highlighted as necessary elsewhere within the report.	
FINANCE AND OTHER RESOURCE IMPLICATIONS	
Finance and other resources There are no significant financial implications associated with monitoring of the agreed actions or responses. If additional resources are required then appropriate steps will be taken including any necessary reporting requirements.	
USE OF RESOURCES AND VALUE FOR MONEY	
The following are submitted in respect of the indicated use of resources and value for money indicators:	
A) Financial sustainability: how the body plans and manages its resources to ensure it can continue to deliver its services;	The latest general commentary from the Council's External Auditors is set out elsewhere on the agenda.
B) Governance: how the body ensures that it makes informed decisions and properly manages its risks, including; and	
C) Improving economy, efficiency and effectiveness: how the body uses information about its costs and performance to improve the way it manages and delivers its services.	
MILESTONES AND DELIVERY	
The Table of Outstanding Issues is presented to the Audit Committee at each of its standard meetings.	
ASSOCIATED RISKS AND MITIGATION	
The Table of Outstanding Issues is in itself a response to potential risk exposure with further activity highlighted to address matters raised by the Audit Committee. The report does not have a direct impact although such issues could feature in future recommendations and actions. Any actions that may have an impact will be considered and appropriate steps taken to address any issues that may arise.	
OUTCOME OF CONSULTATION AND ENGAGEMENT	
There is no requirement to seek consultation on this report. This is a public document to be presented to the Audit Committee.	

A.5 APPENDIX A

EQUALITIES
There are no direct implications associated with this report.
SOCIAL VALUE CONSIDERATIONS
There are no direct implications associated with this report.
IMPLICATIONS RELATED TO DEVOLUTION AND/OR LOCAL GOVERNMENT REORGANISATION
This is recognised within the Council's Annual Governance Statement and associated action plan as set out in **Appendix B.**
IMPLICATIONS FOR THE COUNCIL'S AIM TO BE NET ZERO BY 2050
There are no direct implications associated within this report.
OTHER RELEVANT 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	Not applicable
Health Inequalities	Not applicable
Subsidy Control (the requirements of the Subsidy Control Act 2022 and the related Statutory Guidance)	Not applicable
Area or Ward affected	All Wards could be affected

ANY OTHER RELEVANT INFORMATION
None

PART 3 – SUPPORTING INFORMATION

BACKGROUND

TABLE OF OUTSTANDING ISSUES

The Table of Outstanding Issues has been reviewed and updated since it was last considered by the Committee in September 2025.

There are three main ongoing elements to this report as follows:

1) Updates against general items raised by the Committee – **Appendix A**

2) Updates against the 2024/25 Annual Governance Statement Action Plan – **Appendix B**

3) Updates against recommendations made by the External Auditor – **Appendix C**

In terms of item 1 and 3 above, there are no significant issues to raise, with actions remaining in progress or further details set out below.

In respect of the 2024/25 Annual Governance Statement Action Plan, although this remains subject to the Committee's final approval as set out elsewhere in the agenda, for timely and practical reasons the version currently published at the end of June 2025 alongside the Unaudited Statement of Accounts presents the most up to date position for the Committee's consideration. Similarly to last year, this approach has enabled the actions and associated updates to be considered as early as possible within the Committee's annual work programme. **Appendix B** therefore includes outstanding items from last year's Annual Governance Statement alongside new items for the year. There are no significant issues to highlight at the present time with actions and activities remaining on-going.

Local Audit Reform

Following the more detailed update at the last meeting of the Committee, the Government continue to work through the various associated steps to establish the Local Audit Office, as part of enacting the English Devolution and Empowerment Bill. Further updates will be provided as necessary later in the year.

Recruitment and recommended appointment of an Independent Person to the Audit Committee

At its meeting of 25 June 2025 minute no. 6 RESOLVED that:

c) In respect of the appointment of an Independent Person, the Committee notes that the Council is ahead of many other Councils in taking such best practice steps to support its overall Governance arrangements and that in respect of the Independent Person it:

i) Reconfirms its support to recruit an Independent Person((s) to a maximum number of two), for a term of office until 31 March 2028, to align with the current proposals of Local Government Reorganisation, subject to Full Council approval on appointment;

ii) Agrees the Independent Person Specification, as set out in Appendix D, for the role of the Independent Person; and

iii) Authorises the Corporate Director (Finance & IT), in consultation with the Chairman of the Audit Committee, to agree and undertake the associated recruitment process.

The Interview Panel consisting of Audit Committee Members and Officers, conducted a recruitment process and subsequent interview on 05 February 2026. Following the interview and assessment of the candidate, the Interview Panel concluded, that subject to the Audit Committee's approval, to recommended to full Council, at its meeting of 31 March 2026, the appointment of Mrs Sue Gallone.

RIPA – Regulatory Investigatory Powers Act 2000

To inform the Committee of any activity conducted under RIPA by the Authority – the Authority has not conducted any RIPA activity in the last quarter and it is rare that it will be required to do so.

Whistleblowing

A.5 APPENDIX A

To inform the Committee of any activity under the Whistleblowing Policy as part of the monitoring arrangements in line with the adopted policy of July 2023. At its last meeting in Sep 25 the Committee was informed the Authority had received two notifications of Whistleblowing. The outcome for the two notifications after exploration was no further action and the notifications were closed. There have been no further notifications.
PREVIOUS RELEVANT DECISIONS TAKEN BY COUNCIL/CABINET/COMMITTEE ETC.
None
BACKGROUND PAPERS AND PUBLISHED REFERENCE MATERIAL
None

APPENDICES
Appendix A – Table of Outstanding Issues (February 2026) – General **Appendix B** – Table of Outstanding Issues (February 2026) – Update against 2024/25 Annual Governance Statement Actions **Appendix C** – Table of Outstanding Issues (February 2026) – External Audit Recommendations

REPORT CONTACT OFFICER(S)	
Name	**Richard Barrett**
Job Title	**Corporate Director – Finance & IT**
Email/Telephone	**rbarrett@tendringdc.gov.uk**
Name	**Karen Hayes**
Job Title	**Corporate Governance, Performance & Procurement Manager**
Email/Telephone	**khayes@tendringdc.gov.uk**

A.5 APPENDIX B

AUDIT COMMITTEE

26 June 2025

REPORT OF DIRECTOR FINANCE & IT

A. AUDIT COMMITTEE – TABLE OF OUTSTANDING ISSUES

PART 1 – KEY INFORMATION

PURPOSE OF THE REPORT
To present to the Committee the progress on outstanding actions identified by the Committee along with general updates on other issues that fall within the responsibilities of the Committee.

EXECUTIVE SUMMARY
• A Table of Outstanding Issues is maintained and reported to each meeting of the Committee. This approach enables the Committee to effectively monitor progress on issues and items that form part of its governance responsibilities. • Updates are set out against general items within **Appendix A, B and C.** • To date there are no significant issues arising from the above, with work remaining in progress or updates provided elsewhere on the agenda where appropriate. In respect of **Appendix A**, following their completion as reported to the last meeting of the Committee, a number of items have now been removed. • **Appendix D** sets out a draft Independent Person specification in response to previous discussion and resolutions of the Committee. • **Appendix E - HSE**

RECOMMENDATION(S)
It is recommended that the Committee: **a) Notes the progress against the actions set out in Appendices A, B and C;** **b) Reconfirms its support to recruit an Independent Person((s) to a maximum of two), for a term of office until 31 March 2028, to align with the current proposals of Local Government Reorganisation, subject to Full Council approval on appointment;** **c) Agrees the Independent Person Specification, set out in Appendix D, for the role of the Independent Person;** **d) Agrees a delegation to the Audit Committee Chairman to agree and undertake the associated recruitment process;** **e) Notes the Health and Safety Executive Inspection set out in Appendix E.**

REASON(S) FOR THE RECOMMENDATION(S)
To provide a timely update to the Committee along with reassurances that actions previously identified are being addressed accordingly.

ALTERNATIVE OPTIONS CONSIDERED
There are no alternative options associated with this report.

PART 2 – IMPLICATIONS OF THE DECISION

DELIVERING PRIORITIES
The existence of sound governance, internal control and financial management practices and procedures are essential to the delivery of Corporate priorities supported by effective management and forward planning within this overall framework.

LEGAL REQUIREMENTS (including legislation & constitutional powers)
The recommendation to appoint an Independent Person(s) to the Audit Committee initially stemmed from the Redmond Review. This has not materialised into legislation, as is the case with other Independent Persons appointed by the Council (e.g. Independent Persons for the Standards Committee and Independent Remuneration Panel); however CIPFA guidance recommends this practice to be implemented by Audit Committees. The Localism Act 2011 requires each local authority to appoint an Independent Person to work with the Council's Monitoring Officer within the Standards Framework and support the Standards Committee and Sub-Committee. Tendring District Council has an adopted Independent Person Protocol which forms part of the Council's Constitution at Part 6.39 to 6.41. Section 28(6) and (7) of the Localism Act 2011 requires the Council to appoint at least one Independent Person to work with the Monitoring Officer within the Standards Framework. In accordance with the Council's Constitution, the advertisement of vacancies of Independent Person(s), the review of applications received, the interview of suitable candidates and the making of recommendations to Council as to who should be appointed, are delegated to the Chief Executive or Monitoring Officer. However, as this independent role has strong engagement with Councillors, it was considered appropriate that representatives from the Standards Committee were involved in the recruitment process. Part 2, Article 4, 4.02 Functions of the Full Council (13) The appointment of Independent Persons on the recommendation of the Monitoring Officer as to who should be appointed Although the above relates to the appointment of an Independent Person(s) under the Council's Standards Framework, it is considered best practice to apply this to the role of the Independent Person for appointment to the Audit Committee.

A.5 APPENDIX B

FINANCE AND OTHER RESOURCE IMPLICATIONS	
Finance and other resources There are no significant financial implications associated with monitoring of the agreed actions or responses. If additional resources are required then appropriate steps will be taken including any necessary reporting requirements.	
USE OF RESOURCES AND VALUE FOR MONEY	
The following are submitted in respect of the indicated use of resources and value for money indicators:	
A) Financial sustainability: how the body plans and manages its resources to ensure it can continue to deliver its services;	Not directly applicable
B) Governance: how the body ensures that it makes informed decisions and properly manages its risks, including; and	Not directly applicable
C) Improving economy, efficiency and effectiveness: how the body uses information about its costs and performance to improve the way it manages and delivers its services.	Not directly applicable
MILESTONES AND DELIVERY	
The Table of Outstanding Issues is presented to the Audit Committee at each of its standard meetings.	
ASSOCIATED RISKS AND MITIGATION	
The Table of Outstanding Issues is in itself a response to potential risk exposure with further activity highlighted to address matters raised by the Audit Committee. The report does not have a direct impact although such issues could feature in future recommendations and actions. Any actions that may have an impact will be considered and appropriate steps taken to address any issues that may arise.	
OUTCOME OF CONSULTATION AND ENGAGEMENT	
There is no requirement to seek consultation on this report. This is a public document to be presented to the Audit Committee.	
EQUALITIES	
The Table of Outstanding Issues aims to deliver fairness, transparency and consistency to all customers and stakeholders.	
SOCIAL VALUE CONSIDERATIONS	
The Table of Outstanding Issues is in itself a response to potential risk exposure, including considerations towards social value, with further activity highlighted to address matters raised by the Audit Committee.	
IMPLICATIONS RELATED TO DEVOLUTION AND/OR LOCAL GOVERNMENT REORGANISATION	
There are no direct implications associated within this report with regard to **Appendices A, B**	

and C. In respect of **Appendix D** it is recommended that the appointment of the Independent Person is until 31 March 2028 in alignment with the current proposals relating to Local Government Reorganisation.

IMPLICATIONS FOR THE COUNCIL'S AIM TO BE NET ZERO BY 2050

There are no direct implications associated within this report.

OTHER RELEVANT 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	Not applicable
Health Inequalities	Not applicable
Subsidy Control (the requirements of the Subsidy Control Act 2022 and the related Statutory Guidance)	Not applicable
Area or Ward affected	All Wards could be affected

ANY OTHER RELEVANT INFORMATION

None

PART 3 – SUPPORTING INFORMATION

BACKGROUND

TABLE OF OUTSTANDING ISSUES

The Table of Outstanding Issues has been reviewed and updated since it was last considered by the Committee in March 2025.

There are three main ongoing elements to this report as follows:

1) Updates against general items raised by the Committee – **Appendix A**

2) Updates against the 2023/24 Annual Governance Statement Action Plan – **Appendix B**

3) Updates against recommendations made by the External Auditor – **Appendix C**

In terms of item 1) above, there are no significant issues to raise, with actions remaining in progress or further details set out below.

In terms of item 2) above, the Annual Governance Statement for 2025 remains subject to be finalised alongside the Statement of Accounts 2024/25 for publishing by the end of June 2025. The associated action plan that will be set out within the above statement will include the ongoing/outstanding items set out within **Appendix B**. However, given the timing of this meeting of the Audit Committee and the publication date highlighted above, **Appendix B** only

gives updates against the existing Annual Governance Statement at the present time, with further details presented to the September 2025 meeting of the Committee that will reflect the revised actions and activities emerging from the 2025 review.

Appointment of Independent Person(s) to the Audit Committee

A draft person specification is set out in **Appendix D**. At its July 2024 meeting of the Committee, it was agreed that the Committee endorsed the appointment of up to two Independent Persons. At its March 2025 meeting of the Committee, a draft specification was presented and subsequently Committee Member and Officer workshops have taken place in order to develop the specification. Once this final version is agreed, a recommendation will need to be made to Full Council following which the actions associated with establishing and recruiting to this post can be undertaken as necessary. A recommendation is included above that reflects this proposed approach.

As set out in previous reports, the associated information to be presented to Full Council will include any financial budgetary implications as well as any necessary delegations to the Chief Executive Officer and Audit Committee Chairman to undertake and complete the associated appointment process.

Subject to Full Council's approval, the recruitment process will reflect the need to undertake the necessary publicising and advertising of the opportunity, the formal application and recruitment process and subsequent induction programme.

Local Audit Reform

The Government recently announced a series of reforms to address issues within the local audit system with some key highlights as follows:

Simplification and Streamlining: The reforms aim to simplify financial reporting requirements and streamline the audit process to make it more efficient

Increased Capacity: Efforts will be made to increase the capacity of the audit sector, reducing reliance on a small number of auditors

Funding Support: Up to £49 million in funding will be provided to help local authorities clear audit backlogs and cover additional costs

New Local Audit Office: A new Local Audit Office will be established to coordinate functions currently spread across multiple organizations, such as the National Audit Office and the Financial Reporting Council

Transparency and Accountability: The reforms are designed to restore public trust in how councils manage and report their finances, ensuring better value for taxpayers

These changes are part of a broader "Plan for Change" to bring long-term stability to the local audit system. The practical implications remain under review with further updates planned to be presented to the Committee later in the year.

Health and Safety Executive – findings and actions

A.5 APPENDIX B

The Health and Safety Executive (HSE), advised the Council of their intentions to undertake a site visit to investigate Asbestos Management under the Health and Safety at Work Act 1974 (control of Asbestos Regulations 2012). The inspection took place on 12 February 2025 with staff from Leisure, Princes Theatre, Facilities Management, Health and Safety and the Union all engaged in this comprehensive inspection across four HSE chosen locations, namely Northbourne Depot, Town Hall, Princess Theatre and Clacton Leisure Centre.

The resultant 14 March 2025 HSE report recommendations were immediately used to create a Council improvement action plan (**Appendix E**). The Council's Management Team were informed and senior managers have retained oversight of the resulting actions/deliverables.

The Corporate Health and Safety Team are project managing and supporting services to ensure that they achieve all of the HSE required improvements by agreed dates. The Council remains in regular contact with the HSE to update/provide written evidence of completed activities and completion timescales. At the time of writing, a small number of Asbestos Management improvement actions are programmed but outstanding.

It is anticipated that the HSE will most probably re-inspect once these improvement deadline dates have passed and relevant services have been informed. Services are fully committed to completing all of the improvements required and Management Team are kept updated through periodic review. The Council will continue to work with the HSE to promote a safer working environment for our staff, contractors and public who attend our buildings. From a lessons-learnt perspective:

1) That senior managers are reminded that Asbestos Management Plans (AMPs) need to remain current, including checks, updating following any property refurbishments or material building changes.

2) Although no issues relating to the Council's Asbestos Management training arrangements were identified during the HSE inspection, it has become apparent that due to staff leavers/joiners, some service areas feel the need for refresher/further training. The Health and Safety Team are working with all services to ensure they have the necessary asbestos-trained personnel required relating to their areas of responsibility.

3) Moving forwards, the Health and Safety Team will ensure that as part of future scheduled Council inspections, they better engage with responsible individuals to ensure that Asbestos Management (AM) documentation is reviewed annually and that there is due focus on AM training record checks/training guidance and support.

Food Standards Agency – findings and actions

The Council's statutory functions in respect of food safety are overseen by the Food Standards Agency (FSA) who are the regulatory body for local authority delivery (https://www.food.gov.uk/about-us/the-food-regulatory-system).

The FSA seeks assurance that the Authority has effective and efficient arrangements in place to ensure official controls and that other official activities are performed on all food businesses as required by assimilated Regulation (EU) 2017/625 and the Food Law Code of Practice (FLCoP).

A.5 APPENDIX B

FSA sets the programme for food safety inspections undertaken by local authorities and local authorities provide statistical data covering a number of parameters, including the number of food hygiene inspections undertaken and the findings from those inspections. Some of that information is used to provide consumers with useful information such as the food hygiene score a business has achieved (https://ratings.food.gov.uk/).

During December 2024, the Council received a performance report from the FSA. The FSA routinely monitors local authority performance through data submitted in twice yearly returns. The Council had submitted their October 2023, April 2024 and October 2024 returns as required.

The returns in 2023 and 2024 highlighted that the Council had fallen short of its targeted interventions with a large number of those interventions being overdue. It was also highlighted in the return that a new manager of the Food Safety Team joined the Authority in September 2023, and that three food-competent officers had left the Authority around the same time. A new Environmental Health Officer (EHO) joined the Authority in October 2024 and the Council was advertising for two further vacancies. In the meantime, the Authority was to employ a contractor to carry out the planned intervention programmes.

The October 2024 return highlighted that the Authority conducted 47.18% of the intervention programme for A/E rated premises, broken down by risk categories as follows:

100% completion for A rated (highest risk) interventions
50% for B rated interventions
50% for C rated interventions
47% for D rated interventions
43.66% for E rated (lowest risk) interventions – 95 interventions of the 260 unrated premises

The Council had identified a need for 4.4 full time equivalents (FTE) to deliver the food service effectively, however the allocation at that time stood at 3.4 FTEs, with only 2.9 occupied. It is this shortfall in staffing capacity that had contributed to the backlog of inspections.

The FSA requested a meeting to discuss the Council's position and the plans that had been developed to address the shortcomings identified. During the meeting, the background to the engagement was discussed, as was the FSA's functions of monitoring the performance of a Council's delivery of the food hygiene intervention programme. The main topics discussed were the backlog of interventions and the Council's arrangements to demonstrate that senior delegated officers are fully aware of the risks and of the full demands on the food service, along with the resources required to deliver it, including any shortfalls in resources.

The Council continues to be in open dialogue with the FSA and has significantly reduced the number of outstanding inspections. Due to the way in which good businesses are risk rated to determine their inspection frequency and the fact the new businesses are registering all the time with other businesses ceasing to trade, the number of inspections due does fluctuate. The Food Safety Team have updated the Service Plan for 2025 which addresses the issues that have both been highlighted by officers and raised by the FSA. These plans have been shared with the FSA and they are satisfied with the progress that is being made towards improving the inspection numbers.

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RIPA – Regulatory Investigatory Powers Act 2000

To inform the Committee of any activity conducted under RIPA by the Authority – the Authority has not conducted any RIPA activity in the last quarter and it is rare that it will be required to do so.

Whistleblowing

To inform the Committee of any activity under the Whistleblowing Policy as part of the monitoring arrangements. The Authority has not received any Whistleblowing notifications since the adoption of its policy in July 2023.

PREVIOUS RELEVANT DECISIONS TAKEN BY COUNCIL/CABINET/COMMITTEE ETC.
The Table of Outstanding Issues is presented to the Committee at each of its meetings.

BACKGROUND PAPERS AND PUBLISHED REFERENCE MATERIAL
None

APPENDICES
Appendix A – Table of Outstanding Issues (June 2025) – General
Appendix B – Table of Outstanding Issues (June 2025) – Update against 2023/24 Annual Governance Statement Actions
Appendix C – Table of Outstanding Issues (June 2025) – External Audit Recommendations
Appendix D – Draft Independent Person specification
Appendix E - HSE

REPORT CONTACT OFFICER(S)	
Name	**Richard Barrett**
Job Title	**Director – Finance & IT**
Email/Telephone	**rbarrett@tendringdc.gov.uk**
Name	**Karen Hayes**
Job Title	**Corporate Governance, Performance & Procurement Manager**
Email/Telephone	**khayes@tendringdc.gov.uk**

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Tendring District Council

TENDRING DISTRICT COUNCIL

AUDIT COMMITTEE INDEPENDENT PERSONS

INFORMATION AND APPLICATION PACK

Tendring District Council
Town Hall, Station Road, Clacton-on-Sea
Essex CO15 1SE
Tel: 01255 686561
www.tendringdc.gov.uk

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A.5 APPENDIX C

Thank you very much for expressing an interest in this role of an Independent Person to Tendring District Council's Audit Committee.

In this information and application pack you will find out more about the Audit Committee and what might be expected of you should you become an Independent Person. You will also find a short application form should you wish to apply for the role.

Audit Committees form the foundation for the promotion, development and adherence to good governance in Local Government and independent people being part of such arrangements helps to build confidence and the necessary assurance that the Council is operating as effectively as it can across the broad range of its activities, responsibilities, and functions. The strong working relationship between officers and Councillors has been a feature of the Council for many years irrespective of the groups forming the administration. The cultivation of an inclusive approach across the Council Chamber with Group Leaders and those involved in Overview and Scrutiny and in Audit has meant that constructive challenge and review have been integral to the governance of the Council.

We are looking for persons who have a sceptical mindset and a willingness to provide robust challenge, especially in areas such as financial stewardship, value for money and risk management. Along with good interpersonal skills, we are looking for someone who is also confident in contributing new ideas and thinking to the work of our Audit Committee.

Thank you once again for your interest.

Richard Barrett

Section 151 Officer

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Thank you for your interest in applying for the role of an Independent Person for the Audit Committee at Tendring District Council. As the Chairman of the Audit Committee this is a role that it is extremely important to me and the value it brings to the Council.

The Committee has a busy work programme each year with a sample of the general functions of the Audit Committee as follows, albeit this is not an exhaustive list:

1. To provide independent assurance of the adequacy of the risk management framework and the associated control environment.

2. To provide independent scrutiny of the Council's financial and non-financial performance to the extent that it affects the Council's exposure to risk and weakens the control environment.

3. Considers the annual budget for the internal audit service as part of the Council's budget setting process.

4. To oversee the financial reporting process

5. Consider the Internal Audit Manager's annual report and opinion and a summary of internal audit activity (actual and proposed), and the level of assurance it can give over the Council's corporate governance arrangements.

6. Considering external auditor and external regulatory reports and monitoring any quality improvement programmes where required. Comments are provided to Cabinet as appropriate.

7. Commenting on the scope and depth of external audit work and ensuring it gives value for money.

For the role of Independent Person, we are seeking individuals who act impartially at all times, without political bias or prejudice and who conduct themselves in accordance with the principles of high standards of conduct expected when acting in public life. The Independent Person will also possess the relevant skills to support the Council in areas such as financial stewardship, value for money, risk management and business continuity.

I wish you luck with your application to fulfil this important and varied role.

Cllr Geeta Sudra

Chairman
Audit Committee

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APPOINTMENT OF INDEPENDENT PERSON TO THE AUDIT COMMITTEE

SELECTION TIMETABLE AND HOW TO APPLY

The timetable

The closing date for receipt of applications is 16 January 2026.

Short-listing is scheduled for later that week and interviews will take place during February 2026.

Candidates will be interviewed by a Panel of two Councillors from the Council's Audit Committee and two Officers. The final appointments will be made by full Council at its meeting on 31 March 2026.

All applications will be assessed against the selection criteria outlined in the application form and person specification. Candidates who are invited for interview will be notified after the short-listing process has taken place. Contact is likely to be by email if an email address is provided by the applicant.

If you have any questions about becoming an Audit Committee Independent Person, please contact Richard Barrett, the Council's Section 151 Officer, on 01255 686868 or email both khayes@tendringdc.gov.uk – rbarrett@tendringdc.gov.uk

How to apply

Should you wish to apply for this position, please complete the application form and include a statement that you feel demonstrates how you meet the criteria and would be suitable for the role.

You should then either post or email the completed form to:

Karen Hayes
Corporate Governance, Performance and Procurement Manager
Tendring District Council
Town Hall
Station Road
Clacton-on-Sea
Essex
CO15 1SE
khayes@tendringdc.gov.uk

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TENDRING DISTRICT COUNCIL

Tendring District Council is a Local Authority within Essex, named after the peninsula of Tendring that the Council's administrative area covers. Within the district there is a population of 148,100, with 67,500 households and 4,740 businesses.

Tendring is represented by 48 elected Councillors and its administration is comprised of two groups of Independent Councillors as well as Labour and Liberal Democrat Councillors. 769 staff members are employed to ensure residents, businesses and visitors can depend upon the indispensable services delivered by the Council.

The Council's Corporate Plan 2024 - 2028 (Our Vision) sets out the key areas of focus for the authority and works as a guide to continue improving and developing the Council and the District alongside its partners. Community Leadership is core to our ethos. As a community leader, our Council is a deliverer, facilitator and influencer in delivering outcomes for our residents.

Councillors are democratically accountable to the residents of their District Ward and have an overriding duty to the whole community, including those persons who did not vote for them at election time.

There are also twenty seven Town and Parish Councils within the District.

Further information can be found on the Council's website at www.tendringdc.gov.uk

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THE AUDIT COMMITTEE

The Audit Committee agreed at its meeting on 25 July 2024 the appointment of up to two Independent Persons. At its 26 June 2025 meeting the Audit Committee agreed to recruit an Independent Person((s) to a maximum of two) for a term of office until 31 March 2028, to align with the current proposals of Local Government Reorganisation. The final appointment will be subject to full Council approval.

Composition of the Audit Committee

The Audit Committee (the Committee) is a Non-Executive Committee consisting of seven Members of Tendring District Council, appointed at Annual Council with a membership that reflects the political make-up of the Council.

Terms of Reference

The Audit Committee will have the following roles and functions:

The discharge of the following miscellaneous functions – Part II as set out in Schedule 1 to the Local Authorities (Functions and Responsibilities Regulations) (England) 2000 (as amended).

Duty to approve the Authority's statement of accounts, income and expenditure and balance sheet or record of receipts and payments (as the case may be).

Additional roles and functions of the Committee are as set out below:

1. To provide independent assurance of the adequacy of the risk management framework and the associated control environment;

2. To provide independent scrutiny of the Council's financial and non-financial performance to the extent that it affects the Council's exposure to risk and weakens the control environment;

3. Considers the annual budget for the internal audit service as part of the Council's budget setting process; and

4. To oversee the financial reporting process:

Audit Activity

1. Considering the Internal Audit Manager's annual report and opinion and a summary of internal audit activity (actual and proposed), and the level of assurance it can give over the Council's corporate governance arrangements.

2. Considering reports on the operation of internal audit and summaries of specific internal audit reports where requested.

3. Considering reports from internal audit on agreed recommendations not implemented within a reasonable timescale.

4. Assessing external auditor and external regulatory reports and monitoring any quality improvement programmes where required. Comments are provided to Cabinet as appropriate.

5. Commenting on the scope and depth of external audit work and ensuring it gives value for money.

6. Liaising with the Audit Commission in regard to the appointment of the Council's external auditor.

Regulatory Framework

7. Reviewing significant issues referred by the Chief Executive, Cabinet or any Council Committee (subject to the availability of resources within the approved audit plan).

8. Monitoring the effective development and operation of risk management and corporate governance.

9. Monitoring Council policies on "Raising Concerns at Work", the whistleblowing policy and the anti-fraud and corruption strategy.

10. Overseeing the production of the Code of Corporate Governance, including the Statement of Internal Control.

11. Considering the arrangements for corporate governance and agreeing necessary actions to ensure compliance with best practice.

12. Considering the Council's compliance with its own and other published standards and controls (other than those covered by the Standards Committee).

Accounts

13. Reviewing and approving the annual statement of accounts.

14. Considering whether appropriate accounting policies have been followed and whether there are concerns arising from the financial statements or from the audit that need to be brough to the attention of the Council.

15. Receiving the external auditor's report to those charged with governance.

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Audit Committee Independent Person - Person Specification
Audit Committees in Local Government

Audit Committees are a fundamental pillar of good corporate governance and the Council established its own Committee back in 2006. The Council's Audit Committee operates against detailed terms of reference which are appended to this person specification.

The composition of the Audit Committee is a key factor in achieving the characteristics of a good Audit Committee. The membership of the Council's Audit Committee has recently been increased from five to seven members, which further underlines its import role within the Council.

The appointment of Independent Person(s) to Audit Committees initially stemmed from recommendations emerging from the Redmond Review, which was a national independent review into the oversight of local audit and the transparency of local authority financial reporting undertaken by Sir Tony Redmond. The outcome of this review has remained a cornerstone of various improvement plans and revised arrangement considered and introduced by the Government. It still features within the latest review into the local audit regime which remains subject to consultation and review by the Government before implementation. In terms of this latest review, the Government propose to mandate audit committees within Local Authorities, including the provision for one independent member on those committees.

Notwithstanding the above, CIPFA have issued their own guidance that states that:

"The audit committees of local authorities should include co-opted independent members in accordance with the appropriate legislation. Where there is no legislative direction to include co-opted independent members, CIPFA recommends that each authority audit committee should include at least two co-opted independent members to provide appropriate technical expertise".

Taking the above into account, the Council's Audit Committee have endorsed the approach of potentially appointing at least two people, with this recruitment process seeking the initial appointment to one of those roles.

What is the role of an Independent Person and what sort of person is the Council looking to appoint?

Audit Committee members need an underlying independent, sceptical mindset and a willingness to provide robust challenge. The introduction of independent members is seen as beneficial to the audit committee in many ways, including:

- Ensuring a mix of skills and experience across a range of functions and activities
- Providing an external view can often bring a new approach to committee discussions.
- Reinforce / support the political neutrality and independence of the Committee within the Council.
- Helps maintain continuity of committee membership where membership is affected by the electoral cycle.

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Overlaying the above with the CIPFA guidance mentioned above, general aptitude also needs to be considered alongside relevant knowledge, skills and experience.

The appointment of co-opted independent members therefore needs to take account of the overall knowledge and expertise of the existing members of the Committee. Based on the most recent review, the Council is looking for someone who can demonstrate a good understanding and experience in the following areas:

Financial stewardship / value for money
Risk management / business continuity

The Council's Audit Committee has delegated authority to make decisions on behalf of the Council in a number of areas as highlighted within its terms of reference - it is not proposed to provide the independent member with associated voting rights. This will remain subject to on-going review to ensure that the arrangements remain appropriate and effective. The Committee does however also have an advisory role, upon which the independent member would play an essential role. This may include identifying areas of challenge and review which could possibly involve attending further meetings outside the formal quarterly based meeting schedule of the Committee and attendance at other Council Committee meetings as necessary.

Who is eligible?

Similar to arrangements elsewhere within the Council, a person would not be considered independent and eligible if they:

- Are, or have been within the past 5 years, a member, co-opted member with voting rights, or someone who has stood for office, or Officer of the Council or of one of the Town or Parish Councils in the District; or

- Are, or have been within the past 5 years, a relative, or close friend, of a member, co-opted member with voting rights, or someone who has stood for office within the last 5 years, or officer of the Council or of one of the Town or Parish Councils in the District. For this purpose, "relative" means –

    a. A spouse or civil partner;
    b. Living with the person as husband and wife or as if they were civil partners;
    c. A grandparent of the person;
    d. A lineal descendent of a grandparent of the person;
    e. A parent, sibling or child of the person;
    f. A spouse or civil partner of c., d. or e. above;
    g. Living with a person defined at c., d. or e. above as husband and wife or as if they were civil partners

How long is the appointment?

The period of appointment is proposed to be from the date of acceptance of the role once offered up to and including 31 March 2028.

Do I have to live or work in the District?

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Not necessarily, but a connection to the District will add to the merits of your application.

How will the successful candidate be appointed?

The position is being advertised publicly via the Council's website, with consideration of using complementary approaches as necessary.

The appointment process has been delegated to the Chief Executive in consultation with the Audit Committee Chairman.

The Council will only consider / appoint someone who makes a formal application.

Following the appointment process, the necessary induction / training will be provided to the successful candidate.

Is the position paid?

The Independent Member(s) will be entitled to a payment of approximately £TBC a year under the Council's associated allowances scheme to reflect the commitment required that includes the necessary regular attendance at committee meetings and associated preparatory work and reading of reports.

How much time does it involve?

The estimated time commitment required to undertake the role can vary, but on average it would involve attendance at four meetings of between one to three hours, plus associated preparatory reading etc. Committee meetings are generally held in the mornings. As highlighted earlier, attendance may also be required at associated meetings when necessary, such as the Council's Overview and Scrutiny Committees.

This role may be supported by an Independent Person Protocol as necessary.

APPLICATION FORM FOR ROLE OF AUDIT COMMITTEE INDEPENDENT PERSON

PERSONAL DETAILS

TITLE	MR/MRS/MISS/MS/OTHER* * Please specify ……
NAME	
ADDRESS	
TELEPHONE NUMBER (daytime)	
TELEPHONE NUMBER (mobile)	
EMAIL ADDRESS	

REFERENCES

REFERENCES - Please give the details of two people who are not related to you and who are able to provide references, relating to your suitability for the role.			
NAME		NAME	
ADDRESS		ADDRESS	
TEL.NO.		TEL.NO.	
EMAIL		EMAIL	
POSITION		POSITION	
Note that references may be taken up prior to interview unless you indicate otherwise			

ADDITIONAL INFORMATION

Please use the space on the next page to give details of why you would like to become one of the Council's Audit Committee Independent Persons and why you believe you are suitable for the position, taking into account the person specification and selection criteria. You may wish to tell us about your personal qualities and skills and work experience including voluntary activities and leisure interests.

The selection criteria include:

- A keen interest in standards in public life
- A wish to serve the local community and uphold local democracy
- High standards of personal integrity
- An ability to be objective, independent and impartial
- Sound analytical skills
- Leadership qualities, particularly in respect of exercising sound judgment
- A broad range of experience
- Good interpersonal skills
- Some knowledge of local government and an understanding of the political process

- Ability to interrogate data

Additional Information (please continue on separate pages if required)

Please continue on a separate sheet of paper if necessary …

PLEASE SIGN AND DATE THIS DECLARATION
• I confirm that to the best of my knowledge and belief the information given in this application is accurate. • I confirm that I am not, nor have I been within the past 5 years, a member, co-opted member with voting rights or officer of Tendring District Council or of one of the Town or Parish Councils in the District of Tendring. • I confirm that I am not a relative or close friend of a member, co-opted member with voting rights or officer of Tendring District Council or of one of the Town or Parish, Councils in the District of Tendring. **Signature:** _____ **Date:** _____

When completed, please return to:

Karen Hayes
Corporate Governance,
Performance and Procurement
Manager

Tendring District Council
Town Hall
Station Road
Clacton-on-Sea
Essex
CO15 1SE
khayes@tendringdc.gov.uk

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