



CABINET

DATE:	Tuesday, 5 September 2017
TIME:	10.30 am
VENUE:	Essex Hall, Town Hall, Clacton-on-Sea, CO15 1SE

MEMBERSHIP:

Councillor Stock	- Leader of the Council
Councillor CGuglielmi	- Finance and Corporate Resources Portfolio Holder and Deputy Leader of the Council
Councillor Fairley	- Investment and Growth Portfolio Holder
Councillor Honeywood	- Housing Portfolio Holder
Councillor McWilliams	- Health and Education Portfolio Holder
Councillor Nicholls	- Corporate Enforcement Portfolio Holder
Councillor Skeels (Snr)	- Leisure and Tourism Portfolio Holder
Councillor Talbot	- Environment Portfolio Holder

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

DATE OF PUBLICATION: FRIDAY, 25 AUGUST 2017

AGENDA

1 Apologies for Absence

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

2 Minutes of the Last Meeting (Pages 1 - 14)

To confirm and sign the minutes of the last meeting of the Cabinet held on Friday 14th July

3 Declarations of Interest

Members are invited to declare any Disclosable Pecuniary Interests, or other interests, and the nature of them, in relation to any item on the agenda.

4 Announcements by the Leader of the Council

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

5 Announcements by Cabinet Members

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

6 Matters Referred to the Cabinet by the Council

There are none on this occasion.

7 Reference Report from the Community Leadership and Partnerships Committee - A.1- Community Voluntary Services Tendring (Pages 15 - 16)

To enable Cabinet to give consideration to the recommendation made to it by the Community Leadership and Partnerships Committee in respect of the above.

8 Leader of the Council's Items

There are none on this occasion.

9 Report of Leader of the Council -A.2- North Essex Garden Communities - Progress to date and key developments (Pages 17 - 32)

To provide an update on progress made and the current position regarding the Garden Communities project.

10 Report of Finance and Corporate Resources Portfolio Holder - A.3 - Long Term Financial Sustainability Plan/10 Year Forecast (Pages 33 - 50)

To set out an innovative and long term sustainable approach to budgeting, which sets the direction of travel to maximise savings opportunities alongside delivering growth in underlying income to deliver a balanced budget over a ten year forecast.

11 Report of Finance and Corporate Resources Portfolio Holder -A.4- Corporate Budget Monitoring Report for the First Quarter of 2017/18 (Pages 51 - 84)

To provide an overview of the Council's actual financial position against the budget as at the end of June 2017.

12 Report of Finance and Corporate Resources Portfolio Holder -A.5- Performance Report April - June 2017 - Quarter One Report (Pages 85 - 110)

To present the Performance Report for the period April – June 2017 (Q1).

13 Report of the Housing Portfolio Holder -A.6- Housing Management on behalf of the Lawford Housing Enterprise Trust (Pages 111 - 114)

To seek approval of Cabinet, in principle, to enter into a management agreement with Lawford Housing Enterprise Trust (LHET) to manage houses on their behalf.

14 Report of Corporate Enforcement Portfolio Holder -A.7- Corporate Enforcement Strategy (Pages 115 - 148)

To seek approval to the Corporate Enforcement Strategy following consultation and to seek agreement to implement the Strategy and Services Standards within services.

15 Management Team Items

There are none on this occasion.

16 Exclusions of Press and Public

The Cabinet is asked to consider the following resolution:

“That under Section 100A(4) of the Local Government Act 1972, the press and public be excluded from the meeting during consideration of Agenda Items 20 and 21 on the grounds that they involve the likely disclosure of exempt information as defined in the relevant paragraphs of Part 1 of Schedule 12A, as amended, of the Act.”

17 Exempt Minute of the Last Meeting held on Friday 14 July 2017 (Pages 149 - 152)

To confirm and sign the exempt minute of the last meeting of the Cabinet held on Friday 14 July 2017.

Date of the Next Scheduled Meeting

The next scheduled meeting of the Cabinet is to be held in the Essex Hall, Town Hall, Clacton-on-Sea, CO15 1SE at 10.30 am on Friday, 6 October 2017.

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

Notice of Intention to Conduct Business in Private

Notice is hereby given that, in accordance with Regulation 5 of the Local Authorities (Executive Arrangements) (Meetings and Access to Information) (England) Regulations 2012, Agenda Item No. 12 is likely to be considered in private for the following reason:

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

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**MINUTES OF THE MEETING OF THE CABINET, HELD ON FRIDAY 14 JULY 2017 AT
10.33 A.M. IN THE ESSEX HALL, TOWN HALL, CLACTON-ON-SEA**

PRESENT:

Councillor N R Stock OBE

Councillor G V Guglielmi

Councillor P B Honeywood

Councillor L A McWilliams

Councillor M J Talbot

Councillor N W Turner

PORTFOLIO:

Leader of the Council (Chairman) & Portfolio Holder for
Planning and Regeneration

Deputy Leader of the Council & Portfolio Holder for
Resources and Corporate Services

Portfolio Holder for Housing

Portfolio Holder for Leisure and Partnerships

Portfolio Holder for Environment

Portfolio Holder for Commercialisation, Seafronts and
Parking

Group Leaders Present by Standing Invitation: Councillors R J Bucke (Deputy Leader of the Tendring First Liberal Democrats Group), I J Henderson (Leader of the Labour Group) and M E Stephenson (Leader of the UKIP Group)

Also Present: Councillor G F Watling MP (items 63 – 70 only)

In Attendance: Corporate Director (Corporate Services) (Martyn Knappett), Corporate Director (Operational Services) (Paul Price), Head of Finance, Revenues & Benefits & Section 151 Officer (Richard Barrett), Head of People, Performance and Projects (Anastasia Simpson), Head of Property Services (Andy White), Committee Services Manager (Ian Ford) and Leadership Support Manager (Elizabeth Ridout)

49. APOLOGIES FOR ABSENCE

Apologies for absence were submitted on behalf of Councillors J D Bray (Leader of the Independent Alliance Group), J A Broderick (Leader of the Holland-on-Sea Residents' Group), T M Ferguson (Portfolio Holder for Tourism and Leisure) and G G I Scott (Leader of the Tendring First Liberal Democrats Group).

The Chief Executive had also submitted apologies for absence.

50. MINUTES OF THE MEETINGS HELD ON TUESDAY 13 JUNE AND FRIDAY 16 JUNE 2017

It was **RESOLVED** that the minutes of the meetings of the Cabinet, held on Tuesday 13 June and Friday 16 June 2017, be approved as correct records and signed by the Chairman.

51. DECLARATIONS OF INTEREST

There were none on this occasion.

52. ANNOUNCEMENTS BY THE LEADER OF THE COUNCIL

The Leader of the Council informed Members that he had cancelled the meeting of the Cabinet due to have been held on 11 August 2017 as there was insufficient business to transact. The next scheduled meeting of the Cabinet was now due to be held on 8 September 2017.

53. ANNOUNCEMENTS BY CABINET MEMBERS

There were none on this occasion.

54. MATTERS REFERRED TO THE CABINET BY THE COUNCIL

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

55. MATTERS REFERRED TO THE CABINET BY A COMMITTEE – REFERENCE FROM THE AUDIT COMMITTEE – A.1 – CORPORATE RISK UPDATE

Cabinet was informed that, at the meeting of the Audit Committee held on 22 June 2017, the Head of Finance, Revenues & Benefits Services & Section 151 Officer (Richard Barrett) had presented to that Committee a report on the Risk Management Framework and the updated Corporate Risk Register.

Mr Barrett had reported that, within the period under review, no new risks had been added to the register, no risks had been removed, or amended and there were no items that were currently under review. Risks had been amended in respect of –

- (1) 2c Community Leadership Projects;
- (2) 1a Failure to Effectively Manage Assets;
- (3) 1b Catastrophic IT Network Failure;
- (4) 1c Ineffective Communication / Management of Information;
- (5) 6a Loss of sensitive and/or personal data through Malicious Actions, Theft and/or Hacking;
- (6) 6c Disconnection from PCN Network; and
- (7) 9a Ineffective Emergency Planning.

The Audit Committee had been informed that although no changes had been identified as being required at this time, the Risk Management Framework was included at Appendix A to the report for information purposes only.

The Audit Committee had decided that -

- (a) *the contents of the updates provided to the current Risk Register be noted;*
- (b) *in the light of the Grenfell Tower in Kensington, London fire disaster, the Cabinet be requested to re-assess the Council's emergency plans for the evacuation and re-housing of residents in the event of a fire, flood or other major incident and ensure that the Council's financial reserves are adequate to cope with the aftermath over a number of months; and*
- (c) *the Cabinet be also requested to reassess the emergency arrangements for its own office buildings.*

The Cabinet had before it the following comments of the Resources and Corporate Services Portfolio Holder made in response to the requests of the Audit Committee:

"It will be sometime until the official lessons identified in the response to the Grenfell Town incident are published.

However already there are some clear, early, indicators generally for local authorities to consider:

1. *Early public liaison from the senior team within the Council*
2. *Regular, positive liaison between Council senior team and those affected*

3. *Management of donated, domestic equipment (bedding, chairs etc.)*
4. *Management of disaster appeal fund*
5. *Management of personal memorials, laying of flowers, publication of missing persons etc.*
6. *Opening and management of a Family and Friends Centre*
7. *Opening and management of Humanitarian Assistance Centre*
8. *Management of VIP visits*
9. *Management of media, opening of a media briefing centre – giving the media somewhere to go.*
10. *Access to money, when an individual has lost bank cards, bank details, I.D. etc.*

Official reports of the incident are expected to filter through the Essex Resilience Forum and the Local Government Association etc.

However, it is important to note the robust approach this Council already takes to Emergency Planning in general, including:

Managing short to medium term impact:

- *The Council has good, tested Rest Centre procedures, enabling us to provide emergency accommodation to those who find themselves without shelter following an incident.*
- *Whilst at the Rest Centre, our Housing Options Team work closely with those who have “lost” their homes to access the most suitable alternative accommodation as quickly as possible.*
- *High Rise issue: The Council’s Building Services Team have already identified those multi-dwelling Council properties across the District with 3 or more floors*
- *On average there are approximately 13-20 Void council homes where work is being undertaken. This work could be FAST TRACKED in response to a major incident to make that property available for short term accommodation.*
- *On average there are approximately 20 Void council homes waiting allocation to new tenants, which could be utilised on a short term basis.*
- *There are a significant number of bedsits, sheltered units, caravan parks and hotel accommodation across the District that could be utilised.*

Managing Longer term impact

- *Securing medium to long term accommodation either from rebuilding or re-locating.*
- *Provision of mental health support*
- *Memorials and anniversaries*

In December 2013 and January 2017 the Council successfully responded to the risk of a coastal surge affecting various coastal locations around the District. Evacuation centres, rest centres, emergency response centre, passenger transport, volunteers, Council staff, Emergency Services, social care support, voluntary sector support and mutual aid from other local authorities assisted in our response arrangements. Fortunately no inundation was experienced on either occasion, however we could have been looking at over 1000 people needing assistance.

The Council’s Emergency Planning Service promotes the preparation of Emergency Grab Bags. This encourages households to prepare a bag containing “little things that could make a BIG difference” in the event of an evacuation, such as:

- *Note book – containing useful phone numbers and documentation details, list of medication*

- *Pen*
- *First aid kit*
- *Torch*
- *Spare batteries*
- *Toiletries*
- *Puzzle book, novel or pack of cards to provide some entertainment*
- *Bottle of water*
- *Snack*
- *Spare jumper*
- *Spare mobile phone charger*

The Emergency Planning team also hold a Community Resilience Workshop on a quarterly basis with Parish and Town Councils across the District to promote Emergency Preparedness and an annual meeting with the Caravan Camping and Chalet Parks.

From within its own staff, the Council currently has 37 Rest Centre Volunteers and 24 District Emergency Response Centre Volunteers, all receive training on the Council's response arrangements. Contracts of Employment also include the expectation that staff may be required to provide support in an emergency response, during working hours.

In addition to the above, Strategic and Tactical training is also delivered on an annual basis.

In respect of the Council's own Office buildings, this will be a key feature of the office transformation project currently in progress.

The Council's Reserves are risk assessed as part of the Financial Strategy process. Although current reserves would support the Council in responding to an emergency in the short term whilst it applied for funding from the Government's emergency relief scheme, it is important to protect as much as possible the existing level of reserves to 'underwrite' the risks associated with an emergency planning response within the District."

Having considered the requests of the Audit Committee and the comments of the Resources and Corporate Services Portfolio Holder:

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

RESOLVED that it is recognised by Cabinet that this is an important issue which has been brought into sharp focus by the tragic events at Grenfell Tower. It is also recognised that the Council's standing emergency planning procedures are robust and it is proposed to include a session on the Council's Emergency Planning arrangements at a future All Member's Briefing.

56. MATTERS REFERRED TO THE CABINET BY A COMMITTEE – REFERENCE FROM THE COMMUNITY LEADERSHIP AND PARTNERSHIPS COMMITTEE – A.2 – EDUCATION UPDATE – CAREERS ADVICE

Cabinet was informed that, at the meeting of the Community Leadership and Partnerships Committee held on 22 May 2017, Essex County Council's Employability and Skills Manager (Tracy Eve) had been in attendance and had given that Committee a presentation on Careers Education and Information, Advice and Guidance in Schools. The presentation had covered the following:-

- Statutory duty on Schools;
- Quality in careers standard;
- Tending Schools;
- Careers Advisors;
- Activity survey for year 11 leavers in Essex and Tending 2014-2016;
- Other employment and skills board activities to support CEIAG; and
- Other activities.

As part of the discussion, reference had been made to the House of Commons Sub-Committee on Education, Skills and the Economy and their report on Careers Education, Information, Advice and Guidance.

The Community Leadership and Partnerships Committee had decided to recommend to Cabinet that a letter be sent to the local Members of Parliament to support the findings and recommendations of the House of Commons Sub-Committee on Education, Skills and the Economy contained in their report on Careers Education, Information, Advice and Guidance. In particular, that the recommendation that Ofsted have a greater role in assessing careers advice in schools be supported.

An extract from the House of Commons Sub-Committee report referred to above was attached as Appendix A to item A.2.

Having considered the recommendation of the Community Leadership and Partnerships Committee:

It was moved by Councillor McWilliams, seconded by Councillor Turner and:

RESOLVED that –

- (a) a letter be sent to the local Members of Parliament to support the findings and recommendations of the House of Commons Sub-Committee on Education, Skills and the Economy contained in their report on Careers Education, Information, Advice and Guidance and to seek the implementation of actions to deliver these. In particular, that the recommendation that Ofsted have a greater role in assessing careers advice in schools be supported; and
- (b) a copy of that letter be sent to the Chairs of the Boards of School Governors of the schools within the District.

57. MATTERS REFERRED TO THE CABINET BY A COMMITTEE – REFERENCE FROM THE COMMUNITY LEADERSHIP AND PARTNERSHIPS COMMITTEE – A.3 – EDUCATION UPDATE – TEACHER RECRUITMENT AND TRAINING

Cabinet was informed that, at the meeting of the Community Leadership and Partnerships Committee held on 22 May 2017, Essex County Council's Lead Commissioner for SES Project Work (Graham Lancaster) had attended and had given that Committee a presentation on Teacher Recruitment and Retention. The presentation had covered the following:-

- The National picture;
- Particular challenges in Essex;
- Retention strategies;
- Recruitment;
- What TDC may be able to do;
- The performance of Essex Schools; and
- Continuing priorities.

Mr Lancaster had stressed that the one area where TDC could make a contribution towards teacher recruitment was in the provision of Key Worker Housing. The Council's Head of People, Performance and Projects (Anastasia Simpson) informed Members that the identification of Key Worker Housing was now included in the draft Local Plan.

The Community Leadership and Partnerships Committee had decided to comment to Cabinet that it would like to stress how important Key Worker Housing was and that the issues and concerns in relation to this should be treated as a key priority.

Having considered the comment of the Community Leadership and Partnerships Committee:

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

RESOLVED that Cabinet recognises the importance of key worker housing in support of teacher recruitment and also for other professions and asks Officers to engage with the relevant agencies to support the delivery of key worker housing where possible.

58. MATTERS REFERRED TO THE CABINET BY A COMMITTEE – REFERENCE FROM THE CORPORATE MANAGEMENT COMMITTEE – A.4 – CORPORATE BUDGET MONITORING – FINANCIAL OUTTURN 2016/17

Cabinet was informed that the Corporate Management Committee, at its meeting held on 26 June 2017, had considered the Financial Outturn Report that had previously been considered by the Cabinet at its meeting held on 16 June 2017.

In addition to the comments to Cabinet set out below, during the discussion of this item, and in response to Members' questions, the Head of Finance, Revenues and Benefits had undertaken to circulate to Members after the meeting the following –

- (i) a break down of the grants given to organisations under the Big Society scheme during the last financial year;
- (ii) a copy of the Officer report to Cabinet associated with the appointment of a Public Health specialist;
- (iii) a schedule of statutory and non-statutory duties undertaken by Local Authorities as prepared by the Department for Communities and Local Government as a useful reference for the future;
- (iv) an update against the various comments that the Committee made to Cabinet when it considered the Financial Strategy and Detailed Budgets for 2017/18 earlier in the year; and
- (v) in respect of the collection of housing rent performance, the comparative figure for 2015/16.

It was also agreed that Members' questions on the following matters would be put to the relevant Officers when they attended the next meeting of the Committee on 24 July 2017:

- (1) Fast Food Initiative Funded Projects;
- (2) Weekly Waste Collection Grant Funded Initiatives;
- (3) Men's Cycle Tour;
- (4) Health and Safety Review following Legionnaires issue at Frinton & Walton Pool;
- (5) Beach Economy; and
- (6) The proposed provision of new Beach Huts.

The Corporate Management Committee had decided that the following comments/recommendation be put to Cabinet, namely that -

- (a) the Committee supports the 20% in planning fees;*
- (b) the Committee looks forward to receiving an update in due course on how this additional income will be used to improve the Planning service; and*
- (c) the insurance claim monies from the Cloes Lane, Clacton-on-Sea, rebuild should be ring-fenced and used (with Section 106 monies) to 'buy back' a former Council dwelling lost under the 'right to buy' legislation.*

Having considered the comments/recommendation of the Corporate Management Committee:

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

RESOLVED that

- (1) In respect of points (a) and (b), the Corporate Management Committee's comments are noted; and
- (2) In respect of point (c), this will be treated as a capital receipt, with its future use considered within the wider financial framework.

59. MATTERS REFERRED TO THE CABINET BY A COMMITTEE – REFERENCE FROM THE SERVICE DEVELOPMENT AND DELIVERY COMMITTEE – A.5 – JAYWICK COMMUNITY RESOURCE CENTRE

Cabinet was informed that, at the meeting of the Service Development and Delivery Committee held on 31 May 2017, the Resources and Corporate Services Portfolio Holder (Councillor G V Guglielmi) who was in attendance, introduced the item to the Committee and gave an overview of the current situation regarding Community Halls owned by Tendring District Council (TDC).

The Council's Head of Property Services (Andy White) was also in attendance and he had given a verbal briefing to the Committee on the Jaywick Community Resource Centre. He confirmed:

- The ownership of the land and Community Hall;
- That draft terms for the Lease of the Community Hall (which were subject to negotiation) had been sent to the Tenant and not a Lease Contract;
- How the 'CAROS' scheme worked; and
- That an assessment by experts had been carried out to establish the appropriate rental charge for Council owned Community Halls.

Sharon Corcoran, Councillor Watson and Councillor Raby were also in attendance to represent the Jaywick Resource Centre Committee. The Chairman of the Committee had given them the opportunity to address the Committee with their concerns.

Members had raised questions on various issues which were responded to by the Head of Property Services and/or the Resources and Corporate Services Portfolio Holder.

It was confirmed at that meeting that the Resources and Corporate Services Portfolio Holder and the Council's Assets Team would offer to meet with the Jaywick Resource Centre Committee members on site before lease negotiations began; and

- (1) the Resources and Corporate Services Portfolio Holder had assured the Jaywick Resource Centre Committee members that Cabinet would take into consideration the special nature of the site during any negotiations;
- (2) that any public body that used the facility should be offering a financial consideration towards the upkeep of the Jaywick Resource Centre; and
- (3) that the Jaywick Resource Centre Committee members should supply the requested financial documents to TDC Officers in advance of any negotiations.

The Service Development and Delivery Committee had decided to recommend to Cabinet that:

- (a) *Any future contract between TDC and the Tenant of the Jaywick Resource Centre includes the terms of the tenant's liabilities; and*
- (b) *Any outstanding repairs at the Jaywick Resources Centre are reported to the appropriate Officers at TDC and that the repairs are investigated and actioned as work schedules allow.*

The Cabinet had before it the following comments of the Resources and Corporate Services Portfolio Holder made in response to the recommendations of the Service Development and Delivery Committee:

"I would like to thank the Committee for their time and consideration. I note the Committee's suggestion that any outstanding repairs are investigated and am sure that this will be actioned when officers hear from the tenants. I am also pleased to confirm that Officers will seek to ensure that any new agreement on the use of the building will be fully clear on the rights and responsibilities of both parties."

Having considered the recommendations of the Service Development and Delivery Committee and the comments of the Resources and Corporate Services Portfolio Holder:

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

RESOLVED that the comments of the Portfolio Holder, as set out above, are endorsed.

60. MATTERS REFERRED TO THE CABINET BY A COMMITTEE – REFERENCE FROM THE SERVICE DEVELOPMENT AND DELIVERY COMMITTEE – A.6 – CARELINE SERVICES PROVIDED AT BARNES HOUSE, PIER AVENUE, CLACTON-ON-SEA

Cabinet was informed that, at the meeting of the Service Development and Delivery Committee held on 31 May 2017, the Housing Portfolio Holder (Councillor Honeywood) had introduced this item to that Committee.

The Council's Control Centre Service Development Manager (Claire Ellington) had been in attendance and had given the Committee a presentation on the Council's Control Centre Services. The presentation had covered the following:-

- Update on services;

- Growth over the last 7 years;
- Future risks and opportunities;
- Careline turning 30 years old;
- External Contracts;
- Statistics;
- Wristband Service;
- Key Safes;
- CCTV;
- Careline's involvement in Emergency Planning;
- Staff Training;
- Careline - TSA Platinum Accreditation for the third year running;
- Update on the 'Lifting' service; and
- Recruitment difficulties.

The Control Centre Service Development Manager had also informed the Committee that the Council had been successful with a Tender submitted to Rochford District Council for 'out of hours' work which had been confirmed by letter that day.

Following discussion the Committee had thanked the Control Centre Service Development Manager and all of her staff at the Control Centre for their hard work and particularly for the good work in winning external contracts.

The Service Development and Delivery Committee had decided to recommend to Cabinet -

"That the Portfolio Holder for Leisure and Partnerships and relevant Officers should revisit results from a previous falls prevention project and meet with Officers at the NEE CCG in order that they should understand the value of funding a Local Authority Lifting Service, building on past and current pilot projects and the lifting service offered by Tendring Careline."

The Cabinet had before it the following comments of the Housing Portfolio Holder made in response to the recommendation of the Service Development and Delivery Committee:

"I would like to thank the Service Development and Delivery Committee for their comments on this service but as there is currently an evaluation of the operation and benefits which may derive from the Lifting service and given that it is still early days for the service, it is somewhat premature to suggest that we should advocating the value of the service when its value is still being assessed. Officers are in regular dialogue with the CCG and Ambulance service regarding this and other services and at present I am content to await the outcome of the evaluation of the live service before deciding on further actions."

Pursuant to the provisions of Article 7.08 (1.5 (ii)) the Leader of the Labour Group requested that it be recorded in the minutes that he had serious concern about Essex County Council's decision to give notice that it was terminating contracts in relation to the prevention of falls service. He requested that this Council liaise closely with Essex County Council with regard to what future service would be put in its place. The Housing Portfolio Holder (Councillor Honeywood) undertook to take this forward.

Having considered the recommendation of the Service Development and Delivery Committee and the comments of the Housing Portfolio Holder:

It was moved by Councillor Honeywood, seconded by Councillor Turner and:

RESOLVED that the comments of the Portfolio Holder, as set out above, are noted.

61. LEADER OF THE COUNCIL'S ITEMS

There were none on this occasion.

Cabinet Members' Items – Report of the Portfolio Holder for Commercialisation, Seafronts and Parking

62. PUBLIC REALM IMPROVEMENTS – MILLENNIUM SQUARE, WALTON-ON-THE-NAZE (Report A.7)

There was submitted a report by the Portfolio Holder for Commercialisation, Seafronts and Parking (Report A.7), which sought Cabinet's approvals for public realm improvements to the Millennium Square, Walton-on-the-Naze, including funding from the Regeneration and Growth Budget.

Cabinet recalled that the Millennium Square located within the High Street Car Park, Walton-on-the-Naze had been conceived and developed in order to provide a meeting place for visitors to the town centre and a focal point for events. The original design and concept had created a shared area of public space used primarily for car parking, but which could also be used for local events on an ad hoc basis but the reality had been that the result had compromised both and did not perfectly meet either of the Council's ambitions.

Cabinet was informed that the current proposal to address was:

- An enhanced and more attractive public area designed to encourage increased use of high quality public realm in the heart of the town centre; and
- To provide options for year round outdoor market pitches or other uses of the public area that would also provide more effective year round use of the car parking area.

The specifications for construction, the preferred design and mood board of materials were attached to the report as Appendix A for Cabinet's consideration.

It was reported that the estimated cost for delivering this project was £90,000. Project costs could be reduced if required, or met as outlined in the financial section of the report.

Having considered the information submitted and the advice of Officers contained within the report:

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

RESOLVED that Cabinet notes the contents of the report and –

- a) approves the principle of public realm improvements to the Millennium Square Walton-on-the-Naze, as outlined in Appendix A to item A.7 of the Report of the Portfolio Holder for Commercialisation, Seafronts and Parking;
- b) authorises the seeking of statutory or other consents and agreements as may be required;
- c) authorises a contribution of £50,000 towards delivery of the proposed scheme to be funded from the Regeneration and Growth budget;
- d) requests that the Head of Public Realm completes the design and costing of the project; and

- e) authorises the Corporate Director (Operational Services), in consultation with the Portfolio Holder for Commercialisation, Seafronts and Parking and the Portfolio Holder for Planning and Regeneration, to invite tenders, enter into contracts or commission works by the Engineering Services Team in order to complete the project within the budget and approvals.

Cabinet Members' Items – Report of the Portfolio Holder for Leisure and Partnerships

63. UPDATE ON COMMUNITY PROJECTS – EDUCATION, HEALTH AND WELL-BEING (Report A.8)

There was submitted a report by the Portfolio Holder for Leisure and Partnerships (Report A.8), which provided Cabinet with an update on community projects relating to education, health and wellbeing and also requested Cabinet to endorse those projects.

Cabinet was informed that current specific projects in relation to education were formed around the following:-

- Teacher Recruitment & Retention
 - TeachFirst
 - North Essex Teacher Training (previously Tendring Hundred Primary SCITT – School Centred Initial Teacher Training)
 - Key Worker Housing
- IntoUniversity
- Wellbeing Hub pilot – Great Bentley Primary School
- Memorandum of Understandings with local universities - Anglia Ruskin and Essex University
- School places

Cabinet was made aware that current specific projects in relation to health and well-being were formed around the following:-

- Public Health Improvement Coordinator
- Making Every Contact Count (MECC)
- Breastfeeding Welcome Scheme
- Clacton Seafront parkrun
- livewell branding / livewell Tendring
- Housing and Health
- Public Health Officer's Group (PHOG)
- Outdoor gym, Cliff Park, Harwich

It was reported that the projects identified above would continue to form the subject of regular updates to the Leisure and Partnerships Portfolio Holder and at Member Briefing Sessions.

Cabinet was reminded that engagement in those areas was supplemented by the work of the Community Leadership and Partnerships Committee which provided overview and scrutiny of those sectors as part of its work programme.

Having considered the information submitted within the report:

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

RESOLVED that –

- a) Cabinet endorses the projects listed above as those which will continue to be delivered in 2017/18 in support of the Council's Corporate Plan priorities; and
- b) the currently identified health and education related projects are monitored through the Council's Performance Plan together with future projects agreed with the Portfolio Holder for Leisure and Partnerships.

Cabinet Members' Items – Report of the Portfolio Holder for Resources and Corporate Services

64. TREASURY MANAGEMENT PERFORMANCE 2016/17 (Report A.9)

There was submitted a report by the Portfolio Holder for Resources and Corporate Services (Report A.9), which reported on the Council's treasury management activities and Prudential Indicators for 2016/17.

Cabinet was informed that borrowing and investments had been undertaken in accordance with the 2016/17 Annual Treasury Strategy that had been approved by full Council on 5 April 2016. No external borrowing had been undertaken in 2016/17 for either the General Fund or the Housing Revenue Account.

It was reported that the amount of interest earned from investments remained low because of the continuing unprecedentedly low interest rates existing throughout the year, which had been cut further in August 2016 to 0.25%. However, due to maximising investment opportunities and cash flow advantages during the year interest returns had been in line with the budget forecast.

The treasury performance figures for the year were set out in Appendix A to the report, together with the Prudential Indicators attached as Appendix B, for Cabinet's consideration.

Having considered the information submitted:

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

RESOLVED that Cabinet -

- (a) notes the Treasury Management performance position for 2016/17; and
- (b) approves the Prudential and Treasury Indicators for 2016/17.

65. PROPOSED ACQUISITION OF AN INVESTMENT PROPERTY IN CLACTON-ON-SEA (Report A.10)

There was submitted a report by the Portfolio Holder for Resources and Corporate Services (Report A.10), which sought Cabinet's agreement, in principle, to the acquisition of a substantial investment property located in central Clacton-on-Sea.

Cabinet was aware that in September 2016 it had established a policy for acquisition of commercial property.

It was reported that that one suitable property had been identified but the acquisition had been abandoned because of conflicting insurance and occupancy issues. The Council had since been offered the opportunity to purchase the freehold of a substantial investment property in central Clacton-on-Sea and it was felt that the rental from that property could make a substantial contribution to addressing the Council's financial pressures.

The location of the property concerned and the terms negotiated were set out in item B.1 of the Report of the Portfolio Holder for Resources and Corporate Services.

Having considered the information submitted and the advice of Officers contained within the report:

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

RESOLVED that Cabinet approves, in principle, the acquisition of a substantial investment property in central Clacton-on-Sea, subject to Cabinet's decisions to be taken later in the meeting in relation to item B.1 of the Report of the Portfolio Holder for Resources and Corporate Services.

66. MANAGEMENT TEAM ITEMS

There were none on this occasion.

67. EXCLUSION OF PRESS AND PUBLIC

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

RESOLVED that, under Section 100A(4) of the Local Government Act 1972, the press and public be excluded from the meeting during consideration of Agenda Items 20 and 21 on the grounds that they involve the likely disclosure of exempt information as defined in the relevant paragraph(s) of Part 1 of Schedule 12A, as amended, of the Act.

68. EXEMPT MINUTE OF THE LAST MEETING HELD ON FRIDAY 16 JUNE 2017

It was **RESOLVED** that the exempt minute of the last meeting of the Cabinet, held on Friday 16 June 2017, be approved as a correct record and signed by the Chairman.

69. REPORT OF THE RESOURCES AND CORPORATE SERVICES PORTFOLIO HOLDER – B.1 - TERMS FOR THE ACQUISITION OF AN INVESTMENT PROPERTY IN CLACTON-ON-SEA

RESOLVED that Cabinet approves -

- (a) the terms proposed for the acquisition, as set out in the current position section of item B.1 of the Report of the Portfolio Holder for Resources and Corporate Services; and
- (b) an increase to the 2017/18 Capital programme of £2.495m funded by a transfer from the New Homes Bonus budget of £1.740m and £0.754m from the Fit for Purpose budget.

DATE AND TIME OF NEXT SCHEDULED MEETING

The next scheduled meeting of the Cabinet was due to take place on Friday 8 September 2017 at 10.30 a.m. in the Essex Hall, Town Hall, Station Road, Clacton-on-Sea.

The meeting was declared closed at 11.49 a.m.

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Key Decision Required:	No	In the Forward Plan:	No
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**CABINET
5 SEPTEMBER 2017**

**REFERENCE REPORT FROM THE COMMUNITY LEADERSHIP
AND PARTNERSHIPS COMMITTEE**

A.1 COMMUNITY VOLUNTARY SERVICES TENDRING
(Report prepared by Karen Neath and Katie Sullivan)

PART 1 – KEY INFORMATION

BACKGROUND

At the meeting of the Community Leadership and Partnerships Committee held on 10 July 2017, Community Voluntary Services Tendring’s Chief Officer (Sharon Alexander) and Deputy Chief Officer (Lisa Andrews) were in attendance and gave a presentation to the Committee which covered the following:-

1. Introduction;
2. Their mission - To lead and support voluntary action in Tendring and empower local people;
3. Member groups;
4. Voluntary Sector Forum;
5. Tendring Trustee Network;
6. Training and courses;
7. Support and services;
8. Partnerships;
9. The various different voluntary opportunities which included Administration, Walking Guides; Business Support and Catering;
10. HILL – Healthier Independent Longer Lives (a short video was shown to the Committee about this project);
11. Plans for the future; and
12. Funding.

Following on from the presentation Members were given the opportunity to ask questions.

COMMITTEE RECOMMENDATIONS AND COMMENTS TO CABINET

It was **RECOMMENDED to CABINET** that:

With regard to mental health support in Tendring, the issue of the cycle of referral, delay of appointment and re-referral be raised with the relevant health authorities as this is continually being raised as an important issue that needs some action taken.

PORTFOLIO HOLDER’S COMMENTS AND RECOMMENDATIONS TO CABINET

It is recommended that:-

Cabinet supports the comment made by the Committee and agrees that a letter be written to the relevant health authorities as this is an important issues that does need attention.

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Key Decision Required:	YES	In the Forward Plan:	YES
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**CABINET
5 SEPTEMBER 2017**

REPORT OF LEADER OF THE COUNCIL

A.2 NORTH ESSEX GARDEN COMMUNITIES – PROGRESS TO DATE AND KEY DEVELOPMENTS

(Report prepared by Martyn Knappett, Lisa Hastings and Richard Barrett)

PART 1 – KEY INFORMATION

PURPOSE OF THE REPORT

To provide an update on progress made and the current position regarding the Garden Communities project and in particular:

- To note that the joint Part One of the Local Plans has been agreed by the three District Councils;
- To note that the proposed governance arrangements approved by the four authorities have been established and that whilst no land deals have been secured, discussions and negotiations are continuing in respect of all three areas.
- To advise Members of the emergence of the potential to deliver the Garden Communities through the delivery model of a locally controlled Development Corporation and to seek support for the approach proposed by North Essex Garden Communities (NEGC) Limited.
- To advise Members of the potential use of compulsory purchase powers to gain control of the land to deliver the Garden Communities and to seek support in principle to the development of an approach to Compulsory Purchase Order (CPO) powers.
- To provide Members with an update on the financial position of the project and to seek a further financial contribution of £250,000 to the project from each of the Councils.

NOTE TO MEMBERS

The information and proposals set out in this report are being submitted to the Cabinets of all four of the Councils involved in the North Essex Garden Communities project during September 2017. The recommendations being made seek the same decisions and commitments from each of the Councils.

EXECUTIVE SUMMARY

The vision and objectives for the Garden Communities in North Essex are wide-ranging and innovative, seeking to achieve multiple benefits for the communities and those who live and work in them. They remain as they were agreed by the Councils in late 2016 and have been captured in the governing documents of North Essex Garden Communities Limited.

The vision for the Garden Communities, as agreed previously, sets out a clear statement of local ambition and establishes a strategic basis for the project. It enables the four

Councils to plan positively for the future homes and jobs needed across the area, the provision of high quality infrastructure (transport, telecommunications, education, health, community and cultural infrastructure); and the creation of quality places including the conservation and enhancement of the natural and historic environment. The creation of these communities will also bring wider spatial planning benefits across Essex as they seek to reduce urban sprawl and unfettered expansion of smaller heritage communities.

Alongside the vision is a set of related objectives designed to help achieve the vision for the area and to provide a basis for achieving the necessary outcomes. The objectives include:

- Delivering for local communities;
- Providing New Homes;
- Fostering Economic Development;
- Providing New and Improved Infrastructure;
- Ensuring High Quality Outcomes;
- Managing change effectively;
- Long Term Stewardship.

In order to achieve this vision the Councils are using a range of approaches. Principally the Local Plans set a clear and strong planning framework setting out strategic requirements for any development in these areas. In addition through seeking control of the land it is anticipated that this will enable the Councils to ensure the momentum and pace of delivery as well as delivering the high quality of development sought.

This report describes the progress made since the Cabinet last considered the North Essex Garden Communities project and goes on to introduce the very significant opportunities presented by recent changes in legislation to allow the delivery of Garden Communities through a New Town Development Corporation. It then goes on to consider the potential for using Compulsory Purchase powers to acquire the land for the Communities and to seek a further financial contribution of £250,000 from each of the four partner Councils to fund the joint work.

RECOMMENDATION(S)

That Cabinet

1. Notes the progress made in respect of the North Essex Garden Communities project and endorses the work of NEGC Ltd.
2. Notes the updated position on the control of land and supports the continued work by the Local Delivery Vehicle (LDV) Directors to achieve control of the land for each Community by way of voluntary agreements with the current land owners in accordance with the LDV structure.
3. Supports the approach proposed by NEGC Limited that Directors actively engage with Government to promote the positioning of the NEGC Limited as a “Responsible Body” for the establishment of a single new locally-controlled Development Corporation across all three of the proposed North Essex Garden Communities – subject to final consideration of this approach by Members after the publication of the Regulations.
4. Supports the signing of a letter (attached as Appendix A) to be sent by the Leaders of all four of the Councils together with NEGC Limited to the relevant Secretary of State to support the promotion of regulations which enable the formation of a New Town Development Corporation with a locally accountable body in a timely and effective way.

5. Notes that detailed work is being undertaken by NEGC Limited to assess the financial and legal implications and requirements relating to the use of Compulsory Purchase Orders (CPO) to enable future decisions to be taken by the respective Councils / Development Corporation.
6. Supports the principle of using compulsory purchase powers (either as individual Councils or potentially through a new Development Corporation) to secure control of the land if voluntary land agreements cannot be achieved in a reasonable time.
7. Agrees to provide a further contribution of £250,000 to fund the work of NEGC Limited in the development of the project, to be funded from the Garden Communities Project budget which is included within the Council's current budget.

PART 2 – IMPLICATIONS OF THE DECISION

DELIVERING PRIORITIES

The project fits with each of the four partner Council's Corporate priorities and with particular regard to Tendring it aspires to deliver comprehensive community leadership, including most specifically

- a high quality living environment,
- support for business growth and job creation, and
- active promotion healthier lifestyles and well-being.

FINANCE, OTHER RESOURCES AND RISK

Finance:

Section 5 of the report sets out a detailed section on Business Planning and Finance and provides a project budget update which includes a proposal that each of the four Council's makes a further contribution of £250,000 to fund the ongoing development of the project. The Council has made provision of £2million in its current year budget for the Garden Communities project.

Risk

- a) At the present time there are a significant number of risks for the overall project which are actively managed as part of the overall programme. Key relevant strategic risks and mitigation approaches are reported to the Board of NEGC Limited on a regular basis.
- b) The Local Plans across the three District Authorities have progressed and the three proposed settlements remain areas of search for Garden Communities. These are now progressing towards public examination, and therefore remain a significant risk to the project, as without a planning allocation the project becomes unviable.
- c) Although there are no current land deals, the report notes the continuing need to continue negotiations and to contemplate the use of CPO powers to mitigate the risk.

The project has a number of break points, particularly the development of the detailed business plan. Should this demonstrate a scenario which provides an unacceptable commercial viability, or other significant uncontrolled risk, then it is open to the partner Councils to terminate the project at that juncture. The Councils will receive the NEGC Limited's Long-Term Business Plan and budget for approval.

LEGAL

The General Power of Competence (“the Power”) provided for by the Localism Act 2011 is relied upon as the authority for the District/Borough/County Council to establish and subscribe to North Essex Garden Communities Limited and to subscribe for B shares in relevant Local Delivery Vehicles.

In exercising the General Power of Competence Local Authorities must do so in a way which does not contravene any pre-existing statutory limitations. The actions identified in this report do not contravene any such restrictions. Any activity which Local Authorities wish to take under the Power for a commercial purpose must be undertaken via a company, given the need for the LDVs to act in a commercially aware way and to develop the projects commercially (although within the requirements of the Garden Community principles the use of a company structure enables reliance on the General Power of Competence in this respect).

The power of the Council to use CPO powers relies on detailed legislative provisions. There are provisions within planning legislation which authorise the making of CPO for ensuring the proper planning of an area, and housing legislation allows the use of powers for the development of housing. Were the Councils to need to pursue a CPO then a detailed report would consider the detailed proposals and the relevant powers. An NTDC would have its own powers to pursue compulsory acquisition.

NTDCs are subject to a range of detailed legal restrictions and provisions. The current work within DCLG to promote regulations following the Neighbourhood Planning Act 2017 means that the detailed analysis of these structures is not possible until regulations are made; however they represent a potentially powerful option which could secure development with local accountability, and enable the earlier acquisition of land than is likely to be possible if CPOs needed to be promoted by the local authorities. Should a proposal to formally set up an NTDC be presented this will include a review of the legal position once the regulations are known.

OTHER IMPLICATIONS

1. Equalities Impact Assessment

1.1 The Public Sector Equality Duty applies to the Council when it makes decisions. The duty requires us to have regard to the need to:

- a) Eliminate unlawful discrimination, harassment and victimisation and other behaviour prohibited by the Act. In summary, the Act makes discrimination etc. on the grounds of a protected characteristic unlawful.
- b) Advance equality of opportunity between people who share a protected characteristic and those who do not.
- c) Foster good relations between people who share a protected characteristic and those who do not including tackling prejudice and promoting understanding.

1.2 The protected characteristics are age, disability, gender reassignment, pregnancy and maternity, marriage and civil partnership, race, religion or belief, gender, and sexual orientation. The Act states that ‘marriage and civil partnership’ is not a relevant protected characteristic for (b) or (c) although it is relevant for (a).

- 1.3 The proposals are to create an inclusive community which meets the needs of all residents regardless of whether or not they have a protected characteristic. The intention is to provide housing and facilities for all. By participating in the development in the way proposed the Local Authorities will have a greater influence over the content and layout than a development undertaken in a traditional way. The differing needs of people, including those with different protected characteristics, will need to be considered during the design and planning of the development and kept under review as the scheme progresses.

Conflicts of Interest

- 1.4 It has been raised by some responders to the Local Plan consultations that they consider there is a potential conflict between the Councils' role as Planning Authority and its role with respect to NEGC Limited and LDVs. Given that the Councils will be playing a significant role in the delivery of Garden Communities within their area it has been suggested that this could prejudice proper decision making.
- 1.5 This position has been carefully considered and external legal advice has been obtained. Decision making procedures and arrangements are in place which prevent any conflict arising that would justify a successful challenge to decisions. It is, however, equally important to manage the perception of such conflicts so far as is practicable. Equally it should be noted that planning legislation allows CPO of land for planning purposes and there is no reason why land cannot, once acquired, be developed by the Planning Authority.
- 1.6 The three Local Planning Authorities are promoting the allocation of the Garden Community sites through their Draft Local Plans. The soundness of the Local Plan will be determined by an independent Inspector appointed by the Secretary of State. The work undertaken to deliver the Vision is separate to, and does not pre-judge, the outcome of the Local Plan examination processes. This report does not adjust or alter the approach to the Local Plan provisions regarding these communities and as such each Planning Authority should ensure that this report is considered in its capacity as potential developer rather than in its capacity as Local Planning Authority.

PART 3 – SUPPORTING INFORMATION

BACKGROUND AND CURRENT POSITION

2. BACKGROUND

- 2.1 The strategic vision identified through the joint working of Braintree, Colchester, Essex and Tendring Councils and common approach to the development of the project was approved by Cabinet [and Council] reports in November and December 2016. These established a dedicated delivery structure through the creation of North Essex Garden Communities Limited (NEGC Limited) and individual, site-focussed Local Delivery Vehicles (LDVs). These bodies were made responsible for bringing the projects forward through, land assembly, further design and planning stages, and into implementation through the direct delivery of infrastructure alongside the disposal of serviced plots to developers.

2.2 In November Cabinet [and subsequently Council] agreed to:

- Set up North Essex Garden Communities Limited;
- Approve the NEGC Limited Shareholder Agreement;
- Appoint the [Post], Cllr [Name], to be a Director;
- Endorse formation of LDVs (by NEGC Limited);
- Approve the LDV Shareholder agreement;
- Appoint [Name] as Director to [LDV] and [LDV];
- Agreed in principle to provide an appropriate proportion of funding to the LDVs subject to business case and funding options in the future.

2.3 Since the approval of each of the Councils involved NEGC Limited has been formally established and transferred to the Councils, with Directors being appointed. The Board of NEGC Limited is currently chaired by Essex County Councillor John Spence and since January 2017 has been meeting regularly to oversee the project.

2.4 The three individual Local Delivery Vehicles have been established and ownership transferred to NEGC Limited and Directors appointed. The LDV Directors have sought to progress the separate negotiations with land owners and developers with interests in the three sites; this has been supported by independent property and legal advice.

2.5 There is ongoing dialogue with all the interested parties in respect of the land, including landowners and those holding relevant option and/or promotion agreements. Whilst this work is ongoing, no formal agreements with landowners have been signed.

2.6 Lord Kerlake has undertaken a peer review of the project, supported by a strong and experienced team. This provided a significant level of assurance that this was a project with scope and ambition; although it raised a number of challenges, including the need to significantly increase the capacity of the project team and consider alternative delivery models in the context of balancing flexibilities and risks. Although the aim of the landowner discussions to date has been for the LDVs to secure control of the land there remains a willingness to explore other mechanisms proposed by landowners that would secure the delivery of the Garden Communities.

2.7 As Members will be aware, the approval of the Local Plan has its own statutory process and is entirely separate but integral to the success of the joint project. Each of the Local Planning Authorities approved the Publication Draft Local Plan at their meetings in May and June this year. Public consultation was undertaken over the summer and comments received will be submitted to the Inspector with the Publication Draft Local Plan and Sustainability Appraisal in October 2017. It is expected that the independent public examination will be in the early part of 2018.

2.8 The Local Planning Authorities are currently developing site-specific Development Plan Documents for each of the Garden Communities and it is anticipated that an Issues and Options Consultation will commence in October 2017 to assist in formalising the detailed policy framework for each site.

3. LOCAL DEVELOPMENT CORPORATION

3.1 It was originally envisaged that land would be acquired via the governance structure created by the Councils, or via a CPO made by the planning authorities if

necessary. However, changes to the law made by the Neighbourhood Planning Act 2017 mean that the prospect of a New Town Development Corporation with local accountability has now emerged as a realistic option for the onward development of the project. Whilst this would change the current delivery model, it would be based on the same vision and delivery principles as outlined above; particularly early development of infrastructure and it being public sector led.

- 3.2 The Board of NEGC Limited has recognised the potential significant benefits but also the issues arising from the prospect of a locally accountable New Town Development Corporation (NTDC).
- 3.3 The key characteristics of NTDCs are that they are statutory bodies, created by the Secretary of State acting under the authority of Parliament, with specific features including:
- (i) operation within an area designated as a new town by the Secretary of State, with the implication that the Secretary of State accepts the need, if necessary, to confirm Compulsory Purchase Orders;
 - (ii) the power to acquire land, if necessary by compulsory purchase at 'no scheme' values;
 - (iii) the ability to develop proposals for their areas and promote development orders that grant planning permission for the new towns;
 - (iv) the power to carry out their own development and to sell/lease land to others;
 - (v) the power to borrow money to fund their operations including investment in infrastructure and running costs;
 - (vi) the power to make provision for the long-term ownership and care of public amenities such as parks and community meeting places; and
 - (vii) closure of NTDCs can only be brought about by Parliament. This will normally be when the task for which they were set up 'has been substantially completed'.
- 3.4 If a NTDC was created, the use of NTDC planning powers would be supported by land ownership since this provides a stronger mechanism than planning agreements or Community Infrastructure Levy (CIL) for the recovery of investment and an absolute safeguard against opportunistic planning applications that are contrary to the agreed plans. It was standard practice for NTDCs to seek control of relevant land at an early stage. In the previous experience of NTDCs much of the land was acquired by agreement while plans for CPO were being prepared.
- 3.5 Recent amendments to the legislation allow the Secretary of State to appoint one or more local authorities to 'oversee' the delivery of the new town and the NTDC; with the details of how this oversight would work to be fleshed out by regulations. In North Essex, NEGC Limited is proposing that it should position itself as a potential "Responsible Body", a joint local authority body providing oversight for the authorities. It is understood that regulations will, when made, as far as possible put the Local Authorities / NEGC Limited in the place of the Secretary of State. Clearly we are unable to say for sure how this will operate until the final regulations are made by the Secretary of State. Officers are working closely with DCLG to ensure that the emerging regulations, and any future designation orders, can accommodate the proposed North Essex garden community model. Part of this work aims to secure comfort that a Development Corporation and any assets, and the dissolution of a Corporation, will only be controlled by the Local Authorities rather than the Secretary of State.

- 3.6 Under the locally-led model, Local Authorities will bring forward proposals for an area to be designated as a locally-led new town, demonstrating that they have the capabilities to deliver and local support. If the Secretary of State is satisfied with the proposals, following consultation with local interested people, parties and any other necessary bodies, they will designate the area as a new town, to be delivered through the locally-led model.
- 3.7 One of the main advantages of a Development Corporation model is that it is likely to lead to earlier agreements regarding the acquisition of land, in addition to acquisition by compulsion in those cases where agreement proves impossible. The designation of an area as a new town, likely to follow closely after the adoption of the Local Plan, would be a clear signal that the Secretary of State would be likely to confirm a subsequent CPO. That, in itself, would encourage landowners to reach a voluntary agreement. A Development Corporation would also be able to start the CPO process earlier than a Local Planning Authority, being able to rely on the approved proposals/Local Plan rather than having to wait for a planning permission to have been developed.
- 3.8 If agreed as an approach in order to submit a proposal, key issues which will need to be considered, and ultimately approved by the Councils, are:
- a) Which of the Garden Community sites should be covered by NTDC arrangements and the proposed boundaries of each site.
 - b) Whether to create one overall NTDC or one for each selected area.
 - c) When to request that the NTDC(s) should be established.
 - d) What governance changes, if any, might be needed to the constitution of NEGC Limited.
 - e) What governance arrangements need to be introduced for the Development Corporation.
 - f) How the initial funding of the NTDC(s) will be supported, all of which might be through borrowing either by the NTDC acting as main borrower or by Local Authorities borrowing and onward lending to NTDC. If the latter option is selected we would need to consider the subsequent impact on Local Authority budgets.
 - g) The role of the LDVs and the possibility/benefit of the LDV being a subsidiary of the Development Corporation.
- 3.9 Initial consideration of the key issues above indicates that speedy establishment of an NTDC has major advantages, both in terms of ensuring effective delivery in line with the aspirations of the Councils through the Vision, and in respect of delivering effective funding arrangements.
- 3.10 Whilst a final decision cannot be made at this point it is worth considering the advantages of one comprehensive NTDC as against site-specific ones.
- 3.11 A single NTDC would have advantages in terms of economies of scale, recruitment of key staff and/or Board members, negotiating power with Government, Statutory Undertakers, private investors, employers wishing to buy land and premises and house builders. This scale of development controlled by a single entity would enable NTDC to flex resources and maximise opportunities. The NTDC would be able to respond to changes within local markets across the three areas whilst maintaining the pace and growth agenda of the Councils.
- 3.12 Whilst individual NTDCs would lose the economies of scale that a single one would

achieve, each new settlement would still represent a major project which would attract significant economic power. The core advantage of three separate NTDCs is that each of them could become more aligned with the needs and aspirations of the specific community they are developing; creating a sense of place and ownership with the community and avoiding allegations of favouring one community over the others. Furthermore, if Local Authorities have to borrow or underwrite debt they may wish to ensure that their taxpayers are not underwriting debt unrelated to their area. Three NTDCs could still work harmoniously together – as the four sovereign Local Authorities have to date acted in such a manner.

3.13 At its Board meeting on 27th July 2017 NEGC Limited agreed the following:

That NEGC supports the direction of discussion regarding the allocation of powers between the Secretary of State and a locally “Responsible Body” (RB) and seeks to position the NEGC as an RB including amendments to its Articles as may be required.

That NEGC agrees to recommend to its constituent Local Authorities the progression of a single locally accountable NTDC, subject to final consideration of published Regulations, and seeks its officers to progress matters to take full advantage of such powers, including a response to items 1-6 above. [1-6 relates principally to the items in paragraph 4.8 above]

That the Directors of the NEGC write to the appropriate Government Minister(s) stating that given the NEGC’s commitment to use the proposed new Regulations for a locally led NTDC, that they ensure that sufficient priority is given to the preparing of such Regulations which would allow them to be acted upon in a timely manner and avoid them being lost to other Parliamentary work programmes.

4. CONTROL OF LAND UPDATE- CONSIDERATION OF COMPULSORY PURCHASE ORDERS (CPO)

4.1 The land within the project areas remains outside the control of the Councils and LDVs. The emphasis to date has rightly been on seeking agreement to acquire land voluntarily. It remains the preferred option that land deals will be entered into between the relevant landowners / developers and the LDV with the view that each LDV will then have the rights to control the delivery of its scheme ensuring that the delivery is undertaken on Garden Community principles. The LDV Directors have continued to have positive ongoing discussions and have continued to build working relationships with the relevant landowners and promoters of the sites with a view to the LDV securing a controlling interest in the land and the landowners working with the LDV to deliver the Garden Communities.

4.2 The Neighbourhood Planning Act 2017 (NPA) has recently changed the climate and timetable for the use of compulsory purchase powers. There has been a very clear signal from Government that they are encouraging authorities and communities to promote new Garden Communities and are willing to use the New Towns legislation and powers to create a locally-led model for delivering New Towns including establishment of Development Corporations, which would have land assembly and CPO powers for use if required.

4.3 Despite the new legislation, a CPO remains a last resort, therefore negotiations must continue, with CPO powers only ever being used as a fall-back option. That does not, however, prevent authorities starting the process of preparing for a CPO alongside negotiations which may improve the likelihood of reaching negotiated

- settlements, since landowners see that the CPO route is being taken seriously.
- 4.4 The use of CPO powers outside of any development corporation rests with individual local authorities. Cabinet is being requested to support a view that negotiations should continue but that the Councils be willing to consider the principle of using CPO as a means of acquisition. [In practice it is likely that any CPO would be made by the relevant planning authority and the County Council would provide support to the process but would not make the order].
- 4.5 To be able to make a CPO, the Local Authorities would be required to make a detailed decision taking into account relevant considerations including specific legal and financial implications and therefore, a future report to the Councils would be required, when and if this becomes necessary.

The Board of NEGC Limited agreed, on 27th July 2017,

That the land negotiations should continue and that progress should be made to ensure that, if necessary, a CPO can be made either by the relevant Local Authorities and / or by a future Development Corporation.

- 4.6 Accordingly Cabinet is asked to endorse the approach recommended by NEGC Limited and to confirm its willingness in principle to recommend in due course that a CPO be pursued by the [relevant] Council should it be needed, and subject to the detailed decision making that will be required and to take the initial preparatory steps to establish the viability of a future CPO.

5. BUSINESS PLANNING AND FINANCE

- 5.1 As set out in section 1 above, there has been significant progress on a number of aspects of the project. This includes securing support from DCLG; raising the programme's profile with Government; making progress with Local Plans; and establishing a new governance and delivery structure.
- 5.2 During this period the project has also been reviewed by Lord Kerlake, which identified a series of recommendations that have an influence over project resourcing, risk management and appropriate timescales.
- 5.3 Whilst good progress has been made, there is still considerable work to be done, especially in areas of securing appropriate land agreements and defining a strategy to address the programme's long-term funding needs. The following 12-18 months will be a pivotal stage in the programme's evolution and will need to address these important aspects which in turn will define the level of commitment and nature of the Councils' role for the longer term.
- 5.4 In accordance with the Articles of NEGC Limited, a long-term Business Plan is currently being prepared to set out the overall context to the next phases of delivery of the project, with a particular focus on the initial five year period from 2017/18 to 2021/22. This Business Plan will further inform the scope of operations and potential resource implications and set out more information on:
- Key programme objectives & considerations;
 - Progress to date;
 - Overview of approach and operating model;
 - Resource needs including staffing structure;
 - Timetable/milestones and work streams;

- Forecast capital and revenue budget 2017/18 to 2021/22;
 - Funding options; and
 - Project risks and mitigation strategy.
- 5.5 The preparation of a comprehensive Business Plan, incorporating a more detailed five year strategy, enables workstreams, activities and resource needs to be put into a wider context in terms of the overall programme scope and related objectives. It will enable a considered approach to defining the key actions required to enable delivery and provides a context to operations necessary within the first five years of operation.
- 5.6 It is anticipated that a number of key milestones will occur over the following 18 months, some of which will involve decision-making by NEGC Limited and individually by the Councils. Clearly each milestone and the nature of related decisions/approvals will differ and be subject to the amount of background work and advice available at each date. Key anticipated project milestones are:
- September 2017
 - Preparation by NEGC Limited of Long-Term Business Plan and Funding Strategy.
 - Due diligence review on scheme viability.
 - March 2018: Decision points on:
 - Land position: review which sites to move forward (in respect of a delivery role), whether any suitable agreements are in place and/or agree whether to pursue CPO, or alternatively to take no role in land or direct delivery;
 - Development Corporation: whether to apply for the creation of a locally-led Development Corporation;
 - Scheme viability and funding: viability review/outline business case to inform whether to take a role in scheme funding, initiate formal external private sector funding/delivery partner procurement process and/or source direct funding from Public Works Loan Board /Government;
 - September 2018: Decision points on:
 - Adoption of the Local Plan by individual Local Authorities;
 - Viability review / business case position for market procurement to secure external funding/delivery partners;
 - Contingent on the Local Plan adoption and viability, the formal establishment of Development Corporation;
 - Initiation of CPO processes;
 - Taking the lead on preparation of site-specific planning applications. Depending on the outcome of the NTDC regulations it may be possible to use a development order process to grant planning permission which would potentially reduce the cost.
- 5.7 From September 2018 onwards the programme will potentially be committed to a long-term delivery process, with site-specific planning activities required to prepare masterplans and secure all necessary approvals. This would then enable the appointment of infrastructure contractors and a start on-site on infrastructure, land sales to secure initial incomes streams, and initial infrastructure and housing completions.

5.8 This is an ambitious programme and will depend heavily upon:

- Government progress with regulations related to the potential Development Corporation model, and specific eventual procedural requirements;
- Interdependencies with strategic infrastructure provision and status of wider Government funding opportunities;
- Outcomes of investigation of cost of long term financing; and
- Adequate resourcing to undertake all the related work required.

Budget Update

5.9 A programme budget is being actively managed and monitored to deliver the necessary workload and meet the project programme. This budget has evolved in response to influences such as the Kerslake Review, progress with planning and land negotiations, and discussions with Government.

5.10 Current areas of spend and activity in 2017/18 include:

- **Project Resources:** Continuation of current project management resources; recruitment of Managing Director and PA/administrative support and Planning Specialist roles.
- **Governance:** Board costs, administration & overheads;
- **Legal:** Support to consider current arrangements and evolution to Development Corporation; support to planning processes and risk mitigation; support to land agreements process;
- **Finance:** corporate finance consultancy to lead on soft market testing and evolution of funding strategy; property consultancy to support approach to land;
- **Planning and Design:** design work and feasibility of early interventions (infrastructure and exemplar first phase opportunities); other technical evidence-base studies to support evolution of planning documents and proposals (such as transport, economic development, smart cities/technology, environmental and sustainability including low carbon and other innovation / future proofing elements);
- **Engagement:** provision of community enablers; marketing and communication activities, and development of long term stewardship arrangements.

5.11 As part of ongoing liaison with Government, a bid for additional grant support has been made to the Homes and Communities Agency (HCA). This has included bringing forward potential work to accelerate the programme of works, notably in respect of possible early infrastructure interventions. At the current time there is no confirmation on any award amount.

5.12 The table below sets out the latest budget forecasts for the 2017/18 period. This includes additional items of work identified in response to the Kerslake Review, together with aspects of work carried over from 2016/17.

NEGC Limited Programme Budget Headlines 2017/18

	Total '£'000
Project Resource Delivery Team	390
Governance	123
Legal Support	350
Finance & Delivery	375
Planning & Design	850
Engagement & Marketing	100
Contingency (@ 10%)	218
Sub Total: Revenue Expenditure	2,393
Balance carried over	1,479
Balance Required	914

5.13 The overall scope of work and budget requirements show a shortfall of £914,000 for 2017/18. The four Councils are requested to make further equal contributions of £250,000 per Authority to ensure the budget is sufficient for 2017/18. This contribution forms part of the development costs of the project, which may not be recoverable. NEGC Limited will continue to seek opportunities for grant funding from the HCA and other bodies which would, if successful, reduce cost pressures; however because this funding cannot be guaranteed it is prudent to allocate the contribution above.

5.14 The process to prepare a Long-Term Business Plan will involve a further budget review and set out an analysis of funding needs going beyond the end of 2017/18. This budget review, together with the anticipated confirmation of funding support from the HCA, is anticipated to provide sufficient resources to take the work programme forward beyond the end of 2017/18 to the September 2018 milestone, at which point the project may change status. Further work is ongoing in this area and a more detailed approach and funding strategy will be prepared alongside the Business Plan for subsequent consideration and approval by NEGC Limited and the Councils.

BACKGROUND PAPERS FOR THE DECISION

None

APPENDICES

Appendix A – Letter to Minister of State for Housing and Planning

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Alok Sharma MP
Minister of State for Housing and Planning
House of Commons,
London
SW1A 0AA

Dear Minister,

Many congratulations on your appointment as the Minister of State for Housing and Planning. We enjoyed a productive relationship with both your department and predecessor, Gavin Barwell, which we hope to continue with you.

Here in North Essex, our four local authorities have been working on ambitious and costed proposals to deliver three Garden Communities creating up to 45,000 homes, and 45,000 new jobs.

A partnership of different political hues, the North Essex Garden Communities project is a unique opportunity to deliver a continuous supply of homes and jobs where people actually want to be, driving economic growth across Stansted, Colchester and Harwich as well as creating significant employment opportunities within the communities themselves.

By directly investing in land acquisition and infrastructure provision, the councils involved will be able to exert greater control and extract greater value, ensuring quality design and sustainability, and full community facilities and infrastructure contemporaneous with, rather than subsequent to, the housing.

One of the key enablers will be to establish Locally Accountable New Town Development Corporations in England, and our four constituent councils have now given their full support to this approach

Establishing a Locally Accountable New Town Development Corporation would speed up delivery by several years and increase viability and housing throughput.

The legislation for this has already been passed in the Neighbourhood Planning Act earlier this year, but the secondary legislation still needs to be settled and the supporting guidance prepared. We are very keen that the Government continues its support for locally led NTDCs by bringing the regulations forward as soon as possible.

We are very conscious that the parliamentary timetable is busy, but having the regulations in place by March 2018, and the designation of the areas for new towns and establishment of New Town Development Corporations as soon as Local Plans are adopted will allow us to start delivering the new communities much sooner and with far greater control over the timing and quality of the development than the traditional planning routes..

We would welcome the opportunity to come to Westminster to brief you on this significant opportunity, and as your diary permits, would like to invite you to see our proposals in North Essex.

Yours faithfully,

John Spence CBE, Chairman of NEGC, Cabinet Member at Essex County Council

Graham Butland, Leader, Braintree District Council

Paul Smith, Leader, Colchester Borough Council

Neil Stock OBE, Leader, Tendring District Council

Key Decision Required:	Yes	In the Forward Plan:	Yes
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**CABINET
5 SEPTEMBER 2017**

**REPORT OF FINANCE AND CORPORATE RESOURCES
PORTFOLIO HOLDER**

A.3 LONG TERM FINANCIAL SUSTAINABILITY PLAN / 10 YEAR FORECAST

(Report prepared by Richard Barrett)

PART 1 – KEY INFORMATION

PURPOSE OF THE REPORT

This report sets out an innovative and long term sustainable approach to budgeting, which sets the direction of travel to maximise savings opportunities alongside delivering growth in underlying income to deliver a balanced budget over a ten year forecast.

EXECUTIVE SUMMARY

- This report is set out in two distinct parts. The first part sets out a new way of thinking about the forecast and budget setting process with the primary aim of setting out a long term sustainability plan and to protect services, as far as is reasonably possible, that the Council provides to its residents, businesses and visitors in the wake of the on-going and significant reductions in government funding. The second part builds on the proposed new approach and covers the technical aspects of the financial forecasting process.
- Over recent years, the reductions in Government funding have been so significant in comparison to Council's net budget that it has been impossible to generate underlying growth in locally generated income to make up the shortfall at the same pace as the reductions in grant funding.
- However, the Council has always made it clear that it is committed to 'growing' its own income via regeneration and economic development initiatives for example.
- The pace of the reductions in Revenue Support Grant (RSG) from the Government has meant that local authorities have not had the space and time to become self-sufficient. This report, therefore, sets out a longer term view of the forecast and proposes the use of one-off money to support the budget until such time as growth in income exceeds expenditure forecasts.
- It is therefore projected that the revised approach will create the time for income to outperform reductions in RSG and net expenditure pressures with the Council emerging from the current difficult financial environment in good shape with only minimal reductions in service provision compared with the alternative of making significant and short term cuts to services.
- The longer term approach enables various actions to be developed to deliver the underlying income growth required to offset changes in expenditure with the eventual aim of delivering budget surpluses in the future and recognises that savings can be identified over a longer period of time.

- As highlighted, the approach relies upon utilising one-off money set aside to support budget deficits in the short term. The one-off money set aside as part of the Outturn for 2016/17 totalled **£1.434m**, which provides a strong foundation against which to build on going forward to support the budget.
- This report also highlights the various risks associated with taking a longer term approach and sets out how the Council can effectively respond to them over the life of the forecast.
- **Appendix A** sets out the initial long term forecast with the assumptions behind the various facts and figures set out in the second half of this report.
- Within the forecast, changes are proposed to the Local Council Tax Support Scheme Grant to Town and Parish Council's along with setting aside the full amount in one go to meet the estimated beach recharge costs along the new Clacton to Holland coast.
- The forecast will need to be closely managed with periodic adjustments over time. Should it not be possible to deliver the revised approach, the Council can revert back to the more traditional shorter term strategy.
- Within the proposed approach it is also worth highlighting that the Council may spend the same amount of money on a service as in previous years but the service may have to be redesigned to accommodate unavoidable cost pressures, a good example of which could be the waste and recycling contract which expires in 2019. The Council is committed to providing the same level of funding to deliver specific areas of the budget, but recognising that the same amount of money may not buy as much as it did in the past. Providing real term increases in alternative funding across the diverse range of services that the Council provides is unlikely to be possible given the reductions in Government funding.
- Although some elements of the forecast will occur through 'natural' growth, many of the lines included within the forecast will need to be actively managed. Input from Members and officers will be crucial in developing the associated delivery plan and it will always be worth reflecting on the fact that the alternative to taking a long term view is the more traditional approach of looking at the budget on an annual basis and making significant short term cuts, which the proposed approach seeks to avoid / minimise as far as possible.

RECOMMENDATION(S)

It is recommend that Cabinet:

- (a) Agrees the revised long term financial sustainability approach and associated ten year forecast that is set out in this report;**
- (b) subject to (a) above, requests officers to continue their work in developing an associated delivery plan, in consultation with Portfolio Holders, to support the delivery of the ten year forecast and in particular the budget for 2018/19;**
- (c) consults the Corporate Management Committee on the revised approach being taken as set out in this report;**
- (d) that subject to (a) above, agrees that the Local Council Tax Support Scheme**

grant to Town and Parish Council's be removed from the budget via the phased approach set out in the ten year forecast; and

(e) agrees to make an additional one-off contribution of £1.200m to the Beach Recharge Reserve in 2017/18, funded by £0.202m from the Fit for Purpose budget and £0.998m from the New Homes Bonus Budget.

PART 2 – IMPLICATIONS OF THE DECISION

DELIVERING PRIORITIES

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

FINANCE, OTHER RESOURCES AND RISK

Finance and other resources

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

Risk

This is discussed further on in this report against the context of the new approach to the forecast proposed.

LEGAL

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

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

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

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

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

OTHER IMPLICATIONS

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

Crime and Disorder / Equality and Diversity / Health Inequalities / Area or Ward affected /

Consultation/Public Engagement.

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

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

PART 3 – SUPPORTING INFORMATION

LONG TERM FINANCIAL STABILITY PLAN - A REVISED APPROACH TO THE FORECAST AND BUDGET SETTING PROCESS

One of the biggest impacts on the financial position of Local Authorities in recent years has been the speed at which the Government has reduced the RSG.

By way of a summary, the reductions to the RSG experienced by this Council since 2013/14 have been as follows:

Year	RSG Receivable	Reduction Compared to prior year
2013/14	£6.644m	-
2014/15	£5.104m	£1.540m
2015/16	£3.561m	£1.543m
2016/17	£2.564m	£0.997m
2017/18	£1.650m	£0.914m
2018/19	£1.070m	£0.580m
2019/20	£0.422m	£0.648m
2020/21	nil	£0.422m

The reductions in funding, as set out above, are very significant in comparison to the scale of the Council's net budget. The Council's net budget was **£17.570m** in 2013/14, with the RSG making up nearly 40% of the Council's funding. Responding to this level of funding being eroded over what is a relatively short period of time has been a significant challenge.

As has been mentioned in the past, the Council is committed to 'growing' its own income via maximising its assets, regeneration and economic development initiatives. However, such income will not be able to grow at the same pace as the reductions in RSG.

It would have made a significant difference if the reductions had been spread over a longer period of time. If, for example, they had been spread over a further 10 years, this would have resulted in average reductions in RSG of **£0.390m** per annum rather than the average of **£0.950m** that has been the case since 2013/14. Such a change would have aligned the reductions in funding to the Council's practical ability to 'grow' its own income.

Analysis of the high level position does present an opportunity to the Council if it is prepared to think differently about its financial forecast and budget setting processes.

The Council has already demonstrated its commitment to protecting, wherever possible, reductions in services it provides to residents, business and visitors. Savings of over **£13.000m** have been delivered over recent years with only a limited impact on service

provision.

With this context firmly in mind, the Council can counter-act the rate of reduction in RSG by creating its own space for long term growth and therefore take a ten year view of the forecast rather than a short term view that revolves around reductions in RSG.

Before discussing how the Council can achieve this, it is worth revisiting the short term view of the forecast that has traditionally been the case for this Council and many others around the Country. Based on a short term view, the estimated budget gap required to be met by this Council is **£3.400m** and the identification of the matching savings would need to be agreed by December 2018. Although the Council is still actively engaged in identifying further efficiencies, many have already been built into the base budget along with other savings that have been identified. Continuing this short term approach would, therefore, put the Council at a difficult 'crossroads' where the only option would be to make swift and significant reductions to services including those on the front line.

This Council is not prepared to accept this inevitability following the reductions in RSG. A ten year forecast has, therefore, been prepared which is set out in **Appendix A**. For this to work it needs to demonstrate genuine sustainability in the longer term rather than it just potentially putting off savings. The long term forecast does this through demonstrating the potential for underlying income in council tax and the council tax and business rates property bases to grow faster than net expenditure. Underlying income will increase in part from natural growth, but also from where the Council is taking an active role in influencing associated outcomes locally, such as the delivery of significant housing numbers.

By 2021/22 of the forecast and after excluding prior year use of one-off money to balance the budget, it is anticipated that underlying income will 'out-grow' annual increases in expenditure. This would then present the opportunity to deliver budget surpluses for re-investment and demonstrate sustainability once the need to use of one-off money from previous years has been eliminated from the forecast.

The identification of on-going savings will still play a crucial role in delivering the forecast, but at a much more modest annual rate, with the forecast currently highlighting a figure of **£0.300m** of savings being required each year. Therefore, although savings of **£2.700m** are included in the forecast, they can be delivered over a longer period of time rather than the same figure having to be delivered within 18 months which would be the default position based on the current short term financial strategy approach as previously highlighted.

A longer term approach also provides the ability for income growth to exceed expectations or expenditure forecasts to be more favourable than expected which would have the knock on effect of reducing the savings requirement. Potential savings may also be able to be delivered in the later years of the forecast where, for example, current agreements / contracts end and the Council can, therefore, review the financial position at a more beneficial point in time rather than have to consider giving notice early which could require significant termination payments to be made to relevant third parties.

Although the risks to the revised approach are set out in more detail below, it is acknowledged that a more pessimistic view could mean that income grows slower or expenditure increases quicker than the forecast, but it could be argued that the Council would not be in a worse position to the default position of finding **£3.400m** of savings over 18 months. Although part of mitigating risks, it is worth highlighting that relatively conservative estimates have been included within the forecast, which should outperform over the ten year 'space' that is being created via the proposed new approach.

By taking a ten year view, it is accepted that the budget gap will not be closed each year in the early years of the forecast. It, therefore, relies on the use of one-off money to balance the annual budget each year until such time as underlying income growth exceeds expenditure growth, after adjusting for the use of one-off money from previous years, which is currently anticipated to be by year 2025/26 of the forecast. The relevant part of the 'jig saw' has already partly been put in place to underwrite this risk - **£1.434m** was set aside from the favourable outturn position for 2016/17.

Appendix A sets out the necessary draw down from this set aside funding to enable a balanced budget to be set each year in the early years of the forecast. It is also accepted that favourable variances are likely to emerge each year from the Corporate Budget Monitoring and outturn processes, as has historically been the case. Although management action will be required to deliver this requirement, **£0.500m** has been included within the forecast as the amount achievable from in-year savings each year to 'build' the funding to underwrite the associated risks.

The ten year forecast set out in **Appendix A** therefore demonstrates that, notwithstanding a number of risks and accepting the need to think differently about how the Council delivers its annual budget, it shows that it is possible / viable to take a ten year view of the forecast. This will be underwritten by the use of one-off money that has already been set aside or will be delivered on a year on year basis.

It is, however, also acknowledged that the proposed new approach to the forecast will not be delivered 'naturally' and will, therefore, need a significant level of effort and focus from officers and members each year in its development. In setting out a delivery plan, five key strands have been identified, all of which seek to make the necessary contributions to the proposed new approach.

5 Key Strands to Deliver the Long Term Forecast

- **Increases to Underlying Income**

This strand concentrates on delivering growth in council tax and business rates. The technical part of this element of the forecast is set out further on in this report but will include year on year increases in the council tax levy, increasing collection performance, on-going compliance work to ensure that people / businesses are paying what they are liable to pay along with general housing and business growth in the district.

- **Controlling Net Expenditure Inflationary Pressure**

It would be useful if the Council could hold future costs to 2017/18 prices, which would enable income growth to quickly outstrip the cost of growth in net expenditure. Although it is accepted that this will not be possible in the purest sense, it is a good base to work from e.g. reducing energy usage, redesigning / alternative service delivery, reducing printing and paper usage, office rationalisation, working with Town and Parish Councils and renegotiating contracts. The above set out only a few examples where the Council can look to limit net increases in its overall budget which will be developed as part of the overall delivery plan and will also include maximising its assets and generating money from capital investment.

- **Savings and Efficiencies**

As previously highlighted, savings still feature within the forecast, albeit at a much more modest annual rate than would otherwise have been the case and provide opportunities to maximise savings over a longer period.

- **Delivering a favourable Outturn Position**

Although favourable outturn positions have been delivered historically, primarily through one-off items or the aggregate of a number of smaller items, actions to influence the likelihood of a favourable position can be put in place such as holding vacancies for a longer period of time where there would be no adverse impact on service delivery, reviewing carry forward requests each year, 'banking' fortuitous savings as they emerge such as unringfenced government grants and favourable increases in fees and charges income.

- **Cost Pressure Mitigation**

Each year there are a number of cost pressures that emerge and are usually formed of a mix of where there is no option such as reductions in external funding and the living wage along with items where there is a choice whether to fund or not. The proposed new approach to the forecast does highlight the need to compromise to some extent in terms of the speed at which the Council can spend money on items where it has a choice to do so or not. This may involve areas where the additional expenditure may support income growth or the Council's reputation. A hard but fair line will need to be taken to how much additional expenditure by way of cost pressures can be accommodated within the ten year forecast.

Where a need for a cost pressure is identified, the following questions need to be asked:

- 1) Can the expenditure be delayed until such time as there is a surplus in the forecast?
- 2) Can mitigating action be put in place or an alternative option implemented?
- 3) Can the cost pressure be supported by one-off money in the short term?
- 4) Can the cost pressure be mitigated via corresponding budget reductions within departmental budgets? Although this may be difficult for larger items, it may be possible for more modest amounts.

The forecast currently includes an allowance of **£0.150m** each year to reflect largely unavoidable cost pressures.

The Council is already delivering against many of the above strands e.g. office rationalisation, investment in commercial property, a reduction in the number of members, staff restructuring along with looking to renegotiate revised terms relating to the Council's insurance premium portfolio.

Although taking a different perspective to savings, the Council continues to have a significant number of longer term projects that have already been identified along with associated funding being set aside within existing budgets. Why this is an important point to make is that it isolates the longer term forecast from specific investment decisions. Therefore there is no expectation of the longer term forecast having to generate additional funding for significant investments. Projects identified to date along with associated funding decisions include:

Project	Budget Already Agreed
Garden Communities	£2.000m
Harwich Public realm	£1.000m
Housing in Jaywick Sands	£0.500m
Public Convenience Refurbishment	£0.070m
Channel Shift	£0.350m
Office Rationalisation	£1.160m

There is still scope to make further investment decisions from existing one-off funding without adversely impacting on the ten year forecast which provides a strong foundation to work from. With this in mind it is important that where such future investment is made, it would be beneficial if it demonstrated a positive impact on one of the 5 key strands above as part of a joined up financial approach to the challenge that lies ahead.

Clearly taking the revised approach that is proposed presents a number of risks which are inherent in any type of forecasting and which are magnified when taken over a longer period of time. The Council's approach to risk within the new approach being proposed is set out below.

MANAGEMENT OF RISK

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

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

Before discussing further actions proposed, it is worth repeating a point previously made as it underpins the forecast and that is the fact that the forecast is based on relatively conservative estimates with no optimistic bias included. Each element of the forecast and how it has been derived is set out within the technical aspects of the report later on. It is also worth highlighting that the risks identified do not specifically apply to the approach being proposed as they would equally apply to the existing short term approach historically taken.

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

- 1) As previously mentioned **£1.434m** as already been set aside to support the budget in future years. This money can, therefore, be drawn down if the timings within the forecast differ in reality and the net position is unfavourable compared to the forecast in any one year.

- 2) The forecast will remain 'live' and be responsive to changing circumstances and it will be revised on an on-going basis. If unfavourable issues arise that cannot be mitigated via other changes within the forecast then the forecast will be adjusted and mitigating actions taken. Actions to respond will, therefore, need to be considered but can be taken over a longer time period where possible. In such circumstance the Council may need to consider 'topping' up the funding mentioned in 1) above if required in the early years of the forecast. This may impact on the ability to invest money elsewhere but will need to demonstrate that its use is sustainable in the context of the ten year forecast and supports the thinking behind the new approach of protecting Council services wherever possible.

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

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

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

Building on the point above about the forecast remaining 'live', it is proposed to report an updated forecast on a regular basis. Not only will this allow adjustments to be made, it will also set out a transparent approach against which we can measure its performance to support further decision making processes. Such decisions could include reverting back to the more traditional shorter term approach if the revised approach does not achieve its objectives.

In addition to the above it is important to note that the Council has already prudently set aside money for significant risks in the forecast such as **£1.459m** (NDR Resilience Reserve) and **£1.100m** (Benefits Reserve), which can be taken into account during the period of the forecast if necessary. The Council also holds **£4.000m** in uncommitted reserves which supports its core financial position.

To support the forecast, sensitivity testing has been undertaken which is set out in more detail in the next section of the report. It is accepted that items such as the continuation of the £5 annual increase in council tax may not be permitted by the Government or may not wish to be implemented locally, so the impact of potential deviations from the ten year initial 'base' forecast are shown.

TEN YEAR FINANCIAL FORECAST TO 2026/27

The detailed ten year forecast is set out in **Appendix A**. 2017/18 is year 1 of the forecast with the last year being 2026/27.

A number of adjustments are included in the forecast that specifically relate to 2018/19 as they reflect the adjustments required from 2017/18, such as removing one-off items.

As a high level view of the principles behind the longer term forecast have already been set out in the first section of this report, this section provides the details behind each line of the forecast as follows:

Underlying Funding Growth In the Budget

Item	Adjustment included from 2018/19	Comments
Council tax increases	Increase of 1.99% per annum. (£0.144m included in 2018/19 rising to £0.168m in 2026/27)	As set out last year, annual increases in council tax will play a vital role in a long term self-sufficiency approach to help back-fill the significant reductions in the RSG. Although the level at which council tax increases are 'capped' are confirmed on an annual basis, it is assumed that as a 'base' position, the Government will continue with allowing increases of at least 1.99% as has been the case in previous years.
Council tax increase of £5	£5 increase in the levy included (£0.085m included in 2018/19 reducing to £0.061m in 2026/27)	This builds on the increase above and similarly the ability to increase by £5 will be confirmed by the Government on an annual basis. The Government acknowledge that the level of locally raised income is important in terms of Local Authorities long term financial future, so it is expected that the Government will continue to allow increases over and above 1.99% in future years. Based on this approach, the council tax levy would rise to £202.64 per annum by 2026/27. This would still be lower than the rate charged by 4 Essex Authorities in 2017/18
Business rates Inflation	The effect of 2% inflation has been included in the forecast being the Bank of England's long term target. (£0.087m included in 2018/19 increasing to £0.102m in 2026/27)	This area remains a complex part of the Council's budget and it remains difficult to predict the long term impact of the Government's reforms of business rates, such as the move to 100% retention of business rates at the local level. However the increases included are relatively modest and reflect the historic trend in seeing business rates inflation year on year.
Council tax and business rates property growth	Housing growth in the Draft Local Plan has been used to inform the figures included within	The property bases include assumptions on items such as changes to valuation lists, new dwellings, dwelling brought back into use, the level of discounts etc.

	<p>the forecast.</p> <p>In respect of business rate, modest increases in rateable value of £0.050m have been included year on year.</p> <p>(£0.161m included in 2018/19 increasing to £0.238m in 2026/27)</p>	<p>so is relatively volatile in terms of the number of influencing factors. However recent years have shown steady growth which is expected to continue supported by the local plan process.</p> <p>In respect of business rates, the recent 2017 valuation process has introduced yet further complications and therefore only very modest growth is included in the forecast at this stage.</p>
Collection Fund Surplus – council tax and business rates	<p>£0.100m per year is currently included within the forecast up to and including 2026/27.</p>	<p>Looking back to 2013/14, the collection fund surplus has averaged over £0.200m at the end of each year.</p> <p>There are no plans to significantly change the methodology used in calculating the property bases which could have an impact on the end of year collection fund position so the figures included are a modest estimate of the likely year end position from 2017/18 onwards.</p>

Taking the above into account the annual growth in income is forecasted to total **£0.577m** in 2018/19 rising to **£0.669m** by 2026/27.

Net Cost of Services and Other Budget Adjustments

- **Reduction in Revenue Support Grant** – the forecast includes the provisional figures previously announced by the Government.
- **Remove One-off Items from Prior Year** – this primarily effects 2018/19 with the following technical adjustments included in the forecast, which were all agreed as one-off amounts in 2017/18:

Item	Amount removed from the 2018/19 Base Budget
Sea and Beach Festival	£0.020m
Air Show Night Flight	£0.010m
TV Advert Promoting the District	£0.025m
Remedial Works to cliff retaining wall (Marine Parade West, Clacton)	£0.220m
Noise Monitoring Equipment	£0.010m
Theatre Toilets (net position after taking into account corresponding fees and charges adjustment)	£0.010m
Open Space Tools and Equipment (supporting the delivery of savings)	£0.020m
Total	£0.315m

In addition to the above, a further **£0.025m** is removed from the 2019/20 base budget

to reflect one-off consultancy costs associated with the office rationalisation project.

It is important to highlight that although the above items are being removed from the base budget at this stage of the process, they will be considered alongside other emerging costs pressures in 2018/19 and beyond in accordance with the general approach being taken to cost pressures as set out elsewhere in this report.

- **Remove One-off Items from Prior Year (Collection Fund Surplus)** – As included in the table above, assumptions about the level of collection fund surpluses have been included in the forecast. Although reasonable forecasts can be made each year, they are not confirmed until the outturn position is calculated at the end of the preceding year. Therefore they are included in the budget as effectively one-off amounts until confirmed, which provides a prudent position to work from. **£0.100m** is therefore being removed on a year on year basis from 2018/19 onwards.
- **Inflation** – As in previous years, general inflation is expected to be managed by services with their overall budget position. The exception to this is for significant items such as employee costs, major contracts and business rates payable on the Council's own buildings. The following adjustments have therefore been included within the forecast:

Item	Inflation Assumption
Employee Costs	Annual increases of 1% have been included for 2018/19 and 2019/20 in line with current Government announcements setting out this level of public sector pay restraint. Increases of 1.5% per year have been included from 2020/21 to reflect marginally higher increases in later years.
Major Contracts	Annual increases of 2% have been included to reflect the Bank of England's current long term inflation target.
Business Rates	Similarly to the above, annual increases of 2% have been included to reflect the Bank of England's current long term inflation target.

When taken together, total inflationary increases of **£4.025m** have been included over the forecast period, with **£0.367m** included in 2018/19, increasing to **£0.488m** by 2026/27.

- **Portfolio Holder Working Party Savings** – a number of savings were identified in 2017/18, with the forecast including the level of anticipated savings in later years.
- **Local Council Tax Support Scheme (LSTSS) Grant to Town and Parish Council's** - **£0.140m** remains in the budget which reflects grant payments to 'compensate' Town and Parish Councils for the reduction in their council tax income following the introduction of the LCTSS. The Council has previously subsidised the reduction in grant funding paid to Town and Parish Council's by not 'passporting' on the same level of reduction in its own RSG.

As part of last year's budget setting process, Corporate Management Committee made the following comment:

'to enable Parish and Town Councils to plan their budgets accordingly this Council should inform them that the Parish and Town Councils grant from this Council will be phased out in line with the reduction in this Council's RSG'.

The forecast therefore includes the phasing out of the LCTSS grant in-line with the reduction in the Council's own RSG, with reductions of **£0.090m**, **£0.035m** and **£0.015m** included in the forecast in 2018/19, 2019/20 and 2020/21 respectively.

There is the pragmatic argument of removing the grant completely in 2018/19, as some local authorities have already done, with the reason being that the Government have started to 'cap' the council tax charged by Town and Parish Council's. It may therefore be financially prudent for Town and Parish Council's to react to the reduction in the LCTSS in one single year via a corresponding increase within their own precepts. This may be something to consider later on in the budget setting process.

To put the scale of the potential reductions in LCTSS grant into context, the largest grant paid to a Town and Parish Council is **£0.041m** in 2017/18 with the average grant being **£0.005m**.

- **Beach Recharge Reserve Contribution** - The current base budget includes an annual contribution of **£0.150m** into an earmarked reserve to fund the estimated cost of **£1.500m** to recharge the new beaches along the Clacton to Holland coastline, which is estimated to be required within ten years of the scheme being completed.

It is proposed to remove this annual contribution to the relevant reserve by taking advantage of available one-off funding currently held by the Council. This therefore not only 'releases' **£0.150m** from the on-going forecast but also secures the necessary funding now which will be held until such time as it is required.

Including 2017/18, **£0.300m** has already been set aside in the relevant reserve. This therefore leaves **£1.200m** to be funded. It is proposed to utilise **£0.998m** from the New Homes Bonus that was set aside to fund seafront projects, along with **£0.202m** from the Fit for Purpose budget in 2017/18.

This would leave **£0.414m** uncommitted in the New Homes Bonus Budget and **£0.642m** uncommitted within the Fit for Purpose budget.

- **Specific Changes to Use of Reserves** - **£0.150m** was called down from the NDR Resilience Reserve in 2017/18 to fund the associated deficit on the collection fund. This was a one-off adjustment so has been removed in 2018/19.
- **On-Going Savings Required** - As mentioned in the first part of this report, on-going savings of **£0.300m** have been included in the forecast. The monitoring and delivery of this element of the forecast will be critical to ensure that the forecast is achievable. It is however recognised that although the timing of when savings can be taken into account in the budget may be different to the figures set out in the forecast, they are expected to be achieved over the life of the forecast.

However, if the forecast is more favourable than initially anticipated, then the level of required savings may reduce which is a key element of the approach being taken. However in balancing the argument, it may be that the forecast is less favourable and the savings target may increase. In this scenario there is the practical benefit of having more time to identify and deliver the savings when compared with the alternative / short term approach of identifying savings of **£3.400m** in just 18 months as previously discussed.

- **Mitigation of Expenditure / Inflationary Increases** – no amounts have been included at this stage of the forecast but various activities will be undertaken to deliver a favourable position against this line of the budget as the forecast develops.
- **Unmitigated Cost Pressures** – Although the approach taken to cost pressures has been discussed in the first part of this report, **£0.150m** has been included in the forecast to reflect unavoidable cost pressures that cannot be accommodated within the Council’s overall base budget position.
- **Prior Year Use of Reserves** – As has been the case in the last two years, money has been drawn down from reserves to balance the budget. This is removed in superseding years, which is reflected in the forecast, not only in 2018/19 but also going forward as the use of reserves / one-off money is anticipated to be required in the early years of the forecast.

The forecast however indicates that the use of one-off money to balance the budget could end as early as 2025/26 if underlying income growth out paces the growth in expenditure during the intervening years.

Taking all of the above into account, the forecast annual deficit or surplus as set out in **Appendix A** is summarised as follows:

Year	Net Budget Position (including adjusting for prior use of reserves to balance the budget)
2017/18	£0.558m (Deficit)
2018/19	£0.536m (Deficit)
2019/20	£0.650m (Deficit)
2020/21	£0.857m (Deficit)
2021/22	£0.652m (Deficit)
2022/23	£0.441m (Deficit)
2023/24	£0.225m (Deficit)
2024/25	£0.004m (Deficit)
2025/26	£0.223m (Surplus)
2026/27	£0.454m (Surplus)

By taking the **£1.434m** set aside from the 2016/17 outturn position along with estimated additional annual contributions of **£0.500m**, the above short term deficits can be funded by drawing on this one-off money until such time as the budget moves into the position where annual surpluses can be delivered. The table towards the bottom of **Appendix A** sets this out in more detail.

As discussed earlier on, there are numerous risks inherent in forecasting. The forecast has,

therefore, been exposed to various sensitivities as set out in **Appendix A**. Although there are various permutations, all sensitivities tested, apart from council tax increases being lower by 1% and savings identified being 20% less than anticipated compared to the base position, all return an expected surplus over the ten year forecast.

The sensitivity test that would have one of the greatest impacts on the forecast is if council tax rises were 1% less than the base position. In aggregate, the annual deficits would be **£6.390m** compared with base position of **£2.688m**

Although many of the permutations tested could be offset by the use of the **£1.434m** set aside from the 2016/17 outturn position, if increased with further contributions of **£0.500m** each year, the forecast may not be sustainable in the longer term. This will be monitored as the forecast develops as it may be that the level of savings required needs to be increased to ensure the long term sustainability of the Council's financial position.

Other Changes

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

In the above cases the expenditure will be removed along with the associated call on reserves with no overall impact on the forecast. These will be set out in more detail later on in the year when the detailed budget for 2018/19 is presented to members.

CONCLUSIONS

Based on the ten year forecast, the initial 2018/19 budget is set out as follows:

Initial General Fund Budget 2018/19

	2017/18 Original	2018/19 Initial Forecast
	£m	£m
Net Cost of Services	16.086	12.271
Revenue support for capital investment	1.940	0.100
Financing items	0.534	0.534
Net Expenditure	18.560	12.905
Contribution to /(from) Reserves	(4.864)	0.571
Total Net Budget	13.696	13.476
Business Rates (<i>excl. S31 Govt. Grant for rate reliefs and 2% 'Cap'</i>)	(4.599)	(4.691)
Revenue Support Grant	(1.650)	(1.070)
Collection Fund Surplus	(0.218)	(0.100)
Council Tax Requirement (for Tendring District Council)	7.229	7.615

Although this will be subject to revisions and updates as the year / forecast progresses, it does set out the estimated position for 2018/19 which highlights that **£0.536m** will be required to be drawn down from reserves to balance the budget in accordance with the ten year forecast.

The council tax requirement figure is **£7.615m** based on the forecast increase of £5 along with the property base assumptions as set out in the initial forecast. This represents an increase of **£0.386m** compared to 2017/18 and would result in an average Band D council tax of **£162.54** compared to **£157.64** in 2017/18.

To deliver various elements of the forecast and to react to any changes as the forecast develops, it will require significant member and office effort and focus. However the approach being proposed presents a credible alternative to the more traditional approach of taking a shorter term view, which would require significant savings to be identified in both 2018/19 and 2019/20.

Although repeating something that has already been mentioned, it is important to keep coming back to the principle behind the revised approach and that is it seeks to create the 'space' necessary to allow underlying income to grow as a pragmatic response to the rate of reductions in Government funding.

A delivery plan is currently being developed to capture the various strands of the forecast. This will be form part of further reports presented to Members in the second half of the year and will be managed via Management Team over the course of developing the detailed budget.

BACKGROUND PAPERS FOR THE DECISION

None

APPENDICES

Appendix A – Financial Forecast to 2026/27

LONG TERM FINANCIAL STABILITY PLAN / 10 YEAR FORECAST

	2017/18	2018/19	2019/20	2020/21	2021/22	2022/23	2023/24	2024/25	2025/26	2026/27
	£	£	£	£	£	£	£	£	£	£
<i>Underlying Funding Growth in the Budget</i>										
Council Tax Increase 1.99%	(0.136)	(0.144)	(0.147)	(0.150)	(0.153)	(0.156)	(0.159)	(0.162)	(0.165)	(0.168)
Ctax increase by £5 (amounts set out are over and above 1.99% above)	(0.090)	(0.085)	(0.083)	(0.080)	(0.077)	(0.074)	(0.071)	(0.067)	(0.064)	(0.061)
Growth in Business rates - Inflation	0.000	(0.087)	(0.089)	(0.091)	(0.093)	(0.095)	(0.096)	(0.098)	(0.100)	(0.102)
Growth in Business rates / council tax - general property growth	(0.148)	(0.161)	(0.171)	(0.181)	(0.190)	(0.200)	(0.209)	(0.219)	(0.229)	(0.238)
Collection Fund Surpluses b/fwd	(0.218)	(0.100)	(0.100)	(0.100)	(0.100)	(0.100)	(0.100)	(0.100)	(0.100)	(0.100)
	(0.592)	(0.577)	(0.590)	(0.602)	(0.613)	(0.625)	(0.635)	(0.646)	(0.658)	(0.669)
<i>Net Cost of Services and Other Adjustments</i>										
Reduction in RSG	0.914	0.580	0.648	0.422	0.000	0.000	0.000	0.000	0.000	0.000
Remove one-off items from prior year	(0.155)	(0.315)	(0.025)	0.000	0.000	0.000	0.000	0.000	0.000	0.000
Remove one-off items from prior year - Collection Fund Surplus	(0.020)	0.218	0.100	0.100	0.100	0.100	0.100	0.100	0.100	0.100
Inflation	0.125	0.367	0.371	0.452	0.458	0.464	0.469	0.475	0.481	0.488
First / Second / Third year impact of PFH WP Savings	(0.268)	(0.055)	(0.205)	0.000	0.000	0.000	0.000	0.000	0.000	0.000
LCTS Grant To Parish Council's	0.000	(0.090)	(0.035)	(0.015)	0.000	0.000	0.000	0.000	0.000	0.000
Beach recharge - Set aside full budget in one year	0.000	(0.150)	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000
Revenue Contrib. to Capital Programme	(0.100)	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000
Specific change in Use of Reserves	0.287	0.150	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000
On-going savings required	(0.879)	(0.300)	(0.300)	(0.300)	(0.300)	(0.300)	(0.300)	(0.300)	(0.300)	(0.300)
Mitigation of Expenditure / Inflationary Increases	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000
Unmitigated Cost Pressures	1.046	0.150	0.150	0.150	0.150	0.150	0.150	0.150	0.150	0.150
	0.950	0.555	0.704	0.809	0.408	0.414	0.419	0.425	0.431	0.438
Net Total	0.358	(0.022)	0.114	0.207	(0.205)	(0.211)	(0.216)	(0.221)	(0.227)	(0.231)
Add back General Use of Reserves in Prior Year to Balance the Budget	0.200	0.558	0.536	0.650	0.857	0.652	0.441	0.225	0.004	(0.223)
Net Budget Position	0.558	0.536	0.650	0.857	0.652	0.441	0.225	0.004	(0.223)	(0.454)
Use of one-off money to support the Net Budget Position	(0.558)	(0.536)	(0.650)	(0.857)	(0.652)	(0.441)	(0.225)	(0.004)	0.223	0.454

Use of One-Off Money to Support the Net Budget Position Above

Outturn b/fwd from prior years	(0.558)	(1.434)	(1.398)	(1.248)	(0.891)	(0.739)	(0.798)	(1.073)	(1.569)	(2.292)
Applied in year as set out in the forecast above	0.558	0.536	0.650	0.857	0.652	0.441	0.225	0.004	(0.223)	(0.454)
Additional contributions generated in year	0.000	(0.500)	(0.500)	(0.500)	(0.500)	(0.500)	(0.500)	(0.500)	(0.500)	(0.500)
Balance to Carry Forward	0.000	(1.398)	(1.248)	(0.891)	(0.739)	(0.798)	(1.073)	(1.569)	(2.292)	(3.246)

Balance Carried forward acts as safety net if forecast above are worse than forecast

FORECAST SENSITIVITIES	2018/19	2019/20	2020/21	2021/22	2022/23	2023/24	2024/25	2025/26	2026/27	Totals
	£	£	£	£	£	£	£	£	£	£
Forecast Budget Gap / (Surplus) from table Above (BASE Position)	0.536	0.650	0.857	0.652	0.441	0.225	0.004	(0.223)	(0.454)	2.688
Revised Forecast Budget GAP / (SURPLUS) in the event of the following possibilities										
Inflation increases at a rate of +1% faster than the base	0.739	0.859	1.075	0.884	0.677	0.476	0.259	0.046	(0.172)	4.843
Inflation decreases at arate of 1% slower than the base	0.333	0.441	0.639	0.420	0.205	(0.026)	(0.251)	(0.492)	(0.736)	0.533
Council Tax Increase are lower by 1% per annum compared to the base	0.608	0.799	1.086	0.964	0.841	0.715	0.589	0.459	0.329	6.390
Property Growth does not grow over the life of the forecast	0.697	0.821	1.038	0.842	0.641	0.434	0.223	0.006	(0.216)	4.486
Property Growth is lower by 5% compared to the base	0.562	0.684	0.899	0.701	0.499	0.290	0.077	(0.141)	(0.365)	3.206
Unmitigated Cost Pressures are greater by 10% per annum compared to the base	0.551	0.680	0.902	0.712	0.516	0.315	0.109	(0.103)	(0.319)	3.363
Unmitigated Cost Pressures are greater by 20% per annum compared to the base	0.566	0.710	0.947	0.772	0.591	0.405	0.214	0.017	(0.184)	4.038
Savings achieved are lower by 10% per annum compared to the base	0.566	0.710	0.947	0.772	0.591	0.405	0.214	0.017	(0.184)	4.038
Savings achieved are lower by 20% per annum compared to the base	0.596	0.770	1.037	0.892	0.741	0.585	0.424	0.257	0.086	5.388

Key Decision Required:	Yes	In the Forward Plan:	Yes
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**CABINET
5 SEPTEMBER 2017**

REPORT OF FINANCE AND CORPORATE RESOURCES PORTFOLIO HOLDER

A.4 CORPORATE BUDGET MONITORING REPORT FOR THE FIRST QUARTER OF 2017/18

(Report prepared by Richard Barrett)

PART 1 – KEY INFORMATION

PURPOSE OF THE REPORT

To provide an overview of the Council’s actual financial position against the budget as at the end of June 2017.

EXECUTIVE SUMMARY

- The Council’s financial position against the approved budget has been prepared for the period to the end of June 2017 and is the first such report for 2017/18.
- Some of the information set out in the Appendices has been refreshed for 2017/18. Separate appendices are no longer included for the significant income streams and council tax and business rate information.
- In respect of income streams, this was originally included in the wake of the financial crisis back in 2007/08 as this area of the budget emerged as a significant risk to the Council’s financial position. Although it is still an important element of the budget, income streams have become more stable over the last 2 to 3 years with imminent risks subsiding. However the position against income is still included but is now being reported within the net position against service areas as set out in **Appendix B**, where comments are provided as necessary.
- In respect of the LCTSS, council tax and business rates, the level of detail included in previous years / quarters reflected the need to monitor the position in the early years of the LCTSS and the localisation of business rates. Similarly to the other income streams mentioned above, the position has stabilised in recent years so it is timely to reflect on the level of information reported within budget monitoring reports to ensure they remain accessible and highlight the most relevant financial information. Therefore there is no longer a separate appendix for council tax and business rates. However the information that has been removed will still be available as part of the overall budget setting processes during the year where it is more practical to set out additional details / information as part of the associated decision making processes.
- Notwithstanding the above, **Appendix E** has been revised to give a better snap shot in graphical form of the collection performance against the major income streams of council tax, business rates, housing rents and general debtors. This has been designed to give readers of this report a quick / clear picture of performance compared to previous quarters / years.

- In respect of the position at the end of June 2017, it is relatively early in the financial year and therefore some expenditure or income trends may still be emerging. However any significant issues arising to date have been highlighted and comments provided as necessary.
- The position to the end of June 2017, as set out in more detail in the Executive Summary attached, shows that overall the actual General Fund Revenue position is behind the profiled budget by **£1.871m**. After allowing for significant one-off budgets such as the Fit for Purpose Budget where commitments or decisions are still to be made, the position is revised to **£0.926m** behind the profiled budget. As has been the case in previous years, the variance at the end of the first quarter primarily reflects the timing of expenditure and income although as previously mentioned, underlying trends are likely to emerge or be confirmed over the next quarter.
- In respect of other areas of the budget such as the Housing Revenue Account, capital programme, collection performance and treasury activity, apart from additional details set out later on in this report, there are no major issues that have been identified to date.
- Any emerging issues will be monitored and updates provided in future budget monitoring reports along with their consideration as part of the Financial Strategy and budget setting framework for 2018/19 where a longer term response may be required.
- The budget monitoring process remains a fundamental element of influencing the forecast for future years through the identification of savings that can be 'banked' as the year progresses rather than just as part of the annual budget setting cycle. This enables the medium term forecast to be updated on an on-going basis with the savings identified being available to support future year's budget. Some potential favourable variances that are likely to remain over the remainder of the year are emerging but at this stage it is proposed to review them again over the next quarter to confirm their net value before looking to make an associated transfer to reserves.
- Other emerging issues have also arisen that require budget adjustments and/or specific recommendations with further details highlighted below.
- Following separate Cabinet decisions in the first part of the year, a number of schemes have now been included within the 2017/18 General Fund Capital Programme, including the Millenium Square project in Walton. For completeness, the recommendations below seek Cabinet's approval of the revised Capital programme for 2017/18.

RECOMMENDATION(S)

It is recommended that:

(a) The financial position as at the end of June 2017 be noted;

(b) in respect of the General Fund capital programme for 2017/18, a revised capital programme that totals £17.425m as set out in Appendix D be agreed; and

(c) the repair of the Venetian Bridge, Clacton be agreed and that the 2017/18 General Fund capital programme be increased by £0.205m to meet the cost of the

necessary work, funded from the 2017/18 Fit for Purpose Budget.

PART 2 – IMPLICATIONS OF THE DECISION

DELIVERING PRIORITIES

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

FINANCE, OTHER RESOURCES AND RISK

Finance and other resources

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

Risk

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

LEGAL

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

OTHER IMPLICATIONS

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

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

There are no direct implications arising from this report.

PART 3 – SUPPORTING INFORMATION

BACKGROUND

The Council's financial position against the approved budget has been prepared for the period ending 30 June 2017.

As this is the first such report on the Council's financial position against the budget for 2017/18, some expenditure or income trends may still be emerging as it is still relatively early in the financial cycle. However comments are provided below where necessary.

GENERAL FUND REVENUE

The position to the end of June 2017, as set out in more detail in the Executive Summary attached, shows that overall the actual position is behind the profiled budget by **£1.871m**.

After allowing for significant / one-off budgets such as the Fit for Purpose Budget where commitments or decisions are yet to be made, this position is revised to **£0.926m** behind the profiled budget with further details as follows:

Variance As Set out In Executive Summary	(£1.871m)
Less Variances to date for Significant / One-off Budgets	
Fit For Purpose	£0.211m
Contingency	£0.081m
New Homes Bonus	£0.353m
Local Plan	£0.300m
Variance Excluding Significant / One-off Budgets	(£0.926m)

After further excluding the variance for employee costs of **£0.186m**, which is covered separately below, the remaining net variance is **£0.740m**

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

Appendix B provides further narrative around variances with the following providing highlights worth noting at the end of June 2017:

EXPENDITURE BUDGETS

Salaries / Employee Costs

Overall employee expenses are behind profile by **£0.186m**.

As discussed during last year, services continue to challenge how they deliver their services so opportunities are taken to review staffing levels, such as when vacancies emerge, rather than automatically recruit on a like for like basis. Although the above variance will not directly translate into on-going budget reductions, it does reflect the one-off savings from vacancies over the first quarter of the year.

INCOME BUDGETS

In addition to comments set out in the Appendices, some important variances to highlight to date are as follows:

- Parking income is ahead of the profiled budget by **£0.064m**.
- Crematorium income is currently running slightly behind the profiled position, a variance of **£0.043m**. However income can fluctuate over the year and potentially follow a different trend to previous years so it may recover back to the budgeted position over quarters 2 and 3.
- Beach Hut income is **£0.048m** ahead of the profiled budget to the end of June 2017 which is **£0.022m** ahead of the full year budget.
- Planning income continues to remain strong with income ahead of the profiled budget by **£0.117m** at the end of June 2017.

DELIVERY OF SAVINGS 2017/18

Included within the 2017/18 budget were a number of items where actions were required to secure the necessary savings. A brief update against significant items is set out below:

- **Office Transformation** – only modest savings of **£0.020m** were included in 2017/18 from the closure of Clay Hall and other minor properties. The more

significant savings will accrue from the closure of the Weeley site, which remains subject to a business case that is expected to be approved in early autumn.

- **CAROS** – a saving of **£0.010m** was included for 2017/18 representing the natural growth in rents within the scheme as it currently stands. This will continue to be delivered via the negotiation of new leases as the previous ones expire.
- **Open Spaces and Play Areas** – the delivery of the expected savings of **£0.042m** in 2017/18 remain on-going.
- **Reduction in the number of Public Conveniences** – Work remains on-going to deliver budgeted savings of **£0.060m** in 2017/18, following the approval of a Public Convenience Strategy earlier in the year.

As highlighted, work remains on-going to deliver these savings, but it is acknowledged that although the total saving expected will be realised, the timing of when they impact on the budget may differ to that initially expected given the lead in times and associated decisions that are required. Therefore the position will remain under review and updates provided in the next quarter's budget monitoring report.

In addition to the above it is also worth highlighting the progress being made by the Council in becoming a registered training provider, which effectively replaces the current Career Track Service following the new Apprenticeship Levy arrangements introduced by the Government. All existing contracts with Colchester Institute are continuing throughout the majority of the year. However Government delays in the implementation of new training agreements with training providers mean that recruitment and the financial drawdown of money from the apprenticeship levy 'pot' has been significantly delayed. The impact these delays will have on the budget will be monitored over the remainder of the year.

2017/18 BUDGET ADJUSTMENTS / ISSUES

Included within the 2017/18 capital programme is a budget of **£149,800** to carry out repairs to the venetian bridge along Clacton seafront. Having carried out the necessary tender exercise the cost of repair has been identified as **£305,000** with an additional sum of **£50,000** for supervision costs and a contingency sum, giving a total cost of **£355,000**. The short fall in funding is therefore **£205,200**. Notwithstanding the iconic nature of the bridge, the alternative option to remove it has been considered. Estimated costs for removal are **£250,000**, however the exact extent of the work is unknown and this cost could easily escalate if sheet piling or other bracing is required, which is very likely. Although this option would remove the long term liability of retaining the bridge, the liability would in effect be replaced by having to maintain the stability of the embankments currently provided by the bridge.

Therefore it is proposed to carry out the necessary repairs to extend the life of the bridge far into the future and therefore retain it as an iconic focal point for visitors to the area.

It is proposed to make the following budget adjustments to fund the estimated repair costs of **£355,000**:

Existing Budget	2017/18 Budget Proposed	Budget Adjustment
Capital Programme – Venetian Bridge	Increase budget by £205,200 (from £149,800 to £355,000.)	
Fit for Purpose Budget	Reduce budget by £205,200 (from £642,180 to £436,980)	
Revenue Contribution to the capital programme	Increase budget by £205,200 (from £7,565,630 to £7,770,830)	

In addition to the above, is also timely to provide an update on the implementation of the 20% increase in planning fees that was agreed by Cabinet in June 2017. Although the original implementation date was the 1 July 2017, this has been delayed by the Government who need to implement the necessary regulations, which at the present time are not expected to be available until the autumn. Further updates will be provided later in the year.

HOUSING REVENUE ACCOUNT – REVENUE

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

As at the end of June 2017, the HRA is **£0.048m** ahead of the net profiled budget and apart from the issue regarding rents set out below, there are no significant issues to highlight to date as this largely reflects the timing of expenditure such as the maintenance and repairs to the tenant's properties.

Although the overall impact for the year is still emerging, rental income is now running behind profile by **£0.100m** at the end of June 2017. This largely reflects the issue emerging last year where the average period properties remain void has increased. As discussed last year there is a mix of reasons that contribute to this position such as the condition of some properties when vacated by tenants, asbestos removal work being undertaken before properties are relet and the number of long term voids in sheltered blocks. Although these issues have continued into 2017/18, it is expected that this trend should start to reverse over time as asbestos work will reduce along with decisions being made about the long term future of sheltered accommodation once an associated review has been completed and reported to members later in the year. Notwithstanding the above, void loss will remain under review over the year and be considered as part of the 30 year HRA Business Plan as necessary.

Increased period of voids also increases the level of council tax payable on empty properties which therefore presents a secondary impact to the overall HRA position.

CAPITAL PROGRAMME – GENERAL FUND

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

As at the end of June 2017 the programme is behind profile by **£0.562m**. As a number of schemes have yet to incur any significant expenditure, updates are provided against a number of the larger schemes to inform Members about the progress being made to deliver them.

There are no significant issues to highlight at the present time with additional comments set out in **Appendix D**.

As mentioned earlier, the Capital Programme now includes the various schemes approved by Cabinet so far this year, with the overall programme now totalling **£17.425m** in 2017/18.

CAPITAL PROGRAMME – HOUSING REVENUE ACCOUNT

As at the end of June 2017 the programme is behind profile by **£0.229m**.

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

Additional capital receipts are now starting to be retained from qualifying right to buy disposals. These are called 1 for 1 receipts and their retention requires the Council to have spent them on delivering affordable / social housing within two years from when they were received. To provide additional controls / governance around this issue and to ensure that the money is spent before respective 'expiry dates', attention is being drawn to this issue within **Appendix D**.

COLLECTION PERFORMANCE

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

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

The collection of general debt is running slightly behind the position for the same period last year, but this is primarily due to the issue highlighted at the end of 2016/17 regarding theatre income where action is being taken to recover money owed in connection with a potential fraud committed against the Council.

TREASURY ACTIVITY

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

There are no significant matters to highlight at the end of June with investment and borrowing activity on-going in line with the Treasury Strategy and associated practices / requirements.

BACKGROUND PAPERS FOR THE DECISION

None

APPENDICES

Front Cover and Executive Summary

Appendix A – Summary by Portfolio / Committee

Appendix B – General Fund Budget Position by Department

Appendix C – Housing Revenue Account Budget Position

Appendix D – Capital Programme

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

Appendix F – Treasury Activity

Appendix G – Income from S106 Agreements

Tendring **District Council**



Appendices Included:

Executive Summary	A summary of the overall position.
Appendix A	A summary of the overall position by Portfolio/Committee split by GF and HRA
Appendix B	An analysis by Department of all General Fund Revenue budgets.
Appendix C	An analysis of Housing Revenue Account Revenue budgets.
Appendix D	The position to date for General Fund and HRA capital projects.
Appendix E	Collection Performance - Council Tax, Business Rates, Housing Rents and General Debts
Appendix F	Treasury activity.
Appendix G	Section 106 monies.

Corporate Budget Monitoring

June 2017

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

Corporate Budget Monitoring - Executive Summary as at the end of June 2017

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

General Fund - Summary by Department Excluding Housing Revenue Account

	Full Year Budget £	Profiled Budget to Date £	Actual to Date £	Variance to Profile £
Office of the Chief Executive	3,791,990	502,214	435,106	(67,108)
Corporate Services	(19,644,420)	3,037,606	2,179,418	(858,188)
Operational Services	13,017,820	1,432,200	1,043,319	(388,881)
Planning	2,834,610	547,730	(9,523)	(557,253)
Total General Fund	0	5,519,750	3,648,321	(1,871,430)

Housing Revenue Account

	Full Year Budget £	Profiled Budget to Date £	Actual to Date £	Variance to Profile £
Total HRA	0	(2,276,587)	(2,228,649)	47,938

Capital

	Full Year Budget £	Profiled Budget to Date £	Actual to Date £	Variance to Profile £
General Fund	17,424,720	860,640	298,327	(562,313)
Housing Revenue Account	7,118,860	382,692	154,113	(228,579)
Total Capital	24,543,580	1,243,332	452,440	(790,893)

Debt

	Collected to Date Against Collectable Amount
Council Tax	29.58%
Business Rates	31.67%
Housing Rents	97.85%
General Debt	83.64%

Treasury

	£'000
Total External Borrowing	45,329
Total Investments	64,345

Revenue Budget Position at the end of June 2017

General Fund Portfolio / Committee Summary

	2017/18 Current Full Year Budget £	2017/18 Profiled Budget to date £	2017/18 Actual to date £	2017/18 Variance to Profile £
Leader	2,000,000	0	0	0
Finance and Corporate Resources	2,902,610	1,274,699	382,976	(891,723)
Environment	5,529,240	453,846	498,309	44,462
Housing	2,840,050	963,892	692,892	(271,000)
Health and Education	526,720	148,140	152,153	4,013
Corporate Enforcement	2,965,750	579,097	(64,449)	(643,547)
Investment and Growth	2,418,400	68,315	41,924	(26,391)
Leisure and Tourism	5,104,860	92,201	(75,714)	(167,915)
Budgets Relating to Non Executive Functions	642,840	74,623	137,555	62,932
	24,930,470	3,654,814	1,765,647	(1,889,168)
Revenue Support for Capital Investment	7,565,630	0	0	0
Financing Items	496,860	3,819,191	3,836,929	17,738
Budget Before use of Reserves	32,992,960	7,474,005	5,602,575	(1,871,430)
Contribution to / (from) earmarked reserves	(19,296,310)	0	0	0
Total Net Budget	13,696,650	7,474,005	5,602,575	(1,871,430)
Funding:				
Revenue Support Grant	(1,649,840)	(297,074)	(297,074)	0
Business Rates Income	(4,599,140)	(647,567)	(647,567)	0
Collection Fund Surplus	(218,380)	(43,676)	(43,684)	(8)
Income from Council Tax Payers	(7,229,290)	(965,938)	(965,930)	9
Total	0	5,519,750	3,648,321	(1,871,430)

Revenue Budget Position at the end of June 2017

HRA Portfolio Summary

	2017/18 Current Full Year Budget	2017/18 Profiled Budget to date	2017/18 Actual to date	2017/18 Variance to Profile
	£	£	£	£
Housing	(3,361,770)	(2,276,587)	(2,228,649)	47,938
	(3,361,770)	(2,276,587)	(2,228,649)	47,938
Revenue Support for Capital Investment	780,250	0	0	0
Financing Items	2,404,570	0	0	0
Budget Before use of Reserves	(176,950)	(2,276,587)	(2,228,649)	47,938
Contribution to / (from) earmarked reserves	176,950	0	0	0
Total	0	(2,276,587)	(2,228,649)	47,938

Corporate Budget Monitoring - General Fund Budget Position at the end of June 2017

Department - Office of Chief Executive

	2017/18 Current Full Year Budget £	2017/18 Profiled Budget to date £	2017/18 Actual to date £	2017/18 Variance to Profile £	Next Quarters Profile £	Comments
<u>Analysis by Type of Spend</u>						
Direct Expenditure						
Employee Expenses	777,970	195,992	170,710	(25,282)	195,992	
Premises Related Expenditure	26,300	16,685	16,167	(518)	3,205	
Transport Related Expenditure	24,620	6,120	5,568	(552)	6,320	
Supplies & Services	2,962,280	323,589	296,842	(26,747)	150,111	
Third Party Payments	870	0	0	0	0	
Total Direct Expenditure	3,792,040	542,386	489,288	(53,098)	355,628	
Direct Income						
Government Grants	(17,500)	(17,500)	(20,358)	(2,858)	0	
Other Grants, Reimbursements and Contributions	(8,100)	(8,100)	(18,424)	(10,324)	0	
Sales, Fees and Charges	(1,460)	(1,460)	(1,460)	0	0	
Rents Receivable	(52,940)	(13,112)	(13,940)	(828)	(13,604)	
Total Direct Income	(80,000)	(40,172)	(54,182)	(14,010)	(13,604)	
Net Direct Costs	3,712,040	502,214	435,106	(67,108)	342,024	
Net Indirect Costs	79,950	0	0	0	0	
Total for Office of Chief Executive	3,791,990	502,214	435,106	(67,108)	342,024	

Department - Office of Chief Executive

	2017/18 Current Full Year Budget £	2017/18 Profiled Budget to date £	2017/18 Actual to date £	2017/18 Variance to Profile £	Comments
<u>Analysis by Service/Function</u>					
Total for Chief Executive and Leadership and Community Support	889,360	277,641	239,838	(37,804)	
Total for Regeneration	2,902,630	224,572	195,268	(29,305)	
Total for Office of Chief Executive	3,791,990	502,214	435,106	(67,108)	

Corporate Budget Monitoring - General Fund Budget Position at the end of June 2017

Department - Corporate Services

	2017/18 Current Full Year Budget £	2017/18 Profiled Budget to date £	2017/18 Actual to date £	2017/18 Variance to Profile £	Next Quarters Profile £	Comments
<u>Analysis by Type of Spend</u>						
Direct Expenditure						
Employee Expenses	10,248,620	5,008,637	4,984,104	(24,533)	1,203,267	
Premises Related Expenditure	190,620	5,998	3,381	(2,616)	172,628	
Transport Related Expenditure	59,520	8,245	5,815	(2,430)	37,055	
Supplies & Services	7,657,510	1,268,162	542,408	(725,754)	1,328,008	
Third Party Payments	0	0	0	0	0	
Transfer Payments	55,291,550	12,029,000	12,462,276	433,276	12,029,000	
Interest Payments	63,670	0	10	10	29,661	
Total Direct Expenditure	73,511,490	18,320,042	17,997,994	(322,048)	14,799,619	
Direct Income						
Government Grants	(59,317,650)	(12,897,160)	(13,456,346)	(559,186)	(12,635,200)	
Other Grants, Reimbursements and Contributions	(1,547,420)	(357,457)	(333,894)	23,564	(465,260)	
Sales, Fees and Charges	(16,660)	(930)	(60)	870	(11,870)	
Rents Receivable	(70,440)	(4,535)	(4,093)	442	(4,535)	
Interest Receivable	(218,870)	(68,099)	(69,928)	(1,829)	(77,178)	
RSG, Business Rates and Council Tax	(13,696,650)	(1,954,255)	(1,954,255)	0	(4,913,633)	
Total Direct Income	(74,867,690)	(15,282,437)	(15,818,576)	(536,139)	(18,107,676)	
Net Direct Costs	(1,356,200)	3,037,606	2,179,418	(858,188)	(3,308,057)	
Net Indirect Costs	1,008,090	0	0	0	0	
Net Contribution to/(from) Reserves	(19,296,310)	0	0	0	0	
Total for Corporate Services	(19,644,420)	3,037,606	2,179,418	(858,188)	(3,308,057)	

Department - Corporate Services

	2017/18 Current Full Year Budget £	2017/18 Profiled Budget to date £	2017/18 Actual to date £	2017/18 Variance to Profile £	Comments
<u>Analysis by Service/Function</u>					
Total for Corporate Director, PR and Electoral Services	540,430	111,323	187,562	76,239	This reflects election expenditure that will be reimbursed by the Government / ECC later in the year.
Total for Governance and Legal Services	58,020	108,237	96,503	(11,734)	
Total for Finance, Revenues and Benefits	1,432,000	573,330	395,896	(177,435)	The position to date reflects a number of smaller variances across a range of budgets including salary costs. The grant receivable from the Government for LCTS Administration is also £0.030m higher than budgeted. This will be picked up in the revised budget process later in the year along with any other grant funding changes.
Total for Finance - Other Corporate Costs	4,137,430	(296,275)	(957,248)	(660,972)	The current variance primarily reflects the position against the Fit for Purpose, Contingency and unallocated New Homes Bonus budgets which remain subject to commitments and decisions.
Total for Finance - Financing Items	(12,743,480)	3,885,500	3,904,585	19,085	
Total for Finance - RSG, Business Rates and Council Tax	(13,696,650)	(1,954,255)	(1,954,255)	0	
Total for Property Services	151,100	60,977	60,198	(779)	

Department - Corporate Services

	2017/18 Current Full Year Budget £	2017/18 Profiled Budget to date £	2017/18 Actual to date £	2017/18 Variance to Profile £	Comments
Total for People, Performance and Projects	351,790	175,668	208,859	33,192	The variance to date primarily reflects the position against the Career Track budget with further comments set out in the main body of the report.
Total for IT and Corporate Resilience	124,940	373,100	237,318	(135,782)	Due to the reactive nature of IT expenditure, technical difficulties associated with the rollout of Skype for Business has resulted in further delays in project costs. These are expected to be fully resolved by end of October 2017. There has also been a delay in the commencement of a Microsoft software licencing audit which has resulted in late ordering of additional licences pending the outcome of the audit. This situation should be resolved by end of October/November 2017.
Total for Corporate Services	(19,644,420)	3,037,606	2,179,418	(858,188)	

Corporate Budget Monitoring - General Fund Budget Position at the end of June 2017

Department - Operational Services

	2017/18 Current Full Year Budget £	2017/18 Profiled Budget to date £	2017/18 Actual to date £	2017/18 Variance to Profile £	Next Quarters Profile £	Comments
<u>Analysis by Type of Spend</u>						
Direct Expenditure						
Employee Expenses	8,498,290	2,125,024	2,011,380	(113,643)	2,124,570	
Premises Related Expenditure	2,965,250	1,224,682	1,037,279	(187,403)	469,010	
Transport Related Expenditure	540,370	81,013	103,883	22,870	137,639	
Supplies & Services	4,357,160	957,446	838,289	(119,158)	911,389	
Third Party Payments	4,432,600	386,996	399,031	12,035	1,131,403	
Transfer Payments	121,000	30,250	28,796	(1,454)	30,250	
Total Direct Expenditure	20,914,670	4,805,412	4,418,658	(386,754)	4,804,261	
Direct Income						
Government Grants	(375,530)	(320,930)	(320,937)	(7)	0	
Other Grants, Reimbursements and Contributions	(1,306,980)	(223,183)	(204,681)	18,503	(407,333)	
Sales, Fees and Charges	(7,633,270)	(2,702,500)	(2,738,117)	(35,617)	(1,792,823)	
Rents Receivable	(260,150)	(87,710)	(94,456)	(6,746)	(107,183)	
Total Direct Income	(9,575,930)	(3,334,324)	(3,358,190)	(23,867)	(2,307,340)	
Net Direct Costs	11,338,740	1,471,088	1,060,468	(410,620)	2,496,921	
Net Indirect Costs	1,679,080	(38,887)	(17,148)	21,739	(60,802)	
Total for Operational Services	13,017,820	1,432,200	1,043,319	(388,881)	2,436,119	

Department - Operational Services

	2017/18 Current Full Year Budget £	2017/18 Profiled Budget to date £	2017/18 Actual to date £	2017/18 Variance to Profile £	Comments
<u>Analysis by Service/Function</u>					
Total for Corporate Director and Administration Operational Services	716,620	75,517	47,884	(27,634)	
Total for Public Realm	1,406,840	297,584	189,787	(107,797)	The variance to date primarily reflects the timing of expenditure on items such as utility bills and building repairs along with the favourable position relating to parking income. It is also worth highlighting that at the end of the first quarter, crematorium income is behind profile by £0.043m. Although the timing of income is difficult to predict, this position will be kept under review over the subsequent quarters of the year.
Total for Environmental Services	5,098,180	387,551	403,716	16,165	
Total for Coastal Protection	1,249,880	62,397	50,750	(11,647)	
Total for Customer and Commercial Services	300,740	255,553	216,168	(39,386)	

Department - Operational Services

	2017/18 Current Full Year Budget £	2017/18 Profiled Budget to date £	2017/18 Actual to date £	2017/18 Variance to Profile £	Comments
Total for Sports and Leisure Page 70	3,069,680	(296,280)	(426,832)	(130,552)	The net position against most Leisure facilities is favourable which reflects the current position. However there is a net unfavourable position against Clacton Leisure Centre emerging which will be monitored over the course of the year within the overall leisure facilities budgets. Also costs are being incurred against the Brightlingsea Swimming Pool budget which will be supported by a contribution from Brightlingsea Town Council later in the year when the final position for the 2017 season is known. In addition to the above, income from beach hut sites is ahead of the full year budget by £0.022m.
Total for Housing	1,150,830	63,752	4,183	(59,569)	The position to date primarily reflects the timing of expenditure against homelessness budgets.
Total for Building and Engineering	25,050	586,125	557,664	(28,461)	
Total for Operational Services	13,017,820	1,432,200	1,043,319	(388,881)	

Corporate Budget Monitoring - General Fund Budget Position at the end of June 2017

Department - Planning

	2017/18 Current Full Year Budget £	2017/18 Profiled Budget to date £	2017/18 Actual to date £	2017/18 Variance to Profile £	Next Quarters Profile £	Comments
<u>Analysis by Type of Spend</u>						
Direct Expenditure						
Employee Expenses	1,784,730	417,832	394,905	(22,928)	417,832	
Premises Related Expenditure	2,230	557	0	(557)	557	
Transport Related Expenditure	27,320	6,830	5,539	(1,291)	6,830	
Supplies & Services	1,699,730	447,967	50,139	(397,829)	412,997	
Total Direct Expenditure	3,514,010	873,187	450,582	(422,605)	838,217	
Direct Income						
Sales, Fees and Charges	(1,301,830)	(325,457)	(460,105)	(134,648)	(325,457)	
Total Direct Income	(1,301,830)	(325,457)	(460,105)	(134,648)	(325,457)	
Net Direct Costs	2,212,180	547,730	(9,523)	(557,253)	512,760	
Net Indirect Costs	622,430	0	0	0	0	
Total for Planning	2,834,610	547,730	(9,523)	(557,253)	512,760	

Department - Planning

	2017/18 Current Full Year Budget £	2017/18 Profiled Budget to date £	2017/18 Actual to date £	2017/18 Variance to Profile £	Comments
<u>Analysis by Service/Function</u>					
Total for Head of Planning and Customer Services	4,250	108,967	106,972	(1,996)	
Total for Planning and Development	952,010	38,575	(163,028)	(201,603)	In continuing the trend in recent years, planning fee income is ahead of the budget at the end of the first quarter by £0.117m. There are also a number of smaller variances across a range of budgets contributing to the variance to date.
Total for Planning Policy	1,672,630	369,050	49,780	(319,270)	As was the case last year, the timing of expenditure against the Local Plan budget is associated with the various strands of work that are required to deliver this project that spans financial years. A major element of the process relates to the examination of the plan in public, where it is anticipated that a high level of expenditure will be incurred against this budget at a later date in accordance with the local plan timetable.
Total for Building Control	205,720	31,137	(3,246)	(34,383)	
Total for Planning	2,834,610	547,730	(9,523)	(557,253)	

Corporate Budget Monitoring - Housing Revenue Account Budget Position at the end of June 2017

Housing Revenue Account

	2017/18 Current Full Year Budget £	2017/18 Profiled Budget to date £	2017/18 Actual to date £	2017/18 Variance to Profile £	Next Quarters Profile £	Comments
<u>Analysis by Type of Spend</u>						
Direct Expenditure						
Employee Expenses	813,490	99,590	100,374	784	99,590	
Premises Related Expenditure	3,619,310	528,069	478,254	(49,814)	844,485	
Transport Related Expenditure	18,320	4,580	4,395	(185)	4,580	
Supplies & Services	433,310	128,780	92,105	(36,675)	69,845	
Third Party Payments	1,030	258	0	(258)	258	
Transfer Payments	17,000	4,250	7,592	3,342	4,250	
Interest Payments	1,492,430	(38,424)	(38,201)	223	442,804	
Total Direct Expenditure	6,394,890	727,102	644,520	(82,583)	1,465,811	
Direct Income						
Other Grants, Reimbursements and Contributions	(8,000)	0	(35)	(35)	0	
Sales, Fees and Charges	(667,220)	(145,596)	(117,808)	27,788	(230,578)	
Rents Receivable	(13,525,710)	(2,858,093)	(2,755,326)	102,767	(3,906,624)	
Interest Receivable	(51,600)	0	0	0	0	
Total Direct Income	(14,252,530)	(3,003,689)	(2,873,169)	130,520	(4,137,202)	
Net Direct Costs	(7,857,640)	(2,276,587)	(2,228,649)	47,938	(2,671,391)	
Net Indirect Costs	7,680,690	0	0	0	0	
Net Contribution to/(from) Reserves	176,950	0	0	0	0	
Total for HRA	0	(2,276,587)	(2,228,649)	47,938	(2,671,391)	

Housing Revenue Account

	2017/18 Current Full Year Budget £	2017/18 Profiled Budget to date £	2017/18 Actual to date £	2017/18 Variance to Profile £	Comments
<u>Analysis by Service/Function</u>					
Total for Finance, Revenues and Benefits	(8,735,040)	(2,781,139)	(2,680,257)	100,883	This reflects reduced income from void periods with further details set out in the main body of the report.
Total for Finance - Financing Items	3,184,820	0	0	0	
Total for Corporate Director and Administration Operational Services	581,800	22,020	19,528	(2,492)	
Total for Customer and Commercial Services	(62,920)	0	250	250	
Total for Housing	1,293,010	47,769	26,487	(21,282)	
Total for Building and Engineering	3,738,330	434,764	405,343	(29,421)	
Total for HRA	0	(2,276,587)	(2,228,649)	47,938	

Corporate Budget Monitoring - General Fund Capital Programme

Position at the end of June 2017

	2017/18 Current Full Year Budget £	2017/18 Profiled Budget to date £	2017/18 Actual to date £	2017/18 Variance to Profile £	Comments
Expenditure					
Corporate Enforcement Portfolio					
Millenium Square Works	90,000	0	0	0	
Total for Corporate Enforcement Portfolio	90,000	0	0	0	
Environment Portfolio					
Cremator Replacement and Crematorium Car Park	19,790	0	0	0	
Brook Country Park	530	0	0	0	
Cranleigh Close, Clacton, landscaping works	6,660	0	0	0	
Environmental Health Database Migration	5,250	0	0	0	
Public Access Module to CAPS	56,000	0	0	0	
Laying Out Cemetery	170,120	0	0	0	
Crematorium Flower Court Extension	150,000	0	0	0	Options to take this project forward are currently under consideration.
Total for Environment Portfolio	408,350	0	0	0	

Corporate Budget Monitoring - General Fund Capital Programme

Position at the end of June 2017

	2017/18 Current Full Year Budget £	2017/18 Profiled Budget to date £	2017/18 Actual to date £	2017/18 Variance to Profile £	Comments
Finance and Corporate Resources Portfolio					
Audit management software	2,230	0	0	0	
Joint HR and Payroll System	8,430	0	0	0	
Westleigh House Demolish/additional parking provision	23,710	0	0	0	This scheme will be progressed as part of the wider office rationalisation project that is in progress.
Commercial Property Investment Fund	3,244,500	0	0	0	Following the recent decision by Cabinet to purchase a property in Clacton, it is expected that this will be completed in August.
Information and Communications Technology Core Infrastructure	102,070	0	1,232	1,232	
IT Strategic Investment	222,010	4,000	3,450	(550)	
Agresso e-procurement	84,000	0	0	0	
Channel Shift	350,000	0	0	0	
Individual Electoral Registration - Scanning Equipment	1,560	0	0	0	
New Committee Management System	400	100	0	(100)	
Enhanced Equipment replacement - Printing and Scanning	3,610	0	0	0	

Corporate Budget Monitoring - General Fund Capital Programme

Position at the end of June 2017

	2017/18 Current Full Year Budget £	2017/18 Profiled Budget to date £	2017/18 Actual to date £	2017/18 Variance to Profile £	Comments
Office Rationalisation	1,160,000	0	0	0	The scheme is currently awaiting finalisation of an associated business plan, but is expected to incur expenditure from September 2017 on commissioning of consultants, planning fees and preliminary matters. Although subject to the business case, the physical work is expected to begin in Pier Avenue from December 2017/ January 2018 once the appropriate procurement processes have been undertaken
Total for Finance and Corporate Resources Portfolio	5,202,520	4,100	4,682	582	
Housing Portfolio					
Replacement of High Volume Printers	29,000	0	0	0	The existing machine is currently being maintained. This position is being monitored to identify if any further commitment is required against this budget.
Replacement of Northgate Unix Server	60,000	0	0	0	The existing equipment is currently being maintained. This position is being monitored to identify if any further commitment is required against this budget.
Replacement debit and credit card payment facility	14,630	0	0	0	
Replacement Scan Stations	42,000	0	0	0	
Alteration of Redundant Cash Office	29,260	0	0	0	
Housing in Jaywick	500,000	0	0	0	

Corporate Budget Monitoring - General Fund Capital Programme

Position at the end of June 2017

	2017/18 Current Full Year Budget £	2017/18 Profiled Budget to date £	2017/18 Actual to date £	2017/18 Variance to Profile £	Comments
Private Sector Renewal Grants/Financial Assistance Loans	563,420	4,000	3,305	(695)	
Disabled Facilities Grants	3,047,160	572,540	270,598	(301,942)	
Private Sector Leasing	75,660	0	0	0	
Empty Homes funding	164,220	0	0	0	This project has not been deliverable so will now be reconsidered to identify alternative options / opportunities
Total for Housing Portfolio	4,525,350	576,540	273,903	(302,637)	
Investment and Growth Portfolio					
Clacton Regeneration	41,180	0	0	0	
Regeneration Capital Projects	308,000	0	0	0	
SME Growth Fund Capital Grants	125,000	0	0	0	This is supported by external funding and will be committed as successful applications are made against the SME Scheme
Harwich Public Realm	1,000,000	0	0	0	
Total for Investment and Growth Portfolio	1,474,180	0	0	0	
Leisure and Tourism Portfolio					
Replacement of beach hut supports - The Walings	11,620	0	0	0	
Frinton & Walton Swimming Pool Re-Development	0	0	1,888	1,888	

Corporate Budget Monitoring - General Fund Capital Programme

Position at the end of June 2017

	2017/18 Current Full Year Budget £	2017/18 Profiled Budget to date £	2017/18 Actual to date £	2017/18 Variance to Profile £	Comments
Clacton Leisure Centre Air Handling Units	210,540	5,000	4,260	(740)	The project remains on-going with tenders recently received.
Princes Theatre Toilets	40,000	40,000	0	(40,000)	Works outstanding as awaiting listed building approval.
Coast Protection - Cliff Road Sea Wall	15,130	0	0	0	This project is now complete, with services working to finalise the grant funding position with the Environment Agency.
Venetian Bridge Clacton	149,800	0	0	0	Further details are set out in the main body of the report.
New Beach Huts	64,600	0	0	0	
Cliff Stabilisation Scheme	5,092,630	235,000	13,594	(221,406)	Site preparation works have taken place to identify the current state of the cliff. Services are currently working with the project consultants to outline the scope of the project.
Public Conveniences Works	140,000	0	0	0	Work is now underway following the approval of the Public Convenience Strategy earlier in the year
Total for Leisure and Tourism Portfolio	5,724,320	280,000	19,742	(260,258)	
Total Approved General Fund Capital Programme	17,424,720	860,640	298,327	(562,313)	

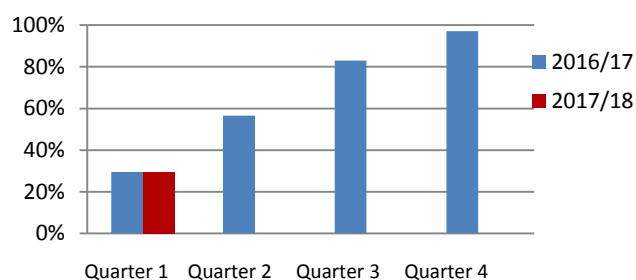
Corporate Budget Monitoring - Housing Revenue Account Capital Programme Budget Position at the end of June 2017

	2017/18 Current Full Year Budget £	2017/18 Profiled Budget to date £	2017/18 Actual to date £	2017/18 Variance to Profile £	Comments
Improvements, enhancement & adaptation of the Council's housing stock	3,649,520	238,192	8,695	(229,498)	This budget covers a range of individual schemes which will be delivered as the year progresses and are subject to the appropriate procurement processes, which are planned, being progressed or are underway.
IT Upgrade & Replacement	20,000	70	68	(2)	
Disabled Adaptations	457,910	100,000	100,924	924	
Cash Incentive Scheme	60,000	0	0	0	
New Build Initiatives and Acquisitions	2,931,430	44,430	44,427	(3)	Of the total TDC funded budget for new build and acquisitions £515k is required to be spent by 31st March 2020 to ensure £155k of 1-4-1 capital receipts can be retained as per the DCLG's housing capital pooling regulations.
Total Housing Revenue Account Capital Programme	7,118,860	382,692	154,113	(228,579)	

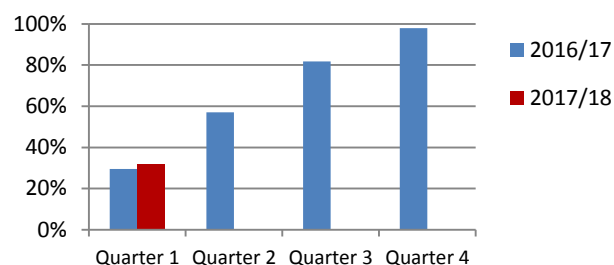
Corporate Debt : Position at the end of June 2017

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

Council Tax (against annual amounts)

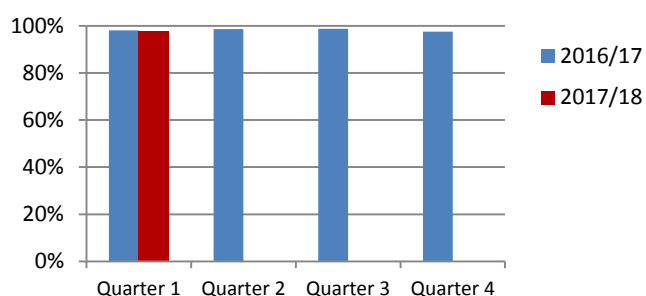


Business Rates (against annual amounts)

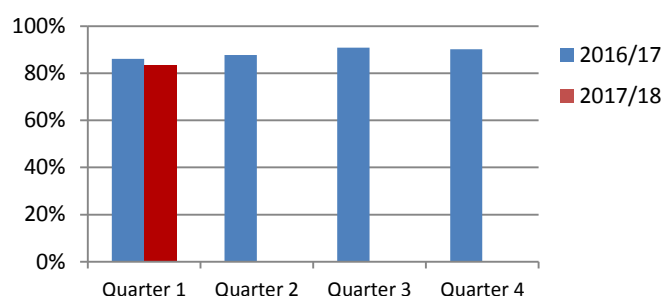


	2016/17	2017/18		2016/17	2017/18
Quarter 1	29.59%	29.58%	Quarter 1	29.60%	31.67%
Quarter 2	56.59%		Quarter 2	57.14%	
Quarter 3	83.02%		Quarter 3	81.74%	
Quarter 4	97.11%		Quarter 4	97.95%	

Housing Rents



General Debt



	2016/17	2017/18		2016/17	2017/18
Quarter 1	98.09%	97.85%	Quarter 1	86.17%	83.64%
Quarter 2	98.64%		Quarter 2	87.85%	
Quarter 3	98.76%		Quarter 3	90.87%	
Quarter 4	97.53%		Quarter 4	90.22%	

Treasury Activity : Position at the end of June 2017

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

TREASURY ACTIVITY

Borrowing	Opening Balance 1 April £'000	Borrowing to date £'000	Borrowing Repaid to date £'000	Balance to Date £'000	Comments
Long Term PWLB Borrowing - GF	771	0	0	771	
Long Term PWLB Borrowing - HRA	45,098	0	540	44,558	
TOTAL BORROWING	45,869	0	540	45,329	
Investments	Opening Balance 1 April £'000	Investments to date £'000	Investments Repaid to date £'000	Balance to Date £'000	Comments
<i>Investments less than a year</i>					
Investments with UK Government via Treasury Bills/Investments with DMO, and Local Authorities and other public bodies	36,000	75,900	69,000	42,900	Net investments have increased over the reporting period due to the timing of the Council's cash flow such as expenditure budgets behind profile or income being received ahead of expenditure.
Investments with UK financial Institutions (including Money Market Funds)	16,865	18,850	14,270	21,445	At the end of the period, investments were held with 11 counterparties.
Investments with non-UK Financial institutions	0	0	0	0	
Total Investments for less than a year	52,865	94,750	83,270	64,345	
<i>Investments for longer than a year</i>	0	0	0	0	
TOTAL INVESTMENTS	52,865	94,750	83,270	64,345	
Interest Paid / Received	Full Year Budget £'000	Profiled Budget to Date £'000	Actual to Date £'000	Variance to date £'000	Comments
Interest Paid on Borrowing - GF	56	0	0	0	The weighted average rate of interest on the Council's GF borrowing is currently 8.14%. (on an accrued basis)
Interest Paid on Borrowing - HRA	1,492	38	38	0	The weighted average rate of interest on the Council's HRA borrowing is currently 3.33%. (on an accrued basis)
Interest Received on Investments	(236)	(62)	(60)	(2)	The weighted average rate of interest being received on the Council's investments is currently 0.38%. (on an accrued basis)
PRUDENTIAL INDICATORS					
	Approved Indicator £'000	Highest amount reached in the period £'000	Comments		
Authorised limit for external borrowing	75,270	45,869	Borrowing has remained within approved limits.		
Operational boundary for external borrowing	67,743				
Debt Cap - HRA	60,285				

Income from S106 Agreements

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

The information below relates to only S106 amounts applicable to TDC.

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

ALLOCATED / BEING SPENT

Scheme	Amount Committed / Planned to be Spent in 2017/18 (including accrued interest as appropriate) £'000
Capital Schemes	
Cranleigh Close, Clacton - landscaping works	7
Revenue Schemes	87
TOTAL	94

UNALLOCATED / UNCOMMITTED TO DATE

Permitted Use as per S106 Agreement	Amount Held / 'Spend by' Date			
	Less than 1 Year	1 to 2 Years	2 to 4 Years	4 years +
	£'000	£'000	£'000	£'000
Regeneration Programme and Initiatives	0	0	0	7
Affordable Housing	0	90	2	108
Town Centre Improvements	0	0	0	43
Open Space*	6	25	55	821
TOTAL	6	115	57	979

* For schemes with a 'spend by' date of less than one year, this money must be spent by March 2018

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Key Decision Required:	No	In the Forward Plan:	No
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CABINET

5 SEPTEMBER 2017

REPORT OF FINANCE AND CORPORATE RESOURCES PORTFOLIO HOLDER

A.5 PERFORMANCE REPORT APRIL - JUNE 2017 – QUARTER ONE REPORT

(Report prepared by Anastasia Simpson & Katie Wilkins)

PART 1 – KEY INFORMATION

PURPOSE OF THE REPORT

To present the Performance Report for the period April – June 2017 (Q1).

EXECUTIVE SUMMARY

The Performance Report 2017/18 sets out the detailed actions and targets for the delivery of the Council’s priorities throughout the year.

Current Performance

The Performance Report for 2017/18 includes the Corporate Plan and Priorities and Projects 2017/18. Of the 15 indicators and projects where performance is measured, 11 (73%) are on, or above, their expected target and 4 (27%) are not currently in line with the expected performance. Explanations of the performance and the supporting data are included in each topic. Three of the indicators and projects highlighted in the report are deemed ‘non measurable’ as Tendring’s role is that of influence.

This report will be presented to members of Corporate Management Committee on the 25th September 2017.

RECOMMENDATION

It is recommended that:

Cabinet considers the Performance Report for the period April – June 2017 (Q1) and determines whether any additional actions are required.

PART 2 – IMPLICATIONS OF THE DECISION

DELIVERING PRIORITIES

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

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

FINANCE, OTHER RESOURCES AND RISK

Resources

The priorities highlighted within the Performance for the period April – June 2017 (Q1) can be delivered within the Council's existing budgets.

Risk

These priorities are all within the current TDC risk framework.

LEGAL

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

OTHER IMPLICATIONS

None

BACKGROUND PAPERS FOR THE REPORT

None

APPENDICES

Appendix A: Performance Report for the period April – June 2017 (Q1).

PERFORMANCE REPORT

Q1 JUNE 2017

APPENDIX A










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Introduction

The following pages include the Council's Corporate Plan 2016 - 2020 and Tendring District Council's Priorities and Projects 2017/18. There is a clear link between the aspirations, detailed in the Plan, and Priorities and Projects noted. Furthermore, this performance report details our performance against these key projects and targets, as well as headline performance in dealing with complaints and our staff's absence rate. Projects and Performance Indicators targets sit under the following headings:-

PROJECTS




	Council and Community		Health and Housing		Employment and Enjoyment
	<u>Transforming the way we work</u> Page 4 & 5		<u>Jaywick Community Development</u> Page 9		<u>Local Plan</u> Page 13
	<u>Financial Self Sufficiency</u> Page 6		<u>Cliff Stabilisation</u> (Protecting our Coastline) Page 10		<u>Economic Development Delivery</u> Page 14
Page 88	<u>Property Management</u> Page 7		<u>Health and Wellbeing</u> (Influencing) Pages 11 & 12		<u>Maximising Tourism and Leisure Opportunities</u> Page 15 & 16
	<u>Education</u> (Influencing) Page 8				<u>Leisure Facilities</u> Page 17
					<u>Garden Community</u> Page 18

TARGETS

			Miscellaneous Indicators
	<u>Fly Tipping</u> Page 19		
	<u>Missed Bins</u> Page 20	-	<u>Sickness and Authorised Covert Surveillance</u> Page 22
	<u>Recycling Rate</u> Page 20		<u>Complaints</u> Page 23
	<u>Handling of Planning Applications</u> Page 21		
	<u>5 Year Housing Land Supply Approvals</u> (Influencing) Page 21		

Current Position

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

Above target	
On target	
Below target	

Corporate Plan 2016-2020

Our Council Our Community

What we will achieve:

- Deliver high quality affordable services
- Balance our budget
- Good governance
- Transform the way we work
- Make the most of our assets
- Engagement with the community
- Support the vulnerable
- Support rural communities
- Effective partnership working

Health and Housing

What we will achieve:

- Promote healthier lifestyles and wellbeing
- Support improved community health
- Deliver a quality living environment
- Local regeneration
- Council house building

Community Leadership

Employment and Enjoyment

What we will achieve:

- Support business growth
- Enable better job prospects
- Facilitate improved qualification and skills attainment
- First rate leisure facilities
- Attractive events programme

Our Vision

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

Our Values

- Councillors and staff uphold **personal integrity, honesty** and **respect** for others
- **Innovative, flexible, professional** staff **committed** to delivering excellence
- Recognising the **diversity** and **equality** of individuals
- Working **collaboratively**

Our Challenges

- Poor health
- Pockets of high unemployment
- Low economic activity
- Reducing budgets while delivering key services
- Poor infrastructure

Our Opportunities

- Clear vision for economic growth and prosperity
- Our coast
- Tourism, culture and sport
- Sea, road and rail connectivity

Our Priorities & Projects 2017/18

Chief Executive

- Strategic lead and corporate interface
- External and partnership engagement
- Essex wide board leadership
- Strategic finance
- Community Safety Hub

Corporate Director (Corporate Services)

- Transforming the way we work
 - Digital
 - Property and assets
 - Accommodation
 - People
- Finance
 - Making the most of our money
 - Savings programme
 - Effective financial management
 - Investment and income
- Elections
- Effective governance

Corporate Director (Operational Services)

- Jaywick Sands regeneration and renaissance
- Cliff stabilisation
- Waste contract renewal
- Inspiring tourism and exciting events
- Harwich public realm
- Modern and accessible customer experience

Corporate Director (Planning and Regeneration)

- Place shaping
- Garden Communities
- Local Plan
- Attracting and sustaining employment and business
- Connecting our residents to business opportunities
- Integrated planning and regeneration experience for our residents and businesses

Community Leadership

- Delivery of high quality, affordable services
- Working positively with others

Transforming the way we work (Council and Community)

“Develop firm costed proposals and project plan/timetable, for Members to agree, and deliver on time and budget.”

Martyn Knappett – Corporate Director

Leisure and Tourism Portfolio Holder

On
Target

Office Rationalisation – A White

Milestones	Progress	To be Completed
Develop detailed delivery plan and seek additional approvals as required.	Drafting is in the advanced stage and subject to verification of key figures.	Spring 17 (revised target July 17)

Modern and Accessible Customer Experience – M Westall

Milestones	Progress	To be Completed
Recruit temporary staff to address back scanning of archives.	The drafting of the Job description and Person Specification is now complete and both, along with a completed Job Evaluation Questionnaire have been submitted to the Council’s HR team for Job Evaluation. It is anticipated that the back-scanning process will commence with the Planning and Careline services.	Aug 17
Deploy centralised post processes.	The new scanner has been installed at the Print Hub and IDOX is currently under trial.	Aug 17
Purchase self-serve and CRM software and implement roll-out with Benefits & Revenues team.	Intergence have now completed the road map exercise inline with the Aug 17 deadline. It is expected that the Business Case will go to Cabinet in Sept 17.	Aug 17

Transforming the way we work (Council and Community) Continued...



“Develop firm costed proposals and project plan/timetable, for Members to agree, and deliver on time and budget.”

Martyn Knappett – Corporate Director

Leisure and Tourism Portfolio Holder

Programme of works for delivery of £1.5m IT investment – J Higgins (Year 3 of 3)

Milestones	Progress	To be Completed
Savings achieved, return on investment following project.	The investment programme has to date generated one-off savings of £116k with an estimated ongoing saving of £129k (£76k Cabinet target exceeded).	Sept 17
Wi-Fi Networks, server upgrades and virtualisation to be completed.	Council Wi-Fi reprogrammed to a less congested bandwidth to reduce outside interference and Wi-Fi access points reprogrammed in key areas to increase signal availability. Additional access points were prepared for electoral count on 8 June 17.	Virtualisation - Completed Wi-Fi - Ongoing
Complete plan for roll-out of self-serve kiosks around Tendring District and begin implementation.	On hold pending the outcome of work to develop the 2017-2020 IT Digital Strategy in line with the recently adopted Customer Service Strategy.	Aug 17
IDOX Document management implemented.	Corporate roll out is ongoing. Change in timescale due to further supplier action required on configuration structure, earliest date secured with IDOX.	Scheduled for completion Sep 17
Mobile hardware issued.	New IDOX system mobile app licenses purchased with mobile working trials commencing in Environmental Services.	The initial phase of rolling out laptops is complete. Enabling mobile working is a project that is likely to be ongoing for next 12-24 months as each of our core software applications (IDOX, Northgate etc.) provide either mobile applications themselves or unlock their software (release APIs) for the Council to work with 3rd parties to mobilise our staff.
MS Lync rolled out to all users. NOTE: Microsoft Lync is now called Microsoft Skype for Business or MS SfB.	Council has 260 Skype users which is just over 50%. Training/roll-out ongoing.	Scheduled for completion Sep 17

Financial Self Sufficiency (Council and Community)

“Investigate opportunities to generate a self-sufficiency approach to the funding of the Council’s overall budget.”

Ian Davidson – **Chief Executive** Finance and Corporate Resources Portfolio Holder



Delivery Mechanism: Portfolio Holders/Services have identified some potential savings as detailed below.

Current Savings Activity	Estimated / Potential Saving	Impact 2018/19	Impact 2019/20
Office Transformation	£120,000	£0	£100,000
Changes to CAROS	£40,000	£10,000	£20,000
Open Space / Playgrounds Efficiencies	£72,000	£30,000	-
Reduction in the number of Public Conveniences	£100,000	£15,000	£25,000
Reduction in the Number of Members	£60,000	£0	£60,000
Totals	£392,000	£55,000	£205,000

Update: Cabinet will be considering its 2018/19 Financial Strategy at its September 17 meeting. However, work remains in progress to deliver a balanced budget in 2018/19 and beyond with savings secured to date set out below.

Savings Target over period 2018/19 to 2019/20	
Savings target 2018/19	£1.9m
Savings target 2019/20	£1.5m
Total Savings Target	£3.4m

Milestone	Current Position	Progress
Increase in Business Rates Collectable	£325,963	Increase over March 2017 figures
Increase in Council Tax Base (properties - comparing June 2017 to June 2016)	575	

NB: The milestones give an indication of the growth or reduction in locally raised income, which underpin the Financial Forecast / Strategy.

Property Management

(Council and Community)

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“Strategic management of the Council’s land assets.”

Martyn Knappett – **Corporate Director**

Finance and Corporate Resources Portfolio Holder

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

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

Milestones	Progress	To be Completed
Adopt an Asset Management Plan, Property Strategy, Property Programme and procedure rules for Corporate Property Management.	Completed.	May 17
Disposal initiative to identify £1m of further disposals.	Two sites (the Old Isolation Hospital Site, Dovercourt and land adjacent 19 Gainsborough Drive, Lawford) are currently going through the disposals process and further sites are being identified.	Aug 17
Secure an acquisition for Investment in property.	A potential investment property has been identified. Report to Cabinet planned 14 July 17.	Nov 17
Stock take of property records, create a clear digital archive structure and complete a rationalisation of stored material.	Some work will be carried out to the records as disposals are identified and further work will progress when normal staffing levels are reached. (Recruitment process now complete).	Dec 17
Review stock take in the light of the Property Strategy.	Some work will be carried out to the records as disposals are identified and further work will progress when normal staffing levels are reached. (Recruitment process now complete).	Mar 18
Secure the construction and use of the new sports facilities at Eastcliff, Holland on Sea.	Specification and S106 agreement in place, start on site is imminent.	Sep 18
Complete action plans for the disposal of poor quality sites at Main Road, Dovercourt and Station Yard Walton.	Main Road Dovercourt is currently on the market. Discussions with Network Rail on the Station Yard site remain ongoing.	Nov 18

Education (Influencing Role)

(Council and Community)

“Deliver the agreed plan to improve educational attainment and aspiration in Tendring.”

Martyn Knappett – **Corporate Director** Health and Education Portfolio Holder

Delivery Mechanism: As a community leader, there are a number of education work streams that underpin this, which are to be delivered in 2017 via the Tendring Education Improvement Group.

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

Milestones	Progress	To be Completed
Supporting IntoUniversity and Teach First joining Tendring in 2017.	IntoUniversity: Learning Centre Manager appointed. Location of Learning Centre secured. 9 teachers placed by TeachFirst in Tendring to date (from Sept 16).	Mar 18 (ongoing)
Strengthen links with universities, review Memorandum of Understanding (MOU) with Anglia Ruskin University.	New 3 year MOU with Anglia Ruskin agreed.	New 3 year agreement in place by end June 17
School Places.	Future members briefing on Essex County Council, ECC's new 10 year plan (presented to Community, Leadership and Partnership, CLAP Committee) for School Places to be considered.	Mar 18
Children and Young Persons Strategy.	Research and consultation with relevant partners/officers in progress.	Oct 17
Evaluation of pilot mental health hub in a primary school.	Two cycles of the six week Wellbeing Hub Programme completed end June 17.	Nov 18

Jaywick Sands Community Development (Health and Housing)

“To increase the stock of new affordable/Council homes.”

Paul Price – Corporate Director Housing Portfolio Holder



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

Update: Ecological survey underway and core sampling commenced.

Milestones	Progress	To be Completed
Identify funding mechanisms.	Ongoing work with external funders and Homes and Communities Agency (HCA).	Ongoing
Development vehicle/mechanism agreed, may be linked to garden settlement delivery vehicle.	Ongoing.	Dec 17
Put in place development pipeline based on outputs from funding workshop and collaborative work with ECC and residents.	Development pipeline to commence with five Starter homes and five Council houses.	Ongoing
Commence development of one of the three identified preferred development sites.	On site July 17 with core sampling – water leak will delay sampling (now isolated) Planning application submitted.	Working towards an ‘on site’ date of August 17

Page 5

Cliff Stabilisation (Protecting our Coastline)

(Health and Housing)

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

Paul Price – **Corporate Director**

Leisure and Tourism Portfolio Holder

Delivery Mechanism: Appoint consultant, via Environment Agencies Government led framework, to undertake detailed geomorphological assessment of the cliff frontage and prepare detailed design of measures to improve performance and stability of those areas of the coastal slope which are identified as greatest risk.

Update: Tendring District Council (TDC) continue to work with Mott MacDonald to develop a solution to coastal cliff instabilities.

Milestones	Progress	To be Completed
Completion of ground investigation.	Ground Investigations are now complete and information is being used to aid the design process.	Apr 17
First Design Workshop.	The first design workshop took place on 7 April 17.	May 17
Completion of Outline Design.	Design meeting took place 8 June 17, outline design is now complete.	Jun 17
Completion of Detailed Design.	See timetable above.	Aug 17
Completion of Tender Documents.	See timetable above.	Sep 17

Health & Wellbeing (Influencing Role)

(Health and Housing)

“Seek to influence and assist partners in the delivery of improved health and wellbeing outcomes for residents and visitors to the area.”

Paul Price – **Corporate Director**

Health and Education Portfolio Holder

Delivery Mechanism: Working with partners to identify shared opportunities to help drive improvements.

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

Milestones	Progress	To be completed
Livewell Campaign <i>(Partnership arrangement with Braintree Council and Essex County Council).</i>	The Livewell Tending was launched internally at the Employee Benefit and Livewell event on 15 June 17. The Livewell stand individually engaged with 60 staff discussing the initiative, with 33 staff taking the time to complete the Livewell staff survey on the day (<i>the survey was also placed on the Council's intranet to maximise response rate</i>). Results will be used to develop an internal 'Livewell, Workwell programme' that will be implemented by the internal Livewell champions (15 staff currently recruited). Public Health Improvement Coordinator is currently working with ECC and Braintree DC on the development of an external Essex wide Livewell website.	Jun 17
Public Health Officers Group (PHOG) - Working towards a Health & Wellbeing Strategy.	TDC Public Health Officer's Group (PHOG) group met on 6 June 17 with agenda covering Public Health Grant Funding, Livewell Tending, Sport England Local Delivery Pilot, Tending Health and Wellbeing Strategy as well as planning at a County level. Next meeting planned for August 17.	Aug 17
Outdoor Gym in Cliff Park, Harwich.	Working with Open Spaces and Leisure teams to obtain funding, quotes and decide on appropriate equipment supplier. Remainder of funding sources from Section 106 money. Open Spaces currently talking with HAGS - (company name) to arrange installation. Open Spaces have ordered equipment for potential installation in August 2017.	Aug 17

Health & Wellbeing (Influencing Role) Continued...

(Health and Housing)

“Seek to influence and assist partners in the delivery of improved health and wellbeing outcomes for residents and visitors to the area.”

Paul Price – **Corporate Director**

Health and Education Portfolio Holder

Delivery Mechanism: Working with partners to identify shared opportunities to help drive improvements.

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

Milestones	Progress	To be completed
Housing and Health Increase awareness of housing hazards and strengthen the referral pathway between TDC, and Anglian Community Enterprise (ACE).	<p>A housing hazard training video is currently being developed by Head of Housing, Public Health Improvement Coordinator and Business Support Assistant. Work is also being undertaken to collaborate with Colchester Borough Council on a dual housing hazard checklist, as requested by ACE.</p> <p>This project is also being implemented within the ACE NHS Health Check Team. Public Health Improvement Coordinator is currently working with TDC Business Support Assistant to develop promotional resources containing housing hazard awareness information that will be given to all residents who participant in an NHS Health Check in an outreach capacity.</p>	Dec 17
Clacton Junior parkrun	Public Health Improvement Coordinator has proposed £3,000 of the Public Health Grant Funding be allocated for this project. Discussions are currently occurring with Clacton Seafront parkrun core team in order to recruit a core team for the Junior parkrun.	Dec 17
Harwich Junior parkrun	Public Health Improvement Coordinator has proposed £3,000 of the Public Health Grant Funding be allocated for this project. Discussions are currently occurring with Harwich parkrun core team in order to recruit a core team for the Junior parkrun.	Dec 17

Local Plan (Employment and Enjoyment)



“Ensure a robust Local Plan is adopted within the timeframe stipulated.”

Catherine Bicknell – Head of Planning Corporate Enforcement Portfolio Holder

Delivery Mechanism: Elements of the evidence base will be updated to inform the plan. The timetable will coincide with that of Colchester Borough Council and Braintree District Council, as far as possible, to support the Council’s duty to co-operate. Publication Draft of Local Plan to be reported to Local Plan Committee 23 May 17 and to Council 15 June 17.

Update: Publication Draft of Local Plan was reported to Local Plan Committee 23 May 17 and to Council 15 June 17. Public consultation on the Publication Draft Local Plan started 16 June 17.

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Milestones	Progress	To be Completed
Approval of publication draft for consultation.	Complete.	Jun 17
Publication draft consultation.	In progress.	Jun/Jul 17
Submit draft Plan to Secretary of State.	On target.	Oct 17
Examination in Public	On target.	Dec 17

Economic Development Delivery

(Employment and Enjoyment)



“To deliver against the objectives of the Council’s Economic Development Strategy. The Council’s approach focuses on the development and delivery of projects already in the pipeline and on those linked to the opportunities afforded by: Offshore Renewables in Harwich; the A120 Growth Corridor; and links with the University of Essex and it’s Knowledge Gateway.”

Ian Davidson – Chief Executive Investment and Growth Portfolio Holder

Delivery Mechanism: Projects and other interventions will be developed and delivered in-house and in partnership with the Council’s key public and private sector partners.

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

Milestones	Progress	To be Completed
Deliver a Creative and Cultural Strategy with associated Implementation Plan, detailing project interventions.	Expression of Interest (EOI) registered with Arts Council.	Sep 17
Deliver four business/skills events to promote growth in line with the Council’s Economic Strategy.	Plans for Business Event on 4th July completed. Jobs & Careers Fair and Blue Ribbon Awards to be delivered in October 17.	Oct 17
South East Local Enterprise Partnership (SELEP) Coastal Communities Group (CCG).	Specification for work prepared. Funding to be established.	Nov/Dec 18
Roll-out the Council’s Small, Medium Enterprise (SME) Growth Fund targeted on new and existing businesses within the District.	Work continues to promote the availability of grant funding via this Scheme. Two businesses have recently been awarded funding in the value of £92,559. Additional EOI’s received from other eligible businesses.	Mar 18
Energy, Marine Engineering and Port related activity.	Draft proposals discussed and agreed with Essex County Council ECC/ Haven Gateway Partnership (HGP).	Mar 18
Dig 4 Jaywick Community Garden.	To offer ongoing support for the development of a community garden project, working with volunteers and projects assistant. Community Garden Group to hold Open Day 26 July 17.	Mar 18

Maximising Tourism and Leisure Opportunities

[Back to Top](#)

(Employment and Enjoyment)

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

Paul Price – **Corporate Director**

Leisure and Tourism Portfolio Holder



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

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

Milestones	Progress	To be Completed
District Wide Tourism Strategy	Development and adoption of a 3 year Tourism Strategy.	Aug 17
Tour de Tendring	The Tour de Tendring took place on Sunday 14 May 17 and was considered a great success, with approximately 1,000 cyclists took part in the event, despite the early morning rain.	May 17
Beside the Seaside	The first Beside the Seaside event took place on Sunday 18 June. The Harwich Festival Team were commissioned to project manage the event, which included a wide variety of musical and traditional entertainment. For the first time, a similar event will be held at Dovercourt Bay on 13 August. The programme for this event will also include a live music stage and traditional seaside activities.	<p>Clacton: Jun 17</p> <p>Dovercourt Bay: Aug 17</p>
Clacton Air Show	The Red Arrows, Battle of Britain Memorial Flight, Tigers Parachute Team and Catalina have all been confirmed for the 2017 event. Night flights have also now been announced to a very positive response. Three planning meetings have taken place with the full range of partners including emergency services. Trade stand bookings have ‘sold out’ for the event site and sponsorship is the highest it has been for a number of years.	Aug 17

Maximising Tourism and Leisure Opportunities

Continued...

(Employment and Enjoyment)



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

Paul Price – **Corporate Director**

Leisure and Tourism Portfolio Holder

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

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

Milestones	Progress	To be Completed
<p>Mayflower 400: Series of events and projects to build up to the celebrations in 2020, including:-</p> <p>Agree projects and events for Mayflower 400.</p> <p>Deliver Illuminate Festival.</p> <p>Work with National Partners to deliver national Mayflower Trail to sell to American market.</p>	<p>A report on Mayflower 400 is due to be presented in July, with an accompanying action plan. A bid to the Heritage Lottery Fund which was submitted by the National Mayflower Compact was unfortunately unsuccessful. Therefore, other funding options and the way forward will be discussed by the Mayflower National Compact at its next meeting in July.</p>	<p>Jul 17</p> <p>Nov 17</p> <p>Ongoing</p>
<p>Princes Theatre</p> <p>Delivery of Annual Pantomime</p> <p>Deliver two events/exhibitions</p>	<p>Current online sales have risen to 25.34% of total sales. Gift vouchers for the Princes Theatre have now been implemented. Quotation requests have been sent out for replacing the seating in the tiered section of the theatre. We have numerous hires and events booked including; football awards, boxing, local amateur dramatics, shows and weddings.</p>	<p>Dec 17</p>

Leisure Facilities (Employment and Enjoyment)

“To ensure staff productivity levels are maintained.”

Paul Price – **Corporate Director**

Leisure and Tourism Portfolio Holder



Delivery Mechanism: This will be achieved by targeting income generating activities which do not involve additional staffing costs.

Update: June's productivity target was 88%. The actual productivity rate achieved was 87%. This figure is achieved by taking the salary costs and marking against the income achieved. There can be large monthly variations in salary costs due to holiday pay for casual staff, and variations in income due to membership offers or course income, which can be difficult to predict and profile for. Therefore, it is more realistic to look at the quarterly figures for a better interpretation of performance. The first quarter productivity target was 78%. The actual productivity rate was 84%. (Target Salaries £432,561 Target Income £552,473 vs Actual Salaries £428,526 Actual Income £513,168). In this quarter, this is due to the lower rate of membership income which is still recovering from the new local competitor and the closure at Walton. However, the direct debit income is in slow but steady recovery and salary spend is under control to mitigate against this.

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Milestones	Progress	To be Completed
Reduce % of salaries against income from 77% to 76%	-6%	Mar 18

Garden Community (Employment and Enjoyment)



“Innovative joint work with Colchester Borough Council (CBC), Braintree District Council (BDC) and Essex County Council (ECC) to develop a number of communities in North Essex based on Garden City principles.”

Martyn Knappett – Corporate Director

Leader

Delivery Mechanism: Selection of locations to be part of the Local Plan process. Funding made available (£1.2million) by Central Government to support the work. Leader and Chief Executive sit on Shadow Delivery Board which oversees the project. Corporate Director and Head of Planning Services sit on senior officer Steering Group and Legal, Finance and Planning Officers participating in topic work streams. Close collaboration on Local Plan process re Garden Communities approach. A shared Chapter1 of the Plan and specific requirements of any proposed Garden Community proposals across North Essex. Looking to form Local Delivery Vehicles (LDV's) (potentially companies) to progress each Garden Community Area allocated in the Local Plan. LDV's to take a key role in bringing forward development quickly and to a high quality.

Update: Update report (including latest info re Development Corporations) to be made to Council Cabinets in September and an All Member Briefing at the end of August 17.

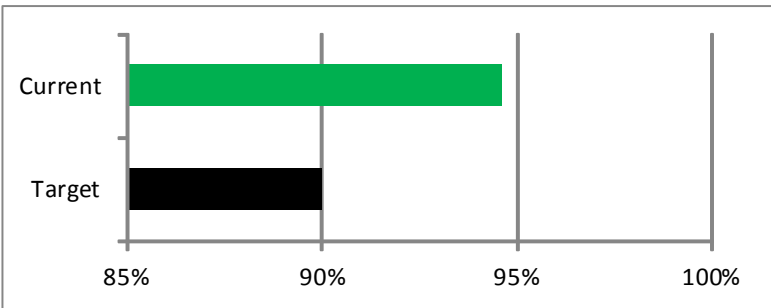
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	Progress
Governance	NEGC and LDVs established. Directors appointed as agreed by Council. John Spence of ECC is Chairman. NEGC now meeting regularly and overseeing/ directing the project. LDVs not yet active as land negotiations yet to be concluded.
Land Negotiations	Negotiations not concluded but ongoing. See below re Development Corporation potential.
Planning	All three Councils Local Plans agreed for consultation. Joint clear strong Part 1 sets out Garden Community requirements.
Development Corporation / Compulsory Purchase Order (CPO)	New legislation this year provides potentially much more powerful way to achieve Garden Communities including possible use of CPO – being actively explored.

Fly Tipping (Health and Housing)

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

Monthly Performance Data



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

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

Month	A	M	J	J	A	S	O	N	D	J	F	M
No. of incidents	116	116	130									
No. r'mvd <72hrs	112	110	123									
Performance (%)	96.6 %	94.8 %	94.6 %									

TARGETS

Missed Bin Collection

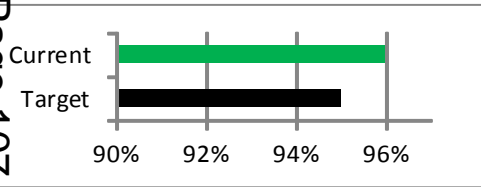
(Health and Housing)

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

With approximately 65,000 homes in Tendring, and each property having two bins collected per week, there is over half a million bins collected per month in Tendring.

Monthly Performance Data

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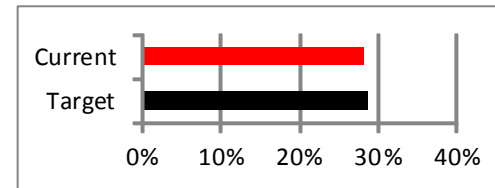
Month	A	M	J	J	A	S	O	N	D	J	F	M
Target	95%	95%	95%	95%	95%	95%	95%	95%	95%	95%	95%	95%
Performance	96%	96%	96%									

Recycling Rate

(Health and Housing)

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

Monthly Performance Data



Month	M	A	M	J	J	A	S	O	N	D	J	F	M
Target (%)	29.0%	29.0%	29.0%	29.0%	29.0%	29.0%	29.0%	29.0%	29.0%	29.0%	29.0%	29.0%	29.0%
Performance	27.7%	28.0%	28.4%										

Recycling data minimum of 1 month behind.

Handling of Planning Applications

(Health and Housing)

Handling of Planning Applications : Speed			
To ensure that the following types of planning application are processed during the assessment period as follows:			
2017 Assessment Period (01.10.14 - 30.09.16)			
Major 50% within 13 weeks		Non-Major 65% within 8 weeks	
Major	63.21 %	Non-Major	90.09 %
2018 Assessment Period (01.10.15 - 30.09.17)			
Major 60% within 13 weeks		Non-Major 70% within 8 weeks	
Major	49.13 %	Non-Major	88.80%

Handling of Planning Applications : Quality			
Decisions Overturned On Appeal.			
2018 Assessment Period (01.10.15 - 30.09.17)			
Major <10%		Non-Major <10%	
Major	5.48 %	Non-Major	98.00 %

NB. New legislation released in 2016 under the Town and Country Planning Act states that the assessments period dates in regards to the quality and speed of handling planning applications for 2017 and 2018 are as noted above.



**5 YEAR HOUSING SUPPLY
(Influencing Role)**

This figure has now been achieved, currently reported at 5.1 years as at 30.05.17. Figures will be updated when produced for Planning Appeals

A blue circle containing the text "On Target" in white, indicating that the 5-year housing supply target has been achieved.

Complaints (Council and Community)

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



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

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

Stage 1
Complaints
Performance
Page 110

	APR	MAY	JUN	JUL	AUG	SEP	OCT	NOV	DEC	JAN	FEB	MAR
No.	5	10	12									
% Time	100%	90%	100%									

Stage 2
Complaints
Performance

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

Notes: Three of the Twelve Stage 1 complaints received holding replies whilst further investigations took place before a full reply was sent. No Stage 2 complaints were reported. The Council has two Ombudsman complaints awaiting decisions.

The reason for the 90% in May 17 was because one of the ten Stage 1 complaints (Planning) was posted late due to staff absence.

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

5 SEPTEMBER 2017

REPORT OF THE HOUSING PORTFOLIO HOLDER

A.6 HOUSING MANAGEMENT ON BEHALF OF THE LAWFORD HOUSING ENTERPRISE TRUST

(Report prepared by Tim Clarke)

PART 1 – KEY INFORMATION

PURPOSE OF THE REPORT

To seek approval of Cabinet, in principle, to enter into a management agreement with Lawford Housing Enterprise Trust (LHET) to manage houses on their behalf. The LHET is to be gifted 8 houses on a new development to be let at social rent levels to persons with a connection to the Lawford area.

EXECUTIVE SUMMARY

- A s106 affordable housing contribution for a site in Lawford has been made by way of gifting 8 units of accommodation to a specially formed housing enterprise trust (planning application reference 13/00452/OUT);
- LHET proposes to offer up the dwellings as affordable accommodation on fixed term tenancies. The properties will be owned by the LHET and let to tenants drawn from the Council's Housing Register who have a local connection to Lawford;
- Given the intended use of the 8 houses as affordable dwellings and the proposal to allocate tenants from the Housing Register, LHET approached the Council to consider this option as it makes sense for the Council to managing the properties on behalf of LHET, who do not have any experience in this area, providing terms could be agreed;
- Whilst management agreements exist elsewhere in the country the circumstances surrounding the creation of the arrangement with the LHET are thought to be unique and arose as a consequence of the affordable housing market situation at that point in time;
- Following financial and resource analysis officers believe that it would be viable to enter into a management arrangement with LHET and have calculated a management fee. The fee would include costs associated with allocation and identification of potential tenants, all aspects of tenancy management, rent collection and management of the maintenance of the dwellings.

RECOMMENDATION(S)

It is recommended that Cabinet:

Agrees in principle to the Corporate Director (Operational Services) and Corporate Director (Corporate services) to undertake negotiations and agree the terms of a management arrangement with LHET, the final details of which to be further reported and approved by Cabinet.

PART 2 – IMPLICATIONS OF THE DECISION

DELIVERING PRIORITIES

The decision will contribute to the following priorities:

- Engagement with the local community
- Support rural communities
- Effective partnership working
- Local regeneration
- Deliver a quality living environment

It will also support the vision to put community leadership at the heart of everything we do.

FINANCE, OTHER RESOURCES AND RISK

Finance and other resources

An analysis of the costs associated with the management and maintenance of the Council’s housing stock has been undertaken in order to determine the likely cost to LHET of a management arrangement with the Council. The service would be charged at cost so that the Council does not generate a surplus whilst keeping the fees as low as possible so as support the provision of affordable housing.

Based on the housing management costs associated with Housing Revenue Account properties along with associated budget recharges a fee of £691 per year, per property has been calculated to cover all of the likely costs that will be incurred in managing the houses.

Given that the number of units involved is small it is anticipated that the additional level of work will be fairly de minimis for the officers involved. This will continue to be the case should the trust be gifted or build further properties in the future.

Actual costs will be subject to further discussion and negotiation with LHET as part of the process of drawing up the management agreement, although upon initial discussion the Board of Directors appeared comfortable with the level of fee proposed.

Risk

There are few risks associated with the proposed arrangements. Full costs will be recovered in the same way that they are for Council owned dwellings and the arrangement will be formalised by a management agreement entered into by both the Council and LHET setting out very clearly what the responsibilities and liabilities of each party will be. The arrangements will be subject to at least an annual review and there will be regular contact with members of the LHET Board.

It is possible that other trusts or housing providers could approach the Council in the future about providing a similar service to them. Any such request would be considered on its own merits and be subject to a separate decision.

Management of private sector residential tenancies is a new area of work for the Council but with the appropriate training officers will be able to apply existing skills in tenancy management to the private sector legislative requirements. In addition the LEHT is keen to ensure that the tenancy terms offered are broadly similar to those within the Council’s own stock.

LEGAL

The proposals are within the Council's legal powers and General Power of Competence under the Localism Act 2011. The power to recover costs for a discretionary service are allowed through the Local Government Act 2003.

The Management Agreement that is proposed will form a legal agreement between the Council and the LHET and will set out the obligations of both organisations.

OTHER IMPLICATIONS

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

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

Area or Ward

The following are wards where the dwellings will either be located or where tenants are most likely to be drawn from.

Lawford

Manningtree, Mistley, Little Bentley and Tendring

Ardleigh and Little Bromley

PART 3 – SUPPORTING INFORMATION

BACKGROUND

The Lawford Housing Enterprise Trust (LHET) was set up in response to a section 106 agreement under the Town and Country Planning Act 1990 making provision for affordable housing within a development. It was proposed that 8 2-bedroomed properties would be gifted to the Trust. Rather than the traditional method of houses being sold or gifted directly to the Council or a housing association an alternative method was to form a trust to ensure the houses were retained for occupation by persons with a local connection. This was a unique arrangement and was driven by the market conditions at that time. The uncertainty over the future of rent policy and the suggestion of cuts in rents for the social housing sector, coupled with the almost total removal of capital support for Registered Providers meant that there was little, if no, interest in the acquisition by Registered Providers of large numbers of s106 units across Tendring, which was replicated elsewhere in the country.

LHET does not have any housing management expertise as such and the intention of the Trust has been to look for the management to be undertaken by third parties. Due to the Council's expertise in this area the Housing Service has been approached to provide this service for a fee. The houses are expected to be ready for occupation in the Spring of 2018. Further proposed developments in the area are expected to add 9 and then 14 additional units to LHET over the next few years, bringing the total to 31 units.

Whilst the Council has not managed any private sector homes previously the principles and requirements in respect of the tenancies are largely the same and it is proposed that the additional duties be absorbed into the Housing Service.

LHET is fully set up with a board of 6 directors and initial discussions have been held with officers over management arrangements. The Board of Directors will decide who will be

offered tenancies and tenants will be required to meet the requirements of a dedicated allocations policy that the Council will advise upon and manage. Tenants may be proactively seeking accommodation via LHET or be selected from the Council's Housing Register. It is proposed that the processes of allocation, sign up and then tenancy management will be undertaken by the Council. Maintenance of the dwellings will be arranged and managed by the Council using the existing arrangement as for the general Council housing stock but the cost of the maintenance will be charged at cost to the Trust. This will be of benefit to LHET due to the economies of scale created and support their ambition to provide affordable local housing.

Officers have undertaken an analysis of the costs associated with housing management and have come up with a fee for discussion and agreement with LHET as set out under the Finance heading above. All fees will be charged at cost so the Council will not be generating a surplus. There will be scope to review fees as the arrangement matures and lessons are learned.

It is proposed that a management arrangement be drawn up between the Council and LHET to clearly set out the obligations of each party.

CURRENT POSITION

The current position is that financial analysis has been undertaken in order to determine the management fees, a local lettings policy is being drafted and terms are being drawn together for the proposed management arrangement. All of these will be for consideration by LHET and a decision about whether they wish to proceed with the Council managing the dwellings on their behalf.

Other considerations

None

BACKGROUND PAPERS FOR THE DECISION

None

APPENDICES

None

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

5 SEPTEMBER 2017

REPORT OF CORPORATE ENFORCEMENT PORTFOLIO HOLDER

A.7 CORPORATE ENFORCMENT STRATEGY

(Report prepared by Karen Neath)

PART 1 – KEY INFORMATION

PURPOSE OF THE REPORT

To seek approval to the Corporate Enforcement Strategy following consultation and to seek agreement to implement the Strategy and Services Standards within services.

EXECUTIVE SUMMARY

- At the meeting on 16 December 2016 Cabinet considered, and agreed for consultation, a draft Corporate Enforcement Strategy.
- The draft Strategy has been considered by the Community Leadership and Partnership Committee, Planning Committee, Licensing Committee and the Community Safety Partnership. Comments are set out in Appendix A, together with responses and an indication as to whether the Strategy has been updated in light of the comment.
- The updated Strategy is attached at Appendix B. As well as amendments for any comments from consultees the Strategy has been updated to reflect the new responsible Portfolio Holder which is the Portfolio Holder for Corporate Enforcement. Amendments are highlighted in yellow.
- Once the Corporate Enforcement Strategy is agreed, the next steps will be for services to review their own policies in line with the Corporate Strategy and for the service standards to be embedded across the authority.
- The Portfolio Holder will lead on further engagement on the Harm Assessment to develop and agree a harm risk assessment that can be used to prioritise and support decision making on enforcement cases across the authority. The harm risk assessment will need to accommodate both corporate and service specific risks and scoring and set out a consistent approach to judgements on which cases are deemed to be harmful and which are not.
- Further work will also be undertaken to publicise the corporate approach to enforcement and to update the Council's website.

RECOMMENDATION(S)

It is recommended that:-

- a) The Corporate Enforcement Strategy and Service Standards as set out in Appendix be approved;**
- b) each service now reviews its own enforcement policy in line with the Corporate Enforcement Strategy;**
- c) services now adopt and use the Services Standards; and**
- d) authority be delegated to the Corporate Enforcement Portfolio Holder to develop with Officers and agree a harm risk assessment for use across the Council.**

PART 2 – IMPLICATIONS OF THE DECISION

DELIVERING PRIORITIES

Adopting a Corporate Enforcement Strategy will provide a means for engaging with the community to explain to how its enforcement services will be targeted and delivered following harm and risk assessments, encouraging compliance through communication and partnership working.

Adopting Principles of Good Regulation demonstrates good governance through openness and transparency, helpfulness, consistency, proportionality, targeting resources on higher risk and accountability.

FINANCE, OTHER RESOURCES AND RISK

Finance and other resources

There are no financial implications of implementing the Strategy itself.

During the consultation questions were raised about the possibility of recovery of costs of actions taken to enforce against an individual or business. At present this is not possible but will be monitored. It may be possible, depending on the circumstances of a case to look at whether funds could be recovered through the Proceeds of Crime Act.

A link to all the Council's fees and charges is included in the Service Standards.

Risk

The introduction of the draft Corporate Enforcement Strategy and associated Service Standards will summarise Tendring District Council's intended approach towards enforcement and dealing with non-compliance. It is intended that adherence to the Principles will increase public confidence, awareness and understanding of the factors taken into consideration and consequently, reduce adverse criticism of enforcement activity. A corporate harm assessment will developed through engagement across the Council led by the Portfolio Holder.

LEGAL

Local authority regulators whose functions are specified by order under section 24(2) of the Legislative and Regulatory Reform Act 2006 are bound to have regard to the Regulators' Code when developing policies and operational procedures that guide regulatory activities.

The Government have stated that they will monitor published policies and standards of regulators subject to the Code, and challenge local authorities where there is evidence that policies and standards are not in line with the Code or are not followed.

The Strategy accords with the government's 'Better Regulation Agenda'. Specifically, it implements good practice recommended by the Cabinet Office Enforcement Concordat, the Regulators' Code; and the regulatory principles required under the Legislative and Regulatory Reform Act 2006 ("the 2006 Act"), including the duty to have regard to economic growth ('the Growth Duty'). The provisions of Section 6 of the 2006 Act include an expectation that local authorities will publish a clear set of service standards, setting out what those they regulate should expect from them.

"Enforcement" includes any action taken by officers aimed at ensuring that individuals or businesses comply with the law. The term "enforcement" therefore has a wide meaning and applies to all dealings between the Council and those upon whom the law places responsibilities. It is not limited to formal enforcement action such as prosecution, but can

include a range of interventions that seek to achieve compliance with the law.

OTHER IMPLICATIONS

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

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

Crime and Disorder

The Regulators' Code and Draft Corporate Enforcement Strategy contributes to the Council's duty to exercise its various functions with due regard to the likely effect of the exercise of those functions on, and the need to do all that it reasonably can to prevent, crime and disorder in its area.

Equality and Diversity

An assessment of the impact of the recommendations in this report has been undertaken and no potential for discrimination or adverse impact has been identified and all opportunities to promote equality have been taken.

Consultation / Public Engagement

Consultation has been undertaken with the Community Leadership and Partnership Committee, Planning Committee, Licensing Committee and the Community Safety Partnership whose statutory members other than Tendring District Council are Essex Police, Essex Fire, North East Essex Clinical Commissioning Group, National Probation Service and Essex Community Rehabilitation Company.

PART 3 – SUPPORTING INFORMATION

BACKGROUND PAPERS FOR THE DECISION

Department for Business Innovation and Skills – Better Regulation Delivery Officer Regulators' Code April 2014

Department for Business Innovation and Skills – Better Regulation Delivery Officer Regulators' Code Section 6: Local Authority Toolkit March 2014

APPENDICES

Appendix A – Consultation comments and responses

Appendix B – Corporate Enforcement Strategy

CONSULTATION COMMENTS AND RESPONSES

Consultee	Comment	Response	Corporate Enforcement Strategy Amended
Community Leadership and Partnership Committee	There is a cost to the Council of non-compliance. Is there any mechanism by which we could charge for this until those not compiling are working again within the law.	There is no current legislation that allows Councils to charge for non-compliance. Officers will however keep a watch on this issuing case the position should change.	<input type="checkbox"/>
	There is a cost of doing nothing e.g. derelict sites where clean up is not enforced could impact on the economic growth of an area. Such sites can also promote general untidiness and crime.	The point as to whether there is any visual harm will be considered as part of the development of the harm assessment.	<input type="checkbox"/>
	Para 4.2 (vi) – What are exceptional circumstances?	This paragraph has been reworded.	<input checked="" type="checkbox"/>
	Para 5f. – Should this also include reference to FOI?	It is not considered that reference to FOI is required in this instance. FOI relates to the disclosure of information when requested. The issue here is that Members must be aware of what they can or cannot reveal about any enforcement case.	<input type="checkbox"/>
	Section 7. – Would this prejudice a fair trial?	It is considered that the Strategy adequately covers this point. Information will only be disclosed to the media where the Council is confident that it will not prejudice a fair trial. If there is any doubt then information will not be released.	<input type="checkbox"/>
	<i>Annex A Helping you to get it right</i> – Remove “if requested” at the end of the fifth bullet.	It is considered that it would be too onerous to follow up every piece of verbal advice in writing.	<input type="checkbox"/>
	<i>Annex A Responding to non-compliance</i> – Can further explanation of “advice” and “action” be given?	The Strategy has been updated to provide further clarity on these. Advice is something the perpetrator may do to improve the situation but it does not have	<input checked="" type="checkbox"/>

		to be done and if it is not done there will be no sanction e.g. moving equipment further away from a residency whilst it is in use. An action is something that must be done to bring the perpetrator back into compliance.	
Planning Committee	Is it possible to recover costs from those who breach the law. Would the Proceeds of Crime Act (POCA) apply?	It may be possible to recover funds from POCA, but each case would need to be considered on its own merits.	<input checked="" type="checkbox"/>
	Para 4.2 (vi) of the Strategy – Would a ward councillor be asked to contribute to a case review?	A ward Councillor could make a complaint about the outcome of an enforcement case and articulate their concerns. They would not be asked to take any role in carrying out the review but an officer may seek information or clarification from a ward councillor as part of the review process.	<input type="checkbox"/>
Licensing and Registration Committee	Before the introduction can details be included of contact details where copies of the strategy can be obtained.	These details have now been updated and included in the Strategy.	<input checked="" type="checkbox"/>
	Para 1.4 – Amend to say that the strategy has been out for consultation.	This has been amended.	<input checked="" type="checkbox"/>
	Section 2 (fourth bullet) – Amend to “... outcomes can be achieved...”	This has been amended.	<input checked="" type="checkbox"/>
	Para 3.2 – The Public need to be, and should be, made aware of what actions are unlawful and what repercussions there might be for them. It is believed that all members of the public understand what they can, or cannot, do and that there should be some educational process initiated by the Council (see below for ideas on publicity).	This is agreed. Once the Strategy has been formally agreed work will be undertaken to launch it and to consider how best to get the key messages in the strategy out to the public.	<input type="checkbox"/>
	There was also some concern that people reporting offenders might face repercussions from the	The names and details of all complainants to the Council are kept confidential. However, it is recognised	<input type="checkbox"/>

	<p>alleged offenders, and that fear stops them from assisting the Council, even if they suffer directly from the offending.</p>	<p>that where the perpetrator and complainant live in close proximity one is often only too well aware who the other is. In addition, if asked for a formal statement it would be difficult to prevent the identity of an individual being revealed. There is not much that can be done to address this issue through the Strategy itself but it will be considered as part of the publicity.</p>	
	<p>Section 4 – Who will oversee the Corporate Enforcement Strategy for the Council to ensure a consistent approach and, where departments are working together to a achieve the aims of the Council, ensure that the departments do work together. Further points raised in relation to publicity were that articles could be placed in the local press and on the website seeking to explain the process to the public.</p>	<p>The Strategy will be overseen by the Head of Leadership Support and Community. The Council will use the Problem Solving Group and Task and Finish groups established through the Community Safety Hub to discuss and monitor cases. The Head of Leadership Support and Community will lead on engagement with enforcement teams within the Council in relation to:</p> <ul style="list-style-type: none"> • A corporate approach to enforcement • Maintenance of the strategy • Training needs across the Council <p>This has been included in section 8 of the Strategy.</p>	<input checked="" type="checkbox"/>
	<p>Para 4.2 (ii) – Reference is made to “stakeholders” but these are not previously mentioned so consistency of terminology needs to be ensured.</p>	<p>The reference to “stakeholders” has been changed to “individuals and businesses” to be consistent with the terminology used in the rest of this section.</p>	<input checked="" type="checkbox"/>
	<p>Para 4.2 (iii) – Change heading to consistency.</p>	<p>This has been amended.</p>	<input checked="" type="checkbox"/>
	<p>Para 4.2 (iii) second bullet – What does this mean?</p>	<p>This is referring to the way that information is held and handled within the Council so that, for example, if there were an enforcement case that involved Planning, Housing and Environmental</p>	<input type="checkbox"/>

	<p>Fifth bullet – Who are the Primary Authority? Who decides who this should be? Should there be some further explanation about the option for a business here?</p>	<p>Services we would want each service to be able to access a single case file rather than each holding all the records separately.</p> <p>Primary Authority offers businesses the opportunity to form a legally recognised partnership with one local authority (this local authority is then known as its ‘primary authority’), which then provides robust and reliable advice to their business partner and for other authorities to take into account when carrying out inspections or dealing with non-compliance. It is for the business to determine who they wish to partner with. Local Authorities and Fire and Rescue Authorities are eligible partners.</p> <p>This has been clarified within the Strategy</p>	<p><input checked="" type="checkbox"/></p> <p><input checked="" type="checkbox"/></p>
	<p>Eleventh bullet – Should some definition of “reasonable” be included here or in Appendix A. Otherwise should the wording be amended, maybe to suggest that timescales for compliance with notices will reflect what the notice requires the recipient to do or is proportionate.</p>	<p>This has been amended to say “..... will take account of the actions required and the severity and impact of the breach”.</p>	<p><input checked="" type="checkbox"/></p>
	<p>Para 4.2 (iv) It was felt that the public will also need education in this area.</p>	<p>The comment is noted. This will be considered at launch of the Strategy.</p>	<p><input type="checkbox"/></p>
	<p>Para 4.2 (v) It is accepted that there are not unlimited resources and that some means of prioritisation needs to be undertaken and this can be done by way of harm assessment which does not apply solely to planning or licensing but would be used across the Council.</p>	<p>A harm assessment template will be developed.</p>	<p><input type="checkbox"/></p>

	<p>Para 4.2 (vi) – What are exceptional circumstances? There was concern about how it was decided that a case should be reviewed and which cases might be reviewed. It was also felt that there might be occasions where the Chairs of both Planning and Licensing Committees would need to be involved. Heads of other services and other enforcement officers might also need to be involved. There was feeling that this point related too much to planning and licensing matters and did not take account of other cases in other departments and was therefore too restrictive.</p>	<p>The wording of this paragraph has been amended within the Strategy.</p>	<input checked="" type="checkbox"/>
	<p>Section 5 – It was felt that Members should be aware of their role and should not be anything other than impartial and that they should work in partnership with officers.</p>	<p>It is agreed that Members should already be aware of this role. However it is an important element to include in the Strategy so that all readers of it are aware of the Member role and this was request was an outcome from a Standards Committee complaint.</p>	<input type="checkbox"/>
	<p>Section 5 a. – Remove first use of “with”.</p>	<p>This has been amended.</p>	<input checked="" type="checkbox"/>
	<p>Section 5 b. – Is the word “whereby” needed?</p>	<p>This has been amended.</p>	<input checked="" type="checkbox"/>
	<p>Section 7 – Wording of first sentence needs reviewing.</p> <p>There was concern about how information about charges laid before the Courts will be communicated to the public some felt that there should be more “naming and shaming”. All agreed that the public need education and that if they were there would be less need for enforcement action / naming and shaming. It was</p>	<p>The word “publicly” has been corrected to “publicity”.</p> <p>The comment is noted. This will be considered at launch of the Strategy.</p>	<input checked="" type="checkbox"/> <input type="checkbox"/>

	felt that where there were convictions there should be more publicity at this point and even where the offender appeared to have received a minimal punishment it could be pointed out in any publicity what could happen next time.		
	Section 8 – Name needs to be inserted where there is an “X”.	The “X” has been replaced with the name of the Leadership Support and Community Team.	<input checked="" type="checkbox"/>
	Section 9 – It is agreed that it is a good idea to review policies but it is suggested that a review should be 4 yearly rather than 5 yearly with the 4 year review taking place half way through each term i.e. 2 years after an election and therefore 2 years before the next Council election as this would give Members time to find out how the policies are working and amend them if necessary. A meaningful review just before or just after an election would not be likely.	This has been amended to a 4 yearly review cycle. The first review will take place in 2021.	<input checked="" type="checkbox"/>
	Para 10.1 – There was concern about how an alleged breach which was the subject of an anonymous complaint would be assessed as either “extremely serious” or “readily apparent”. Will the harm risk assessment be used in such circumstances? If not how will the alleged breach be assessed.	A complaint can still be investigated if it is anonymous provided there is sufficient evidence provided about the location and nature of the breach. The Strategy has been amended to clarify this. The nature of the complainant is one criteria in the harm assessment but there are others that will determine the seriousness of the alleged breach.	<input checked="" type="checkbox"/>
	Para 10.9 – Should “formal caution” now read “simple caution” to be consistent with the name change mentioned under Appendix C section E.	This has been amended.	<input checked="" type="checkbox"/>
	Appendices A and B – Whilst it is accepted that every piece of legislation cannot be	Although it is recognised that there is other legislation which sets out enforcement	<input checked="" type="checkbox"/>

	included, should the Equality Act 2010 be mentioned in both appendices and in B there are some Planning Acts which have a bearing on investigations and/or enforcement matters.	processes and powers the legislation included here is that which relates to how an investigation is carried out.	
	Appendix C section D – What other enforcement action might be taken for an unpaid Fixed Penalty Notice other than criminal proceedings?	No other action	<input type="checkbox"/>
	Appendix C section H – It is assumed that what will or may be taken into account will depend on the circumstances of each case with each case being looked into on its own merits. Members felt that the wording could be expanded here.	The Strategy has been amended as suggested by this comment.	<input checked="" type="checkbox"/>
	Annex A – Members were concerned that the public would not understand what “regulatory” services means so could this be made clearer?	This has been amended.	<input checked="" type="checkbox"/>
	Annex A – Members would like to see contact details here to match those at the front of the strategy. Contact details should be publicised. Will the contact details be those of the Customer Contact Centre and, if so, then will this strategy be finalised when the contact centre is finalised. How will the process of passing calls through the contact centre work. Otherwise when will the Strategy be finalised?	The contact details have now been included. The Strategy will be finalised once it receives formal approval from Cabinet.	<input checked="" type="checkbox"/>
Tending Community Safety Partnership	Para 6.1 – Should the Fire Service be included here.	Reference to the Fire Service has been included.	<input checked="" type="checkbox"/>

Tendring
District Council



Corporate Enforcement Strategy
September 2017

Issued: [add date]

Copies available from: Leadership Support and Community
kneath@tendringdc.gov.uk
01255 686520

Foreword

Tendring District Council's Enforcement Ethos

Encouraging businesses to come to Tendring and keeping a clean and safe district is critical for our residents, visitors and businesses. Our Council recognises the strong link between quality of the environment and people's health, safety and quality of life.

Council enforcement services across the Council have a key role to play in helping to deliver an ethos of open for business whilst addressing issues adversely affecting our residents. It underpins Tendring Council's ethos and objectives to deliver high quality affordable services, engaging with the community and effective partnership working to promote healthier lifestyles and well-being in the district. It is important to ensure that enforcement solutions are developed to meet local needs and to engage with local stakeholders in the development of local action planning.

Our enforcement services seek to ensure that advice and information is available to individuals and local businesses about their responsibilities and duties and, when appropriate, uses its powers to make sure that those who disregard the law are held to account for their behaviour. Our approach to enforcement and the decisions that we make will be set out within our enforcement policies. Information on services individual Enforcement Policies may be obtained from the relevant department and the Council's website at *[address and link to be inserted]*.

Our approach to enforcement will be one of an initial proactive engagement, to discuss issues, in a positive manner. If initial approaches are unsuccessful then a firm but fair stance will be adopted which will address issues quickly and transparently, whilst protecting members of the community and the environment.

We want to engage with residents who are often unaware that they require certain permissions to help them through processes; however if they are unwilling to engage then we take appropriate action. With new businesses, we want to encourage them to open and expand in Tendring and identify what are the blockages for them, rather than our first contact being one of enforcement; but we are prepared to take a proactive approach to enforcement if required. The Council shares the Government's view that effective and well-targeted regulation is essential in promoting fairness and protection from harm and that as regulators we should adopt a positive and proactive approach towards ensuring compliance by:

- helping and encouraging regulated entities to understand and meet regulatory requirements more easily; and
- responding proportionately to regulatory breaches

Where possible, the Council will reward good compliant businesses by lighter touch, fewer or no visits, alternative interventions, and/or other incentives. However, adopting a risk based approach, we will not hesitate to take all necessary enforcement action against those who, e.g. commit serious breaches, flout the law, and refuse to work with us to seek compliance or commit offences which are prevalent in the district.

The Council will work with local ward members on the approach to enforcement where appropriate. The Council approach will be proportionate to the outcome achievable and will seek to not undertake effort disproportionate to the outcome achievable.



**Cabinet Member for Corporate Enforcement
Councillor Fred Nicholls**

1. Introduction

- 1.1 The purpose of this Corporate Enforcement Strategy is to set out the overarching “umbrella” principles to apply to all service departments and its officers within the Council which undertake enforcement functions. The Council’s enforcement responsibilities and powers cover a wide range of legislation with a variety of formal and informal sanctions, which aim to protect the interests and rights of people in relation to the environment that they use. The enforcement of regulatory legislation enables the Council to achieve its’ priorities contained within the Corporate Plan and fits with national policy, codes and guidance.
- 1.2 It is important that these enforcement functions are carried out in an equitable, practical and consistent manner, and that both those subject to regulation and those on whose behalf enforcement is carried out can understand the approach we take. The purpose of this Corporate Enforcement Strategy is to explain clearly and publicly summarise Tendring District Council's intended approach towards enforcement and dealing with non-compliance.
- 1.3 All authorised officers when making enforcement decisions shall abide by this Strategy, and the supporting documented procedures, both within the appendices and departmental processes.
- 1.4 This Strategy **has been** developed through external consultation with our partners in the Community Safety Hub and internally with elected members across political parties sitting on the following Committees:
 - Licensing and Registration
 - Planning
 - Community Leadership and Partnership

2. Principles of Good Regulation:

- The Council is committed to following good enforcement practice in accordance with current legislation, guidance, codes of practice that influence policy listed at Appendix A.
- We aim to carry out our activities in a robust but fair way that supports those we regulate to comply without creating unnecessary business burdens.
- We will exercise our regulatory activities in a way which delivers:
 - (i) openness & transparency
 - (ii) helpfulness
 - (iii) consistency
 - (iv) proportionality
 - (v) targeting resources on higher risk; and
 - (vi) accountability
- We will assess whether similar social, environmental and economic outcomes **can be** achieved by less burdensome means.

- The Strategy accords with the government's 'Better Regulation Agenda'. Specifically, it implements good practice recommended by the Cabinet Office Enforcement Concordat, the Regulators' Code; and the regulatory principles required under the Legislative and Regulatory Reform Act 2006 ("the 2006 Act"), including the duty to have regard to economic growth ('the Growth Duty'). The provisions of Section 6 of the 2006 Act include an expectation that local authorities will publish a clear set of service standards, setting out what those they regulate should expect from them. These Service Standards are included within Annex A to this document and available on the Council's website through *(link to be added once approved)*.

3. Scope and interpretation

- 3.1 "Enforcement" includes any action taken by officers aimed at ensuring that individuals or businesses comply with the law. The term "enforcement" therefore has a wide meaning and applies to all dealings between the Council and those upon whom the law places responsibilities. It is not limited to formal enforcement action such as prosecution, but can include a range of interventions that seek to achieve compliance with the law.
- 3.2 Whilst it is acknowledged that the Regulators Code relates principally to the Council activities for Environmental Health and Licensing, the principles outlined are considered to be equally relevant to other Council services undertaking enforcement functions. The scope of the Strategy is therefore intended to include:
- Building Control and Dangerous structures
 - Safer Communities and Anti-Social Behaviour
 - Environmental Health (including food hygiene, health & safety, housing, pollution control and smoking)
 - Housing
 - Licensing (including alcohol, animal establishments, gambling, public entertainment, sex shops and taxis) (some of these activities are also subject to specific policies on the application of legislation adopted by Full Council)
 - Parks, Open Spaces and the Seafront (including Bylaws, Trespass and unauthorised encampments)
 - Car parking
 - Planning; and
 - Street Care (including dog fouling, fly tipping, fly posting, littering, trade & domestic waste);
- 3.3 In many instances, enforcement activity relates to businesses, and accordingly this Strategy generally makes reference to 'business' and 'business premises' throughout. But sometimes - for example within planning enforcement work, issues of public nuisance, or public carriage driver licensing - the enforcement activity relates not to a business but to a private individual.
- 3.4 Clearly not all aspects of this Strategy are appropriate to circumstances involving private individuals, but wherever they are appropriate - for example in the approaches used to determine whether serious enforcement action should be taken - this Strategy should be read as applying to such private individuals in the same way as it applies to businesses.

4. Our approach to dealing with non-compliance

- 4.1 A range of activities will be undertaken to ensure compliance with legislation. Advice and guidance will be provided; proportionate, targeted, programmed and intelligence-led inspections will be undertaken and, where necessary, inspections will be undertaken in response to complaints from third parties. Some enforcement services will also have officers patrolling the streets.
- 4.2 In achieving compliance, we will work within the principles of good enforcement and exercise our regulatory activities in a way which delivers:

(i) Openness & Transparency:

- We will ensure that those we regulate are able to understand what is expected of them and what they can anticipate in return.
- Provide information and advice in a timely manner and in plain language on the rules that we apply and any action to be taken. This may be provided either verbally, by telephone, by personal visit where appropriate, or in writing.
- Be open about our work, including any charges that are set.
- Discuss general issues, specific compliance failures or problems with anyone experiencing difficulties.
- Make it clear what should be expected from the Council as an Enforcement Authority.
- Respond to requests for information under the Freedom of Information Act 2000 or Environmental Information Regulations, within 20 working days.
- Our document retention policy will detail our commitment to records management.
- Make a record of decisions accessible, in full or partially, to the public to ensure openness and transparency of the criteria by which we will judge whether to take action or not. Information will only be withheld from the public, if there is a statutory reason to do so (for example personal information to third parties or exemptions under Freedom of Information or Environmental Information Regulations).

(ii) Helpfulness:

Formal enforcement action should be taken as a last resort and the Council believes that communication and conciliatory involvement are key to successful positive compliance outcomes. We will actively work with individuals and businesses to ensure that advice and information about their responsibilities and duties is available.

- We encourage compliance by providing guidance and liaising with **individuals and businesses** on how this can best be presented and disseminated – a request for advice will not directly trigger enforcement action where there is a willingness to resolve any non-compliance which may be identified.
- Our staff will identify themselves and provide a courteous and efficient service.
- We will provide a contact point and telephone number to encourage individuals and businesses to seek advice/information from us.

- Applications for approval of applications, licensing, registration, or authorisation will be dealt with efficiently and promptly.

(iii) **Consistency:**

We will carry out our duties in a fair, equitable and consistent manner, and

- Our officers are expected to exercise judgement in individual cases but we will endeavour to ensure that a similar approach is taken in similar circumstances.
- Our officers will use corporate systems consistently to maximise efficient use of resources and data management in accordance with the Fair Processing Data Statement. Where possible standardised templates and proformas will be developed and used across service areas. Decisions taken will be recorded with reasons.
- The Council will adopt a cross service enforcement operational team approach seeking joint problem solving of complaints across the District. Communication and efficiency will be strengthened as well as effective use of powers available. A lead officer will be allocated an overarching role to coordinate the team approach.
- Will take account of advice offered to us through bodies such as the Local Government Association (LGA), Food Standards Agency (FSA), Health and Safety Executive (HSE), Government Departments such as the Departments for Communities and Local Government (DCLG) and for Business, Energy and Industrial Strategy (BEIS) and Local Government Ombudsman (LGO).
- Where a Primary Authority Partnership (*) exists, officers will engage with and consider advice previously issued by the Primary Authority when considering the most appropriate course of action. Where, after further liaison with the Primary Authority, officers consider that formal action is still appropriate; the statutory notification process will be followed. This Scheme does not preclude officers from taking immediate action in the event of serious or imminent risks to health or safety.

(*) The Primary Authority Scheme allows businesses to be involved with their own regulation. Businesses have a right to form a statutory partnership with a single local authority, such as a local authority (District or County) or Fire and Rescue, who become the Primary Authority, which then provides robust and reliable advice for other local regulators to take into account when carrying out inspections or dealing with non-compliance. Further information and on the Primary Authority Partnership and register is available at [Primary Authority Register.info](https://www.primaryauthorityregister.info)

- Where there is a wider regulatory interest, we will liaise and co-operate with or pass information to the appropriate enforcement agency. This may include the sharing of intelligence with other Government Agencies, Police Forces, Fire Authorities, Statutory Undertakers or other Local Authorities.
- We will liaise with our colleagues in other Essex Authorities and Regulatory Services, to share information and develop a consistent approach to enforcement, e.g. through the use of common protocols. Reference to the Data Sharing Statement is included within Paragraph 5.2.
- We will consult in developing clear standards, setting out the level of service and performance the public and businesses can expect to receive.

- We will publish our standards.
- Advice from officers will be put clearly and an explanation given as to why remedial works are necessary.
- The timescales for compliance with notices will take account of the actions required and the severity and impact of the breach.
- We will raise safeguarding alerts with the appropriate authorities.

(iv) Proportionate:

We will ensure our activities will reflect the level of risk to the public and enforcement action taken will relate to the seriousness of the offence; and

- Aim to minimise the cost of compliance by ensuring that any action required is proportionate to the risk and that we take proper account of the economic consequences of our actions.
- Take into account, as far as the law allows, the circumstances of the case and the attitude of the offender when considering action.
- Help to promote a thriving local economy by maintaining a fair and safe trading and working environment.
- Are committed to choosing proportionate approaches based on relevant factors such as business size and capacity.
- Committed to dealing firmly with those who deliberately or persistently fail to comply.
- Will only take action that is necessary to achieve the aims of the statutory regime being enforced, with reasons for the action being recorded using the Harm & Risk Assessment.
- When we believe there is reasonable cause that a child, young person or vulnerable adult, may be suffering or may be at risk of suffering significant harm, consideration will always be given to referring these concerns to Children's or Adults Social Care (as appropriate) and/or the Police.

(v) Targeted

We will focus our resources on significant harm and higher risk enterprises and activities, reflecting local need and national priorities, and:

- Ensure resources and regulatory activities are targeted primarily on those which give rise to the most serious risks and harm.
- Take an evidence based approach to determining the priority risks and allocate resources where they would be most effective in addressing those priority risks.
- Consider risk and harm at every stage of the decision-making processes, including choosing the most appropriate type of intervention or way of working with those regulated; targeting checks on compliance; and when taking enforcement action. Decisions with reasons will be recorded.

- Ensure that Harm and Risk Assessment Framework principles currently in use by some services are adopted across all the Council's enforcement services. The assessment framework will be reviewed regularly.
- In undertaking the assessment of risk and determining the harm, the compliance record of the business or individual will be considered together with all available and relevant data on compliance, including evidence of any relevant external or other statutory verification.
- Ensure that action is focused on the duty holders who are responsible for the risk and who are best placed to control it through the use of a graduated enforcement approach.
- Seek to ensure our resources are used with maximum effectiveness to avoid burdening businesses with the costs of unnecessary interventions.
- Where more serious non-compliances are identified, we will advise duty holders of the circumstances under which a revisit will be undertaken and the timescale for that revisit.

(vi) Accountable

Our activities will be open to public scrutiny, with clear and accessible policies, and fair and efficient complaints procedures, and:

- We will ensure that we have policies and procedures against which our work can be judged.
- We will ensure there is an effective and accessible mechanism for dealing with comments and complaints and information is provided within the Council's Service Standards and available on the website.
- Officers are responsible to elected members(*), the public and government bodies for their actions.
- Officers will provide general updates to the relevant ward councillor when requested to do so (this will not be automatic and only where the ward councillor has been involved in raising awareness of a potential non-compliance). Detailed information will not be provided if to do so would prejudice further action or involve disclosure of personal or sensitive information.
- Where a complaint is received about something that has or has not been done, a Case Review of a particular matter will be held with the enforcement officer and their Head of Service with the agreement of the relevant Committee Chairman together with the Portfolio Holder for Corporate Enforcement. The purpose of the review would be to discuss and understand the reasons for the action and decisions taken on an alleged non-compliance, taking into consideration the principles of Good Regulation as set out in this Strategy and the harm risk assessment.
- In order to maintain the integrity and impartiality of the Council's enforcement service it is vital that the system has the trust and confidence of all concerned.

5. A ward councillor's role in relation to enforcement matters is to:

- a. Respond to residents' enquiries and representations, fairly and impartially and assist in the resolution of concerns and grievances. This may involve **working directly** with the community to seek positive outcomes.
- b. Effectively represent the interests of their ward and of individual **residents, acting** fairly to understand the differences of opinions, personal circumstances and situations.
- c. Represent their communities and bring their views into the Council's decision-making process by becoming an advocate for their communities, whilst understanding and articulating the principles of good regulation and the Council's approach to non-compliance.
- d. Raise alleged non-compliance with the relevant service responsible for the enforcement activity and carefully consider the advice of the enforcement officer as to future involvement.
- e. Ensure their involvement does not compromise their position or put at risk failure to comply with their own Members' Code of Conduct and Member/Officer Relations Protocol.
- f. Understand the provisions of the Data Protection Act 1998 and to ensure confidential or personal information is not disclosed to third parties.

6. Working in Partnership with others:

6.1 On occasions (currently decided upon on a case by case basis) this will involve working in partnership with other enforcement agencies (includes Essex County Council, RSPCA, Natural England, Police, **Fire Service**, CPS, Health and Safety Executive, Food Safety Agency, Housing associations and **North Essex Parking Partnership**).

6.2 Data Sharing Statement

A Data Sharing Statement was produced between the Community Safety Hub and Tendring District Council. This statement also applies across Tendring District Council's internal services.

The statement aims to provide a common understanding of the data that can be shared between public bodies undertaking enforcement activities and includes Councils (all tiers), Police and Fire Authorities, Central Government agencies and Statutory Undertakers.

The sharing of personal data between delivery bodies involved in the enforcement of legislation is subject to the requirements of the Data Protection Act 1998 (DPA).

This statement aims to clarify how such data should be handled to ensure openness, transparency and consistency in compliance with the DPA and any other applicable legislation. It also promotes best practice to encourage effective working relations.

The statement may be found [here](#)

7. Publicity

We will consider, in all cases, drawing media attention to factual information about charges that have been laid before the courts, but will take care to avoid publicly that could prejudice a fair trial. We will also consider publicising any conviction that could serve to draw attention to the need to comply with the legal requirements or deter anyone tempted to disregard their duties.

8. Comments, compliments or complaints

Tendring District Council is committed to responsive, good quality customer services to the people of the district and would welcome comments and feedback about the Corporate Enforcement Strategy may have on local residents and/or business through our Leadership Support and Community service team. The Strategy will be overseen by the Head of Leadership Support and Community. The Council will use the Problem Solving Group and Task and Finish groups framework established through the Community Safety Hub to discuss and monitor cases. The Head of Leadership Support and Community will lead on engagement with enforcement teams within the Council in relation to:

- A corporate approach to enforcement
- Maintenance of the strategy
- Training needs across the Council

9. How often is the Strategy Reviewed?

It is considered good practice to review Council policies and a 4 yearly review will provide a reasonable timetable for this Strategy however, a review may also be appropriate in the intervening period if there is a significant change in legislation, national codes, guidance or national or local policy.

10. ENFORCEMENT PROCEDURES AND OPTIONS

Procedures:

- 10.1 Our enforcement services will investigate alleged breaches and complaints that are reported in writing and we will only register and investigate anonymous complaints where there is sufficient evidence and the alleged breach is extremely serious and/or is readily apparent. In all cases we will proceed on the common law principle that the person or business under investigation is “presumed innocent until proved guilty”.
- 10.2 Only officers who are competent by training, qualification and/or experience will be authorised to take enforcement action. Officers will also have sufficient training and understanding of this enforcement policy to ensure a consistent approach to their duties. Officers are required to show their written authorisation on demand.
- 10.3 A record of Officers authorised within services to undertake enforcement activities is contained within the Council’s Scheme of Delegation within the Council’s Constitution and maintained by the Monitoring Officer.
- 10.4 In coming to a decision on how to deal with non-compliance, we will have regard to the following principles which are set out in the Macrory Review. In particular our actions should:
 - a) aim to change the behaviour of the offender;
 - b) aim to eliminate any financial gain or benefit from non-compliance;
 - c) be responsive and consider what is appropriate for the particular offender and regulatory issue, which can include punishment and the public stigma that should be associated with a criminal conviction;
 - d) be proportionate to the nature of the offence and the harm caused;
 - e) aim to restore the harm caused by regulatory non-compliance, where appropriate; and,
 - f) aim to deter future non-compliance.

- 10.5 All services undertaking enforcement activities undertake a Harm Risk Assessment scheme to produce indications of risks that may be broadly described as “High, Medium or Low”, or similar.
- 10.6 The decision to use enforcement action will be taken on a case by case basis and, to ensure consistency of approach, in accordance with this and any other more specific policies which may be applicable. Enforcement action will include reference to Harm Risk Assessments. The action taken, which may be immediate, will be proportionate to the gravity and nature of the non-compliance.
- 10.7 Factors that may be taken into consideration include, but are not limited to:
- the risk that the non-compliance poses to the safety, health or economic welfare of the public at large or to individuals
 - the alleged offence involved a failure to comply in full or in part with the requirements of a statutory notice or order
 - there is a history of previous warnings or the commission of similar offences
 - aggravated circumstances such as obstruction of an officer or aggressive behaviour towards the public
 - the offence, although not serious itself, is widespread in the area where it is committed
 - death was a result of a breach of legislation
 - the gravity of an alleged offence, taken together with the seriousness of any actual or potential harm
 - the general record and approach of the offender
 - there has been reckless disregard of health and safety requirements
 - there has been a repetition of a breach that was subject to a formal caution
 - false information has been supplied wilfully, or there has been an intent to deceive
- 10.8 Tendring District Council will balance the relevant factors carefully and fairly, considering each case on its merits and recording the outcome of the decision. The enforcement options available to the Council are summarised below but set out in more detail in Appendix C.

Options:

- 10.9 Where non-compliance is found, options to promote/seek compliance will include:
- undertaking pro-active education programmes
 - explaining legal requirements and, where appropriate, the means to achieve compliance
 - providing an opportunity to explore alternative approaches and reasonable timescales to achieve compliance including voluntary undertakings
 - service of advisory letters, warnings, statutory (legal) notices or prohibitions detailing non-compliance
 - enforcement actions including, but not limited to:
 - simple caution
 - fixed penalty notices
 - seizure of documents or goods
 - review/refusal/suspension/revocation of Licenses
 - closure of premises
 - prosecution and/or injunction

- immediate, without notice, enforcement action may be taken, but only where deemed necessary, reasonable and proportionate.
- the recovery of funds through the Proceeds of Crime Act may be sought, but each case would be considered on its own merits.

Appendix A

Legal and Policy context

A. Principles of Good Regulation

The Legislative and Regulatory Reform Act 2006, Part 2, requires Tendring District Council to have regard to the Principles of Good Regulation when exercising a specified regulatory function. For local authorities, the specified functions include those carried out by our environmental health, trading standards and licensing services.

We will exercise our regulatory activities in a way which is:

- (i) Proportionate - our activities will reflect the level of risk to the public and enforcement action taken will relate to the seriousness of the offence,
- (ii) Accountable - our activities will be open to public scrutiny, with clear and accessible policies, and fair and efficient complaints procedures,
- (iii) Consistent - our advice to those we regulate will be robust and reliable and we will respect advice provided by others. Where circumstances are similar, we will endeavour to act in similar ways to other local authorities,
- (iv) Transparent - we will ensure that those we regulate are able to understand what is expected of them and what they can anticipate in return, and
- (v) Targeted - we will focus our resources on higher risk enterprises and activities, reflecting local need and national priorities.

B. Regulators' Code

Tendring District Council has had regard to the [Regulators' Code](#) in the preparation of this policy. In certain instances we may conclude that a provision in the Code is either not relevant or is outweighed by another provision. We will ensure that any decision to depart from the Code will be properly reasoned, based on material evidence and documented.

C. Human Rights Act 1998

Tendring District Council is a public authority for the purposes of the Human Rights Act 1998. We therefore apply the principles of the European Convention for the Protection of Human Rights and Fundamental Freedoms. This Strategy and all associated enforcement decisions take account of the provisions of the Human Rights Act 1998. In particular, due regard is had to the right to a fair trial and the right to respect for private and family life, home and correspondence.

D. Data Protection Act 1998

Where there is a need for Tendring District Council to share enforcement information with other agencies, we will follow the provisions of the Data Protection Act 1998.

E. The Code for Crown Prosecutors

When deciding whether to prosecute Tendring District Council has regard to the provisions of [The Code for Crown Prosecutors](#) as issued by the Director of Public Prosecutions.

The Code for Crown Prosecutors is a public document that sets out the general principles to follow when decisions are made in respect of prosecuting cases. The Code sets out two tests

that must be satisfied, commonly referred to as the 'Evidential Test' and the 'Public Interest Test':

- a. Evidential Test - is there enough evidence against the defendant?

When deciding whether there is enough evidence to prosecute, Tendring District Council will consider what evidence can be used in court and is reliable. We must be satisfied there is enough evidence to provide a "realistic prospect of conviction" against each alleged offender.

- b. Public Interest Test - is it in the public interest for the case to be brought to court?

Tendring District Council will balance factors for and against prosecution carefully and fairly, considering each case on its merits. The public interest factors that we will take into account are detailed under the enforcement options available to us in Appendix B.

F. Regulatory Enforcement and Sanctions Act 2008 ('the RES Act')

The Regulatory Enforcement and Sanctions Act 2008, as amended, established the Primary Authority scheme. We will comply with the requirements of the Act when we are considering taking enforcement action against any business or organisation that has a primary authority, and will have regard to guidance issued by the Secretary of State in relation to Primary Authority.

Appendix B

Conduct on Investigations:

All investigations will be carried out under the following legislation and in accordance with any associated guidance or codes of practice, in so far as they relate to Tendring District Council:

- the Police and Criminal Evidence Act 1984
- the Criminal Procedure and Investigations Act 1996
- the Regulation of Investigatory Powers Act 2000
- the Criminal Justice and Police Act 2001
- the Human Rights Act 1998

These Acts and associated guidance control how evidence is collected and used and give a range of protections to citizens and potential defendants.

Our authorised officers will also comply with the requirements of the particular legislation under which they are acting, and with any associated guidance or codes of practice.

Appendix C

Enforcement Actions available to Tendring District Council in Respect of Criminal and Civil breaches

A. Compliance Advice, Guidance and Support

Tendring District Council uses compliance advice, guidance and support as a first response in the case of many breaches of legislation that are identified. Advice is provided, sometimes in the form of a warning letter, to assist individuals and businesses in rectifying breaches as quickly and efficiently as possible, avoiding the need for further enforcement action. A warning letter (sometimes called an 'informal caution') will set out what should be done to rectify the breach and to prevent re-occurrence. If a similar breach is identified in the future, this letter will be persuasive in considering the most appropriate enforcement action to take on that occasion. Such a letter cannot be cited in court as a previous conviction but it may be presented in evidence.

Tendring District Council recognises that where a business has entered into a partnership with a primary authority, the primary authority will provide compliance advice and support, and Tendring District Council will take such advice into account when considering the most appropriate enforcement action for it to take. It may discuss any need for compliance advice and support with the primary authority.

Where more formal enforcement action, such as a simple caution or prosecution, is taken, Tendring District Council recognises that there is likely to be an ongoing need for compliance advice and support, to prevent further breaches.

B. Voluntary Undertakings

Tendring District Council may accept voluntary undertakings that breaches will be rectified and/or recurrences prevented. Tendring District Council will take any failure to honour voluntary undertakings very seriously and enforcement action is likely to result.

C. Statutory (Legal) Notices

In respect of many breaches Tendring District Council has powers to issue statutory notices. These include: 'Stop Notices', 'Prohibition Notices', 'Emergency Prohibition Notices', and 'Improvement Notices'. Such notices are legally binding. Failure to comply with a statutory notice can be a criminal offence and may lead to prosecution and/ or, where appropriate, the carrying out of work in default.

A statutory notice will clearly set out actions which must be taken and the timescale within which they must be taken. It is likely to require that any breach is rectified and/or prevented from recurring. It may also prohibit specified activities until the breach has been rectified and/or safeguards have been put in place to prevent future breaches. Where a statutory notice is issued, an explanation of the appeals process will be provided to the recipient. Some notices issued in respect of premises may be affixed to the premises and/or registered as local land charges.

D. Financial penalties

Tendring District Council has powers to issue fixed penalty notices in respect of some breaches. A fixed penalty notice is not a criminal fine, and does not appear on an individual's criminal record. If a fixed penalty is not paid, Tendring District Council may

commence criminal proceedings. Other additional enforcement action may be taken in respect of the breach.

If a fixed penalty is paid in respect of a breach Tendring District Council will not take any further enforcement action in respect of that breach. Payment of a fixed penalty does not provide immunity from prosecution in respect of similar or recurrent breaches.

Tendring District Council is only able to issue fixed penalty notices where it has specific powers to do so. If fixed penalty notices are available, their issue is at Tendring District Council's discretion. In some circumstances, in particular where breaches are serious or recurrent, it may be that prosecution is more appropriate than the issue of a fixed penalty notice.

E. Injunctive Actions, Enforcement Orders etc.

In some circumstances Tendring District Council may seek a direction from the court (in the form of an order or an injunction) that a breach is rectified and/or prevented from recurring. The court may also direct that specified activities be suspended until the breach has been rectified and/or safeguards have been put in place to prevent future breaches. Failure to comply with a court order constitutes contempt of court, a serious offence which may lead to imprisonment.

Tendring District Council is required to seek enforcement orders after issuing some enforcement notices, providing the court with an opportunity to confirm the restrictions imposed by the notice. Otherwise, Tendring District Council will usually only seek a court order if it has serious concerns about compliance with voluntary undertakings or a notice.

F. Simple Caution

Tendring District Council has the power to issue simple cautions (previously known as 'formal cautions') as an alternative to prosecution for some less serious offences, where a person admits an offence and consents to the simple caution. Where a simple caution is offered and declined, Tendring District Council is likely to consider prosecution.

A simple caution will appear on the offender's criminal record. It is likely to influence how Tendring District Council and others deal with any similar breaches in the future, and may be cited in court if the offender is subsequently prosecuted for a similar offence. If a simple caution is issued to an individual (rather than a corporation) it may have consequences if that individual seeks certain types of employment.

Simple cautions will be used in accordance with Home Office Circular 016/2008 and other relevant guidance.

G. Prosecution

Tendring District Council may prosecute in respect of serious or recurrent breaches, or where other enforcement actions, such as voluntary undertakings or statutory notices have failed to secure compliance. When deciding whether to prosecute Tendring District Council has regard to the provisions of [The Code for Crown Prosecutors](#) as issued by the Director of Public Prosecutions.

Prosecution will only be considered where Tendring District Council is satisfied that it has sufficient evidence to provide a realistic prospect of conviction against the defendant(s).

Before deciding that prosecution is appropriate, Tendring District Council will consider all relevant circumstances carefully and will have regard to the following public interest criteria:

- a) the seriousness of the offence committed?
- b) the level of culpability of the suspect?
- c) the circumstances of and the harm caused to the victim?
- d) the age of the suspect or suspects?
- e) the impact on the community?
- f) whether prosecution is a proportionate response?

This list is not an exhaustive list of the elements that will, or may be considered when deciding whether a prosecution is appropriate but helps to identify and determine the relevant public interest factors tending for and against prosecution. Not all factors may be relevant in all cases, and in some cases, it is possible that one public interest factor alone may outweigh those factors which suggest the opposite direction. The weight to be given to each factor will vary according to the facts and merits of each case.

A successful prosecution will result in a criminal record. The court may impose a fine and in respect of particularly serious breaches a prison sentence. The court may order the forfeiture and disposal of non-compliant goods and/or the confiscation of any profits which have resulted from the breach. Prosecution may also lead, in some circumstances, to the disqualification of individuals from acting as company directors.

H. Refusal/Suspension/Revocation of Licences

Tendring District Council issues a number of licences and permits. Tendring District Council also has a role to play in ensuring that appropriate standards are met in relation to licences issued by other agencies. Most licences include conditions which require the licence holder to take steps to ensure that, for example, a business is properly run. Breach of these conditions may lead to a review of the licence which may result in its revocation or amendment.

When considering future licence applications, Tendring District Council may take previous breaches and enforcement action into account. **What will or will not be taken into account will depend on the circumstances of each case with each case being looked at on its own merits.**

Annex A: Service Standards

1 What you can expect from Regulatory Services in Tendring District Council

Contents:

Areas we regulate
 How we deliver our services
 Working with you
 Helping you to get it right
 Inspections and other compliance visits
 Responding to non-compliance
 Requests for our service
 How to contact us
 Our Team
 Working with others
 Having your say

Areas we regulate

This document explains what you can expect of Regulatory Services in Tendring District Council. Regulatory Services are those listed as follows:-

<p>Environmental Protection</p> <ul style="list-style-type: none"> Abandoned vehicles Vehicles for sale Air quality Contaminated land Noise nuisance Pollution control Dog warden Private water 	<p>Planning</p> <ul style="list-style-type: none"> Car boot sales register Planning enforcement Building control 	<p>Food Safety</p> <ul style="list-style-type: none"> Food complaints Food safety inspection Food safety enforcement Food hygiene Food related illness
<p>Health and safety</p> <ul style="list-style-type: none"> Health and safety inspections Reporting of injuries, diseases and dangerous occurrences Skin piercing legislation 	<p>Licensing</p> <ul style="list-style-type: none"> Alcohol, entertainment and late night refreshments Taxis Animals Boats and boatmen Gaming machines Sex shops 	<p>Private Sector Housing</p> <ul style="list-style-type: none"> Standards in the private rented sector Houses in multiple occupation
<p>Public Health</p> <ul style="list-style-type: none"> Public health funerals 	<p>Parks, Open spaces and Seafront</p> <ul style="list-style-type: none"> Seafront shelters Beach huts Parks and open spaces Car parks 	<p>Street Care and Waste</p> <ul style="list-style-type: none"> Waste collection Street cleaning Recycling

<p>Building Control</p> <ul style="list-style-type: none"> • Dangerous structures • Construction and building site monitoring 	<p>Safer Communities and Anti-Social Behaviour</p> <ul style="list-style-type: none"> • Anti social behaviour • Hidden harms • Crime and disorder 	
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Whether you are run a business, are an employee or a member of the public, we are committed to providing you with an efficient, courteous and helpful service and this document tells you how we aim to do that and what standards we will meet.

How we deliver our services

We make a fundamental contribution to the maintenance and improvement of public health, quality of life and wellbeing. Our aims are to:

- Protect the public, businesses and the environment from harm
- Support the local economy to grow and prosper

We determine our activities by assessing the needs of local people and our business community, and considering the risks that require addressing. We do this through using data and other information available to us and our partners. In this way we ensure our resources are targeted appropriately, in the light of these local needs and of national priorities.

We are committed to being transparent in our activities.

We carry out all our activities in a way that supports those we regulate to comply and grow:

- We ensure that information, guidance and advice is available to help you to meet legal requirements (see [Helping you to get it right](#)).
- We carry out inspections and other activities to check compliance with legal requirements, and we target these checks where we believe they are most needed (see [Inspections and other compliance visits](#)).
- We deal proportionately with breaches of the law as set out in our Enforcement Policy, including taking firm enforcement action when necessary (see [Responding to non-compliance](#)).
- We provide a range of services (see [Requests for our service](#)).

Our services will be delivered in accordance with the requirements of the [Regulators' Code](#).

Working with you

In all your dealings with us you can expect, and will receive, an efficient and professional service. Our officers will:

- Be courteous and polite;
- Always identify themselves by name in dealings with you, and provide you with contact details;
- Seek to gain an understanding of how your business operates;
- Provide details of how to discuss any concerns you may have;
- Agree timescales, expectations and preferred methods of communication with you;
- Ensure that you are kept informed of progress on any outstanding issues.

We recognise that your business will receive advice and inspections from other organisations, and we will do our best to work with them to ensure that you receive the best service.

Helping you to get it right

We want to work with you to help your business to be compliant and successful and it is important to us that you feel able to come to us for advice when you need it.

We won't take enforcement action just because you tell us that you have a problem.

We make information and guidance on meeting statutory requirements available on our website:-

[Environmental Services](#)

[Planning Enforcement](#)

[Licensing](#)

[Housing](#)

[Waste](#)

[Street Cleaning](#)

[Seafront](#)

[Building Control](#)

[Car Parking](#)

Where you need advice that is tailored to your particular needs and circumstances we will:

- Discuss with you what is required to achieve compliance;
- Provide advice that supports compliance and that can be relied on;
- Provide clear advice that can be easily understood and implemented;
- Distinguish legal requirements from suggested good practice;
- Ensure that any verbal advice you receive is confirmed in writing if requested;
- Acknowledge good practice and compliance.

Our fees and charges are available to view [here](#) (pages 66 to 117).

Inspections and other compliance visits

We monitor and support compliance in a number of different ways including through inspections, sampling visits, test purchases, advisory visits and complaint investigations. These visits will always be based on an assessment of risk – we won't visit without a reason.

We will give you notice that we intend to visit unless we have specific reason to believe that an unannounced visit is more appropriate.

When we visit you our officers will:

- Explain the reason and purpose of the visit
- Carry their identification card at all times, and present it on request when visiting your premises
- Exercise discretion in front of your customers and staff
- Have regard to your approach to compliance, and use this information to inform future interactions with you
- Provide information, guidance and advice to support you in meeting your statutory obligations, if required
- Provide a written record of the visit.

Responding to non-compliance

Where we identify any failure to meet legal obligations, we will respond proportionately, taking account of the circumstances, in line with our Corporate Enforcement Strategy [\[add link once approved\]](#).

We deal proportionately with breaches of the law as set out in our Corporate Enforcement Strategy, including taking firm enforcement action when necessary.

Where we require you to take action to remedy any failings we will:

- Explain the nature of the non-compliance
- Discuss what is required to achieve compliance, taking into account your circumstances
- **Clearly explain any advice to improve the situation, actions required to remove the non-compliance or decisions that we have taken**
- Agree timescales that are acceptable to both you and us, in relation to any actions required
- Provide in writing details of how to appeal against any advice provided, actions required or decisions taken, including any statutory rights to appeal
- Explain what will happen next

- Keep in touch with you, where required, until the matter is resolved

Requests for our services

We clearly explain the services that we offer, including details of any fees and charges that apply.

In responding to requests for our services, including requests for advice and complaints about breaches of the law, we will:

- Acknowledge your request within 3 working days
- Tell you when you can expect a substantive response
- Seek to fully understand the nature of your request
- Explain what we may or may not be able to do, so that you know what to expect
- Keep you informed of progress throughout our involvement
- Inform you of the outcome as appropriate

A detailed breakdown of our response times and expected resolution times is available [here](#) however, please be aware that our officers will exercise their judgment to determine whether a more prompt response is required.

Our Teams

We have dedicated officers who have the appropriate qualifications, skills and experience to deliver the services provided. We have arrangements in place to ensure the ongoing professional competency of all officers. Where specialist knowledge is required in an area outside of our expertise we will seek assistance from other partners and agencies.

Working with others

Our services work closely together and our aim is to provide a streamlined service to you.

We are part of a much wider regulatory system in Tendring. We have good working relationships with other regulators and this enables us to deliver a more joined up and consistent service. This includes sharing information and data on compliance and risk, where the law allows, to help target regulatory resources.

Our officers are familiar with the work of our partners and can signpost you to the advice and guidance you need.

Having your say

Complaints and appeals

Where we take enforcement action, there is often a statutory right to appeal. We will always tell you about this at the appropriate time.

We are always willing to discuss with you the reasons why we have acted in a particular way, or asked you to act in a particular way.

We manage complaints about our services, or about the conduct of our officers, through our Corporate Complaints Policy. Details can be found [here](#)

Developing our services with you

We have a number of groups that we consult with to ensure that we are delivering our services to meet your needs. We are always happy to welcome new members to these groups.

How to contact us

For queries or feedback relating to our policy and general enforcement:

Telephone: 01255 686520

Email: kneath@tendringdc.gov.uk

Web: www.tendringdc.gov.uk

By post: Leadership Support and Community
Tendring District Council

Town Hall
Station Road
Clacton-on-Sea
CO15 1SE

Reception Opening Hours: Monday to Thursday 8.45am – 5.15pm
Friday 8.45am – 4.45pm
01255 686868

For Service specific enquiries our services are based at the following offices:-

Town Hall, Station Road, Clacton on Sea, Essex, CO15 1SE

Private sector housing: Telephone: 01255 686744 (grant enquiries) or 01255 686617 (all other private sector housing enquiries)
Email: PSHousing@tendringdc.gov.uk

Building services Telephone: 01255 686968 or 01255 222022

Northbourne Depot, Vista Road, Clacton on Sea, Essex, CO15 6AY

Seafronts Telephone: 01255 686638
Email: seafronts@tendringdc.gov.uk

Open Spaces Telephone: 01255 686677
Email: openspaceenquiries@tendringdc.gov.uk

Car Parking Telephone: 01255 686969
Email: parkingservices@tendringdc.gov.uk

Council Offices, Thorpe Road, Weeley, Essex, CO16 9AJ

Environmental Services Telephone: 01255 686767
Email: environmental.services@tendringdc.gov.uk

Planning Enforcement Telephone: 01255 686120
Email: planning.enforcement@tendringdc.gov.uk

88-90 Pier Avenue, Clacton on Sea, Essex, CO15 1TN

Licensing Telephone: 01255 686565
Email: licensingsection@tendringdc.gov.uk

We will seek to work with you in the most appropriate way to meet your individual needs. We can make information available in different formats.

If you contact us we will ask you for your name and contact details to enable us to keep in touch with you as the matter progresses. We treat all contact with the service in confidence unless you have given us permission to share your details with others as part of the matter we are dealing with on your behalf or there is an operational reason why we need to do so. We will respond to anonymous complaints and enquiries where we judge it appropriate to do so.

Personal data will be managed in accordance with Tendring District Council's [Privacy Statement](#)

By virtue of paragraph(s) 3 of Part 1 of Schedule 12A of the Local Government Act 1972.

Document is Restricted

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