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CHIEF EXECUTIVE'S OFFICE
CHIEF EXECUTIVE
Fiona Marshall

17 July 2017

Dear Councillor

You are summoned to attend the meeting of the;


FINANCE AND CORPORATE SERVICES COMMITTEE

on **TUESDAY 25 JULY 2017 at 7.30 pm.**

in the Council Chamber. Maldon District Council Offices, Princes Road, Maldon.

A copy of the agenda is attached.

Yours faithfully

A handwritten signature in blue ink, appearing to read 'F. R. Marshall', enclosed within a large, hand-drawn oval.

Chief Executive

COMMITTEE MEMBERSHIP

CHAIRMAN

Councillor D M Sismey

VICE-CHAIRMAN

Councillor I E Dobson

COUNCILLORS

Mrs B F Acevedo

J P F Archer

P G L Elliott

A S Fluker

M S Heard

Miss M R Lewis

Rev. A E J Shrimpton

Ex-officio non-voting Members:

*Councillors M F L Durham, CC and
B S Beale MBE*

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AGENDA
FINANCE AND CORPORATE SERVICES COMMITTEE
TUESDAY 25 JULY 2017

1. **Chairman's notices (please see overleaf)**

2. **Apologies for Absence**

3. **Minutes of the last meeting** (Pages 5 - 18)

To confirm the Minutes of the meeting of the Finance and Corporate Services Committee held on 14 June 2017 (copy enclosed).

4. **Disclosure of Interest**

To disclose the existence and nature of any Disclosable Pecuniary Interests, other Pecuniary Interests or Non-Pecuniary Interests relating to items of business on the agenda having regard to paragraphs 6-8 inclusive of the Code of Conduct for Members.

(Members are reminded that they are also required to disclose any such interests as soon as they become aware should the need arise throughout the meeting).

5. **Public Participation**

To receive the views of members of the public on items of business to be considered by the Committee (please see below):

1. A period of ten minutes will be set aside.
2. An individual may speak for no more than two minutes and will not be allowed to distribute or display papers, plans, photographs or other materials.
3. Anyone wishing to speak must notify the Committee Clerk between 7.00pm and 7.20pm prior to the start of the meeting.

6. **Chairman's Good News Announcements**

7. **Corporate Health and Safety** (Pages 19 - 24)

To receive and note the report of the Director of Resources, (copy enclosed).

8. **Human Resources Policy and Procedure** (Pages 25 - 38)

To consider the report of the Director of Resources, (copy enclosed).

9. **Disabled Facilities Grants** (Pages 39 - 40)

To consider the report of the Director of Customers and Community, (copy enclosed).

10. **2016 / 17 Budgetary Outturn Underspends** (Pages 41 - 50)

To receive and note the report of the Director of Resources, (copy enclosed).

11. **Budgetary Control (April - June 2017)** (Pages 51 - 66)

To receive and note the report of the Director of Resources, (copy enclosed).

12. **Supplementary Estimates and Virements** (Verbal Report)

To receive a verbal report from the Director of Resources.

13. **Any other items of business that the Chairman of the Committee decides are urgent**

14. **Exclusion of Public and Press**

To resolve that under Section 100A (4) of the Local Government Act 1972 the public be excluded from the meeting for the following item of business on the grounds that it involves the likely disclosure of exempt information as defined in Paragraphs 1 and 3 of Part 1 of Schedule 12A to the Act, and that this satisfies the public interest test.

15. **Millfields Caravan Park, Burnham-on-Crouch** (Pages 67 - 72)

To consider the report of the Director of Resources, (copy enclosed).

NOTICES

Sound Recording of Meeting

Please note that the Council will be recording any part of this meeting held in open session for subsequent publication on the Council's website. At the start of the meeting an announcement will be made about the sound recording. Members of the public attending the meeting with a view to speaking are deemed to be giving permission to be included in the recording.

Fire

In event of a fire, a siren will sound. Please use the fire exits marked with the green running man. The fire assembly point is outside the main entrance to the Council Offices. Please gather there and await further instruction.

Health and Safety

Please be advised of the different levels of flooring within the Council Chamber. There are steps behind the main horseshoe as well as to the side of the room.

Closed-Circuit Television (CCTV)

This meeting is being monitored and recorded by CCTV.



**MINUTES of
FINANCE AND CORPORATE SERVICES COMMITTEE
14 JUNE 2017**

PRESENT

Chairman	Councillor D M Sismey
Vice-Chairman	Councillor I E Dobson
Councillors	Mrs B F Acevedo, J P F Archer, P G L Elliott, A S Fluker, M S Heard and Miss M R Lewis

143. CHAIRMAN'S NOTICES

The Chairman drew attention to the list of notices published on the back of the agenda.

144. APOLOGIES FOR ABSENCE

Apologies for absence were received from Councillors B S Beale MBE and M F L Durham, CC.

145. MINUTES OF THE LAST MEETING

RESOLVED

- (i) that the Minutes of the meeting of the Committee held on 26 April 2017 be received.

Minute 1246 – Millfields Caravan Park, Burnham-on-Crouch

Councillor A S Fluker advised that the fourth paragraph of this Minute should be amended to read "...request a personal guarantee from a Director from the Birch company...". This was duly agreed.

RESOLVED

- (ii) that subject to the above amendment, the Minutes of the meeting of the Committee held on 26 April 2017 be confirmed.

146. DISCLOSURE OF INTEREST

Councillor D M Sismey disclosed an interest in Agenda Item 12 – Annual Treasury Outturn Report 2016 / 17 advising that he would leave the meeting for this item of business as he was an employee of Goldman Sachs.

147. PUBLIC PARTICIPATION

No requests had been received.

148. CHAIRMAN'S GOOD NEWS ANNOUNCEMENTS

There were none.

149. RESOURCES DIRECTORATE

It was agreed that the Committee would not receive a presentation but copies of the slides would be circulated.

150. 2016 / 17 REVIEW OF PERFORMANCE

The Committee considered the report of the Chief Executive giving details of performance against targets set for 2016 / 17 and to ensure that progress was being achieved towards the corporate goals and objectives detailed in the Corporate Plan 2015 / 19 adopted by the Council.

The Key corporate activities assessed as being “behind schedule” or “at risk of not being achieved” along with indicators which had not achieved their end of year target were set out in Appendix 1 to the report.

RESOLVED that performance against the targets set for 2016 / 17 be noted.

151. HUMAN RESOURCES STATISTICS - QUARTER FOUR 2016 / 17

The Committee received and noted the report of the Director of Resources presenting Human Resources statistics for the period 1 January to 31 March 2017.

Statistics and updates relating to the following areas were detailed in the report:

- Labour Turnover;
- Recruitment;
- Job Vacancies;
- Staff Sickness Levels
- Workforce Statistics – attached as Appendix 1 to the report.

Members noted that staff sickness levels had decreased from Quarter Three, although a slight increase in short term absences was shown. Some concern was raised regarding the current sickness levels and information was provided by the Group Manager - People, Performance and Policy in respect of work undertaken to reduce these levels. An update was provided on the current position of Quarter One to 8 June 2017, with an overall reduction in total days lost from 2.77 Full Time Equivalent (FTE) to 1.96 FTE (difference of 154 days). The Group Manager - People, Performance and Policy

advised that it was anticipated that further long term sickness cases would be shortly closing.

In response to a request, the Group Manager - People, Performance and Policy agreed to circulate to all Committee Members the number of current vacancies in the Council.

Some discussion ensued regarding sickness information requested for new employees and in response the Group Manager - People, Performance and Policy outlined the policy applied by the Council in respect of new employees and when reference requests were received for past employees.

It was confirmed that the Leader of the Council attended all staff inductions.

Members were advised that Human Resources would refer staff to Occupational Health in respect of stress and any identified stress was always investigated. The Group Manager - People, Performance and Policy outlined a number of tools available to staff to assist with stress management and highlighted that stress was an overall problem for organisations across the country.

RESOLVED that the contents of the report be noted.

152. ANNUAL REPORT ON THE WHISTLEBLOWING POLICY

The Committee considered the report of the Director of Resources reporting on any complaints made under the Whistleblowing Policy for 2016 / 17.

The Director of Resources advised that no reports had been made under the Whistleblowing for the year 2016 / 17. It was noted that a review of Whistleblowing Policy and Procedure would take place during the 2017 / 18 municipal year.

RESOLVED that the content of the report be noted;

153. LEVEL ONE BUSINESS PLAN 2017 / 18 - RESOURCES DIRECTORATE

The Committee considered the report of the Chief Executive seeking Members' approval of the Level One Business Plan 2017 / 18 for the Resources Director (attached as Appendix 1 to the report).

The report reminded Members of the existing Corporate Plan for the period 2015 – 2019 which set the vision and corporate goals that the Council agreed to focus on over the four year period along with a suite of high level outcomes associated with each goal. The Level 1 Business Plan provided the priorities and targets within the Resources Directorates for the next 12 months.

RESOLVED that the part of the Business Plan for the Resources Directorate for 2017 / 18 be agreed.

Following his earlier declaration Councillor D M Sismey left the meeting at this point.

154. ANNUAL TREASURY OUTTURN REPORT 2016 / 17

The Committee considered the report of the Director of Resources seeking Members' approval of the annual report (attached as Appendix A to the report), in accordance with the code of practice on Treasury Management.

The Director of Resources advised that she would be bringing a report to the next meeting of this Committee to look at further maximising the Council's investment income.

RECOMMENDED that annual Treasury Management Report for 2016 / 17 attached at **APPENDIX 1** to these Minutes be approved.

Councillor Sismey returned to the chamber.

155. FINANCIAL OUTTURN 2016 / 17

The Committee received the report of the Director of Resources providing information on the outturn position for the 2016 / 17 financial year and also movements in relation to the Council's General Fund / Earmarked Reserves and Capital Commitments as at 31 March 2017. Appendix 1 to the report gave details of the salary budgets and actual expenditure at the end of the financial year and Appendix 2 detailed the Earmarked Reserves and the movements in 2015 / 16.

Concern was raised regarding underspend on capital budgets and it was commented that budgeting needed improving with Directors having to justify why a particular budget may not have been spent. In response these and further concerns particularly in relation to capital projects, the Chairman requested that a report be brought to the next meeting of this Committee identifying the current status of all capital projects, why they may not be proceeding as planned and when it was known that the project was not going to happen so that monies could have been reinvested elsewhere. The Committee requested that Directors and senior Managers have tighter scrutiny on capital projects in the future. It was further agreed that the Committee would receive quarterly updates on all capital projects.

RESOLVED

- (i) That the information in relation to the estimated outturn position for the 2016 / 17 financial year be noted, including movement in general / earmarked reserves and capital commitments.
- (ii) That a report be brought to the next meeting of this Committee identifying the current status of projects, why they may not be proceeding as planned and when it was known that the project was not going to happen so that monies could have been reinvested elsewhere.

- (iii) That the Finance and Corporate Services Committee receive quarterly updates on all capital projects.

156. SUPPLEMENTARY ESTIMATES AND VIREMENTS: 1 APRIL - 19 MAY 2017

The Committee received the report of the Director of Resources, reporting virements and supplementary estimates agreed under delegated powers and procurement exemptions granted.

Members were advised that there had been:

- no virements or procurement exemptions for this period.
- one supplementary revenue estimate for sickness cover arrangements.
- two procurement exemptions from the Customers and Communities Directorate relating to a replacement vehicle and safety surfacing around play equipment at the Promenade Park.

The Chairman drew Members' attention to an addendum to this report which had been circulated, advising that the content of the addendum was confidential.

In response to a question regarding the procurement exemption relating to the Galleon and why only one supplier was available, the Director of Resources advised she would provide Members with information regarding this outside of the meeting.

RESOLVED that the following supplementary estimate and procurement exemptions granted during the period, be noted.

- Supplementary estimate for sickness cover (£10,000);
- Procurement exemption for purchase of a second-hand Land Rover (£33,950 ex. VAT);
- Procurement exemption for supply and installation of safety surfacing around the Galleon at Promenade Park (£6,003 ex. VAT).

In light of the addendum contents being confidential the Chairman suggested that the public and press be excluded whilst Members' considered this item of business. The exclusion of the public and press was proposed by Councillor I E Dobson and duly seconded.

157. EXCLUSION OF PUBLIC AND PRESS

RESOLVED that under Section 100A (4) of the Local Government Act 1972 the public be excluded from the meeting for the following items of business on the grounds that they involve the likely disclosure of exempt information as defined in Paragraphs 1 and 2 of Part 1 of Schedule 12A to the Act, and that this satisfies the public interest test.

158. SUPPLEMENTARY ESTIMATES AND VIREMENTS: 1 APRIL - 19 MAY

The Committee considered the addendum which sought Members' approval of a Supplementary Revenue Estimate to cover recruitment costs.

It was noted that a table contained within the report detailing recruitment costs was incorrect and a corrected table was made available on screen to Members at the meeting. It was noted that the corrections did not change the total figure detailed.

A lengthy debate ensued and detailed information was provided by the Group Manager - People, Performance and Policy in response to a number of questions.

RESOLVED that subject to the updated table of costs viewed at the meeting, the one-off Supplementary Revenue Estimate of £90,800 to cover recruitment costs, be approved.

159. RESUMPTION OF BUSINESS IN OPEN SESSION

RESOLVED that the meeting resumes in open session.

160. STRATEGIC AND FINANCIAL PLANNING PROCESS

The Committee received the report of the Director of Resources seeking agreement to the annual Strategic and Financial Planning Process (S&FPP) for 2018 / 19 as set out in Appendix 1 to the report.

It was noted that the Strategic and Financial Planning Process aimed to ensure available resources were effectively directed towards achievement of the Council's agreed corporate goals.

RESOLVED that the Strategic and Financial Planning Process for 2018 / 19, be approved.

161. APPOINTMENT OF REPRESENTATIVES ON LIAISON COMMITTEES / PANELS

The Committee considered the report of the Chief Executive seeking Members' consideration of appointments to the Committees / Panels as set out in the report for the ensuing municipal year.

It was noted that the work of the Council Chamber Member Task and Finish Working Group had finished and this should therefore be removed.

RESOLVED that Members are appointed as representatives to the bodies as detailed below, for the ensuing municipal year.

Body	2017 / 18 Representative
Building Control Task and Finish Working Group	Chairman and Vice Chairman of the Finance and Corporate Services Committee (no provision for subs) <i>(plus representatives from the Planning & Licensing Committee)</i>
Economic Prosperity and Tourism Working Group (Minute 1002 – 15/04/14)	Councillors Miss Lewis and P G L Elliott
Leisure Contract Task and Finish Working Group	Councillors A S Fluker and D M Sismey
Strengthening Community Member Task and Finish Working Group (Minute 710 - 17/12/15)	Councillors Mrs B F Acevedo and A S Fluker <i>(plus representatives from the Community Services and Planning & Licensing Committees)</i>

There being no further items of business the Chairman closed the meeting at 8.45 pm.

D M SISMEY
CHAIRMAN

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Annual Treasury Report 2016-17

1. Background

The Chartered Institute of Public Finance and Accountancy's Treasury Management Code (CIPFA's TM Code) requires that authorities report on the performance of the treasury management function at least twice a year (mid-year and at year end).

The Council's Treasury Management Strategy for 2016/17 was approved by the Council on 16 February 17 (Minute No. 991refers).

The Council has invested substantial sums of money and is therefore exposed to financial risks including the loss of invested funds and the revenue effect of changing interest rates. This report covers treasury activity and the associated monitoring and control of risk.

2. Economic Background provided by Arlingclose

Economic background: Politically, 2016/17 was an extraordinary twelve month period which defied expectations when the UK voted to leave the European Union and Donald Trump was elected the 45th President of the USA. Uncertainty over the outcome of the US presidential election, the UK's future relationship with the EU and the slowdown witnessed in the Chinese economy in early 2016 all resulted in significant market volatility during the year. Article 50 of the Lisbon Treaty, which sets in motion the 2-year exit period from the EU, was triggered on 29th March 2017.

UK inflation had been subdued in the first half of 2016 as a consequence of weak global price pressures, past movements in sterling and restrained domestic price growth. However the sharp fall in the Sterling exchange rate following the referendum had an impact on import prices which, together with rising energy prices, resulted in Consumer Price Index (CPI) rising from 0.3% year/year in April 2016 to 2.3% year/year in March 2017.

In addition to the political fallout, the referendum's outcome also prompted a decline in household, business and investor sentiment. The repercussions on economic growth were judged by the Bank of England to be sufficiently severe to prompt its Monetary Policy Committee (MPC) to cut the Bank Rate to 0.25% in August and embark on further gilt and corporate bond purchases as well as provide cheap funding for banks via the Term Funding Scheme to maintain the supply of credit to the economy.

Despite growth forecasts being downgraded, economic activity was fairly buoyant and Gross Domestic Product (GDP) grew 0.6%, 0.5% and 0.7% in the second, third and fourth calendar quarters of 2016. The labour market also proved resilient, with the International Labour Organisation (ILO) unemployment rate dropping to 4.7% in February, its lowest level in 11 years.

Following a strengthening labour market, in moves that were largely anticipated, the US Federal Reserve increased rates at its meetings in December 2016 and March 2017, taking the target range for official interest rates to between 0.75% and 1.00%.

Financial markets: Following the referendum result, gilt yields fell sharply across the maturity spectrum on the view that Bank Rate would remain extremely low for the foreseeable future. After September there was a reversal in longer-dated gilt yields which moved higher, largely due to the MPC revising its earlier forecast that Bank Rate would be dropping to near 0% by the end of 2016. The yield on the 10-year gilt rose from 0.75% at the end of September to 1.24% at the end of December, almost back at pre-referendum levels of 1.37% on 23rd June. 20- and 50-year gilt yields also rose in Q3 2017 to

1.76% and 1.70% respectively, however in Q4 yields remained flat at around 1.62% and 1.58% respectively.

After recovering from an initial sharp drop in Q2, equity markets rallied, although displaying some volatility at the beginning of November following the US presidential election result. The Financial Times Stock Exchange (FTSE)-100 and FTSE All Share indices closed at 7342 and 3996 respectively on 31st March, both up 18% over the year. Commercial property values fell around 5% after the referendum, but had mostly recovered by the end of March.

Money market rates for overnight and one week periods remained low since Bank Rate was cut in August. 1- and 3-month London International Bid Rate (LIBID) rates averaged 0.36% and 0.47% respectively during 2016-17. Rates for 6 and 12-months increased between August and November, only to gradually fall back to August levels in March, they averaged 0.6% and 0.79% respectively during 2016-17.

Credit background: Various indicators of credit risk reacted negatively to the result of the referendum on the UK's membership of the European Union. UK bank credit default swaps saw a modest rise but bank share prices fell sharply, on average by 20%, with UK-focused banks experiencing the largest falls. Non-UK bank share prices were not immune, although the fall in their share prices was less pronounced.

Fitch and Standard & Poor's downgraded the UK's sovereign rating to AA. Fitch, Standard & Poor's (S&P) and Moody's have a negative outlook on the UK. Moody's has a negative outlook on those banks and building societies that it perceives to be exposed to a more challenging operating environment arising from the 'leave' outcome.

None of the banks on the Authority's lending list failed the stress tests conducted by the European Banking Authority in July and by the Bank of England in November, the latter being designed with more challenging stress scenarios, although Royal Bank of Scotland was one of the weaker banks in both tests. The tests were based on banks' financials as at 31st December 2015, 11 months out of date for most. As part of its creditworthiness research and advice, the Authority's treasury advisor Arlingclose regularly undertakes analysis of relevant ratios - "total loss absorbing capacity" (TLAC) or "minimum requirement for eligible liabilities" (MREL) - to determine whether there would be a bail-in of senior investors, such as local authority unsecured investments, in a stressed scenario.

On the advice of Arlingclose, new investments with Deutsche Bank and Standard Chartered Bank were suspended in March 2016 due to the banks' relatively higher credit default swap (CDS) levels and disappointing 2015 financial results. Standard Chartered was reintroduced to the counterparty list in March 2017 following its strengthening financial position, but Deutsche Bank was removed altogether from the list.

Local Context

At 31/03/2017 the Council's underlying need to borrow for capital purposes as measured by the Capital Financing Requirement (CFR) was zero.

At 31/03/2017, the Council had no borrowing and £11.5m of investments. The Council may however have to borrow to pre fund future years requirements or unexpected capital expenditure that occurs in the year providing this does not exceed the authorised limit for borrowing of £10m.

The Council is currently debt free and its capital expenditure plans do not currently imply any need to borrow over the forecast period. Investments are forecast to fall to £7.8m as capital receipts are used

to finance capital expenditure and reserves are used to finance the revenue budget over the next three years.

Investment Activity in 2016 / 17

Investments	Balance on 01/04/2015 £'000	Investments Made £'000	Maturities/ Investments Sold £'000	Balance on 31/03/2017 £'000
Short term fixed Investments **	3,000	2,000	3,000	2,000
Cash Accounts	1,005	1,000	5	2,000
Money Market Funds	0	45,400	42,900	2,500
Certificates of Deposit	4,000	8,000	10,000	2,000
LAMIT Property Fund	3,000			3,000
TOTAL INVESTMENTS	11,005			11,500
Increase/ (Decrease) in Investments £m				500

** The Short Term fixed Investment outstanding at 31 March 2017 was as follows

Borrower	Amount £'000	Maturity Date
Lloyds	2,000	10 August 2017

Security of capital has remained the Council's main investment objective. This has been maintained by following the Council's counterparty policy as set out in its Treasury Management Strategy Statement for 2016/17.

Compliance Report

All treasury management activities undertaken during 2016/17 complied fully with the CIPFA Code of Practice and the Authority's approved Treasury Management Strategy.

The council continues to be debt free so compliance with the authorised limit and operational boundary for external debt is confirmed.

Treasury Management Indicators

The Authority measures and manages its exposures to treasury management risks using the following indicators.

Interest Rate Exposures: This indicator is set to control the Authority's exposure to interest rate risk. The upper limits on fixed and variable rate interest rate exposures, expressed as the proportion of net interest payable, should borrowing become necessary, would be:

	31.3.17 Actual	2016/17 Limit	Complied
Upper limit on fixed interest rate exposure	0	100%	✓
Upper limit on variable interest rate exposure	0	100%	✓

Fixed rate investments and borrowings are those where the rate of interest is fixed for at least 12 months, measured from the start of the financial year or the transaction date if later. All other instruments are classed as variable rate.

Maturity Structure of Borrowing: This indicator is set to control the Authority's exposure to refinancing risk. The upper and lower limits on the maturity structure of fixed rate borrowing, should borrowing become necessary, would be:

	31.3.17 Actual	Upper Limit	Lower Limit	Complied
Under 12 months	0%	100%	0%	✓
12 months and within 24 months	0%	100%	0%	✓
24 months and within 5 years	0%	100%	0%	✓
5 years and within 10 years	0%	100%	0%	✓
10 years and above	0%	100%	0%	✓

Time periods start on the first day of each financial year. The maturity date of borrowing is the earliest date on which the lender can demand repayment.

Principal Sums Invested for Periods Longer than 364 days: The purpose of this indicator is to control the Authority's exposure to the risk of incurring losses by seeking early repayment of its investments. The limits on the long-term principal sum invested to final maturities beyond the period end will be:

	2016/17	2017/18	2018/19
Limit on principal invested beyond year end	£1m	£1m	£1m

There were no investments made beyond 364 days in 2016/17

Security: The Council has adopted a voluntary measure of its exposure to credit risk by monitoring the value-weighted average credit score of its investment portfolio. This is calculated by applying a score to each investment (AAA=1, AA+=2, etc.) and taking the arithmetic average, weighted by the size of each investment.

	Target	Actual
Portfolio average credit score	6	3.83

Liquidity: The Council has adopted a voluntary measure of its exposure to liquidity risk by monitoring the amount of cash available to meet unexpected payments within a rolling three month period, without additional borrowing.

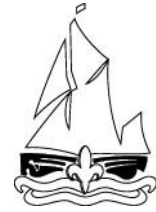
	Target	Actual
Total cash available within 3 months	£3m	£4.5m

Investment Training

The needs of the Council's treasury management staff for training in investment management are assessed as part of the staff appraisal process and additionally when the responsibilities of individual members of staff change.

During 2016/17 staff attended training courses, seminars and conferences provided by Arlingclose. Training was also provided to Members by Arlingclose at the Council offices in March 2017.

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REPORT of DIRECTOR OF RESOURCES

**to
FINANCE AND CORPORATE SERVICES COMMITTEE
25 JULY 2017**

CORPORATE HEALTH AND SAFETY

1. PURPOSE OF THE REPORT

- 1.1 To provide an update on corporate health and safety activity from 1 April to 30 June 2017 (quarter one).
- 1.2 To show progress with the health and safety action plan for 2017 / 18.

2. RECOMMENDATIONS

- (i) that accident and incident statistics for quarter four to be noted;
- (ii) that progress with the health and safety action plan for 2017 / 18 be noted.

3. SUMMARY OF KEY ISSUES

- 3.1 There were ten accidents during quarter one:
 - A member of the public fell in the new extension to the car park at the Council's offices in Princes Road. Previously, two members of staff and another member of the public have fallen in the new extension: awaiting quotes for improvements and budget approval.
 - A member of the public fell over in the overflow car park.
 - A member of staff hurt their toe as a swivel chair ran over it.
 - A member of staff hurt their head on a column as they bent over.
 - Two members of staff and a member of the public in the TIC received cuts to fingers from various stationery items.
 - A member of staff was hurt off site when a duck flew into her.
 - A member of the Park's Team was hurt when a spanner hit him in the face whilst changing a blade on a lawn mower.

None of the accidents needed to be reported to the Health and Safety Executive (HSE). None of the accidents require follow up action apart from the accidents in the new car park extension where improvements are required to prevent further falls.

3.2 Four incidents of unacceptable behaviour have been reported during quarter one involving staff in Waste, Planning, Anti-social behaviour and one referral from Social Services.

3.3 Progress with the health and safety action plan for 2017 / 18 can be seen in **APPENDIX 1**.

4. CONCLUSION

4.1 There have been no significant increases in the number of accidents or the seriousness of accidents. Due to the number of accidents in the new car park extension, improvement measures are required to prevent further falls.

4.2 The last three quarters have shown an increase in the number of unacceptable behaviour incidents. Conflict management training has been organised targeting new members of staff or those who have not had this type of training previously.

4.3 Work on the action plan for 2017 / 18 has begun. Procedures have been reviewed and updated to reflect changes in corporate arrangements and changes in legislation.

5. IMPACT ON CORPORATE GOALS

5.1 Managing health and safety well helps protect the workforce and wider community who may be affected by the Council's activities ensuring that communities stay safe and healthy.

6. IMPLICATIONS

- (i) **Impact on Customers** – Good health and safety management reduces the number of accidents and injuries to both customers and employees alike. Reduced staff absence resulting from work related injuries or ill health ensures a better service is provided to customers.
- (ii) **Impact on Equalities** – None
- (iii) **Impact on Risk** – Poor management of health and safety can lead to accidents, injuries, occupational ill health or dangerous occurrences. This may result in avoidable sickness absence and these incidents may be investigated by the Health and Safety Executive (HSE). This could result in prosecution with fines or custodial sentences and an award of costs if found guilty by the courts. In addition the HSE has adopted a “Fee for Fault” policy in which it recharges the cost of investigations if liability is identified. Civil claims by individuals could lead to significant pay outs which in turn could lead to increased insurance premiums. It can also lead to poor publicity, reputational damage and impacts on staff morale.
- (iv) **Impact on Resources (financial)** – No additional resources required, however, by managing health and safety, there should be less impact on financial resources as identified in (iii) above.

- (v) **Impact of Resources (human)** – No additional resources are required, however, by preventing accidents and ill health, there should be less impact on human resources.
- (vi) **Impact on the Environment** – Good health and safety management of the workplace, for example, management of asbestos and legionella, helps provide a safer and healthier environment in which to live and work.

Background Papers: None.

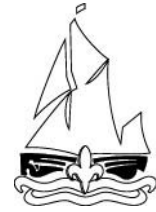
Enquiries to: Gill Gibson, Health and Safety Adviser, (Tel: 01621 875813).

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HEALTH AND SAFETY ACTION PLAN 2017 / 18

Subject	Action Required	Timescale	Progress
Health and Safety Arrangements	<p>To review all the corporate health and safety procedures falling due during 2017-18</p> <ul style="list-style-type: none"> • Accident and Near Miss Reporting • Bomb and Terrorism • Contractors • Fire • First Aid Arrangements • Legionella Arrangements • Lone Working • Manual Handling • Sharp and Needlestick Injuries • Unacceptable Behaviour • Workplace Arrangements • Workplace Transport • Young Persons 	<p>June 2017</p> <p>September 2017</p> <p>December 2017</p>	<ul style="list-style-type: none"> • The fire procedure was reviewed and updated to incorporate office changes. • The contractors' procedure was reviewed and updated to incorporate changes in legislation. • The first aid arrangements and accident procedure have both been reviewed. Improvements have been suggested to the accident reporting procedure which are being implemented. • The Health and Safety Committee decided to review the Bomb and Terrorism procedure once the police have moved into the Council offices in Princes Road, Maldon, so that corporate procedures could be aligned with Police procedures.
Risk Assessments	<p>To review all service risk assessments</p> <ul style="list-style-type: none"> • Customer Services • Environmental Health • Facilities • Finance • Housing • IT • Legal and Democratic Services • Parks • Park Rangers • Planning and Building Control 	<p>December 2017</p>	

Subject	Action Required	Timescale	Progress
	<ul style="list-style-type: none"> • People, Policy and Performance (PPP) • Revenues and Benefits 		
Legionella	To review the procedures in place to manage the risk from legionella and identify any shortcomings	October 2017	
Training	<p>To deliver the health and safety training where required, to include:</p> <ul style="list-style-type: none"> • Conflict management / diffusing aggression techniques • Refresher first aid training • Mental health first aider training • Developing an e-learning module for manual handling 	<p>October 2017 (carried over from 2016-17 action plan)</p> <p>As and when required December 2017 March 2018</p>	Conflict management training has been organised.



REPORT of DIRECTOR OF RESOURCES

**to
FINANCE AND CORPORATE SERVICES COMMITTEE
25 JULY 2017**

HUMAN RESOURCES POLICY AND PROCEDURE

1. PURPOSE OF THE REPORT

- 1.1 To agree changes to the Council's human resources policy 'Probation Policy and Procedure' as amended June 2017 for approval.

2. RECOMMENDATIONS

To the Council

That the Probation Policy and Procedure (**APPENDIX 1**) is agreed.

3. SUMMARY OF KEY ISSUES

- 3.1 It is a requirement of the Committee rules that all policies and procedures are put before the Finance and Corporate Services Committee.
- 3.2 At **APPENDIX 1** to the report, is a copy of the Probation Policy and Procedure for consideration and recommendation to the Council.
- 3.3 Some of the changes have been made to correctly reflect other policy changes such as; the right to appeal has been deleted as per the approved Appeals Policy and Procedure which does not apply during the Probation Period. Further, the notice period given during the probation period incorrectly stated one weeks' notice and has now been altered to reflect the current Terms and Conditions of Employment as one months' notice.
- 3.4 Further changes have been made to reflect the Council's new Performance Management Framework. Incorporated into the Probation Policy and Procedure a new section has been introduced to facilitate existing employees that move internally to another role within the Council but that fall outside of the six month window of probation. In this instance, managers are able to review their performance using the Performance Management Framework. This has previously not been incorporated into the policy but has been in practice for some months and is working successfully to record individual's progress.
- 3.5 Lastly, the policy has previously been silent on sickness absence during probation. Probationers fall outside of the Attendance Management Policy and Procedure and

therefore the Council has not had a clear message on the impact of absence during an employee's probationary period. The policy now incorporates elements of the Attendance Management Policy and Procedure providing for clear guidance.

- 3.6 Agreement to these changes has been reached in consultation with the recognised Union, UNISON.

4. CONCLUSION

- 4.1 All policies and procedures are statutory obligations to the Council and therefore need to be approved and or noted by the Committee as relevant.

5. IMPACT ON CORPORATE GOALS

- 5.1 By ensuring the human resources policies and procedures are fit for purpose promotes and supports the Council's corporate goal to deliver good quality, cost effective and valued services.

6. IMPLICATIONS

- (i) **Impact on Customers** – The Council's internal customers are its employees and as such, it has a legal obligation to uphold by doing what is statutorily required in terms of employment law. This policy update meets with this obligation.
- (ii) **Impact on Equalities** – All policies and procedures produced have an Equality Impact Assessment completed to ensure they do not greatly affect one or other employee.
- (iii) **Impact on Risk** – Without the continuous development and update of these policies and procedures, the Council is at substantial risk of an employment claim from any given employee.
- (iv) **Impact on Resources (financial)** – Any costs to the Council are statutory and must be met.
- (v) **Impact on Resources (human)** – Human Resources officers must remain up to date with employment legislation and therefore attendance at legal updates is essential. This cost is met by the Council.
- (vi) **Impact on the Environment** – Ensuring the Council's obligations are met, impacts on the corporate branding for the Council.

Background Papers: Internal Policies and Procedures available via the Intranet to all employees and Councillors / Equality Impact Assessments.

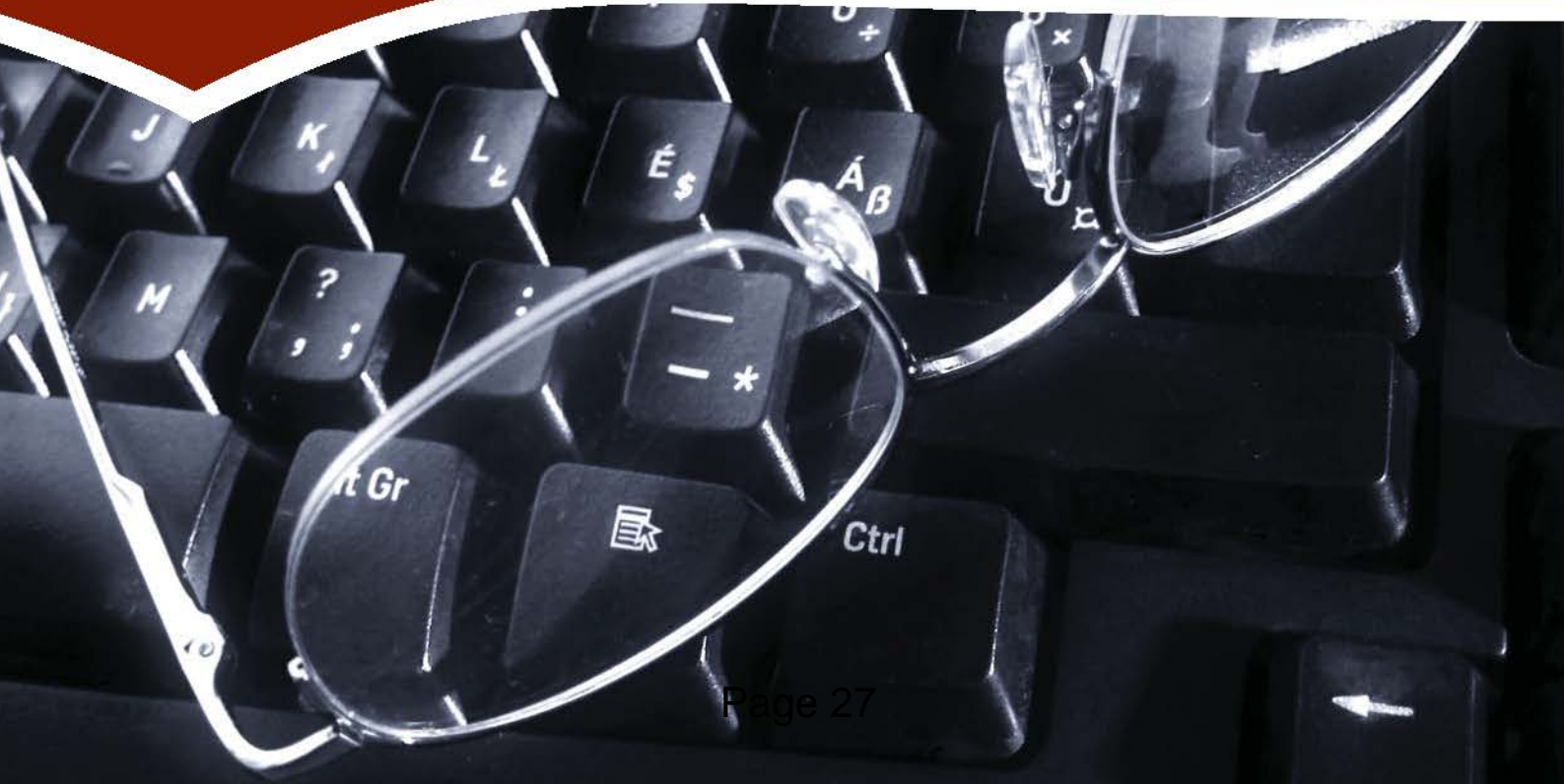
Enquiries to: Helen Tarling, Human Resources Business Partner, (Tel: 01621 875787).



MALDON DISTRICT
COUNCIL

Probation policy and procedure

July 2017



Maldon District Council
Probation policy and procedure

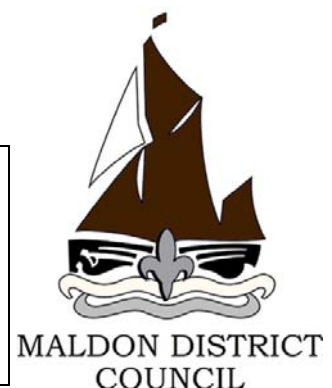
Document Control Sheet

Document title	Probation policy and procedure
Summary of purpose	The purpose of this Policy and procedure is to provide information and guidance for employees of Maldon District Council on the Council's Probation process. To provide a framework to judge the suitability of an employee, to discuss any shortcomings and agree action to help the employee achieve the required standards.
Prepared by	HR
Status	Final Approved by Finance and Corporate Services Committee 25.07.17
Version number	4
Approved by	
Approval date	Revised July 2017
Date of implementation	May 2012. Revised November 2015 and July 2017.
Review frequency	
Next review date	As required by legislative changes
Circulation	All Staff
Published on the Council's website	N/A

Validity Statement

This document is due for review by the date shown above, after which it may become invalid. Users of the strategy or policy should ensure that they are consulting the currently valid version of the document.

If you would like this information in large print, Braille or another language, please contact Human Resources.



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Section One – Policy and Procedure Overview

1 Policy Statement

Maldon District Council seeks to promote good employment relationships and practices, and this policy aims to ensure that all new employees, who are new to the employment of the Council, have a probationary period during which they will be introduced to the main duties and responsibilities of their post and the performance standards expected of them.

The purpose of this policy is to ensure that there is a fair and systematic approach in place to ensure expected standards are established and understood, performance is monitored, with areas of improvement addressed, and employees are given appropriate training and support to meet these standards.

The probation procedure should be used as a tool to ensure that employees are given every opportunity to prove their suitability for the post to which they have been appointed.

The Council's standard period of probation is 24 weeks. Extensions to the probationary period may exceptionally be given if this is appropriate.

Employees dismissed during their probation period will be given one month's notice in line with the Terms and Conditions of Employment.

Where an employee exceeds the Council's set Key Performance Indicator target for sickness during their probationary period, a meeting will be held to discuss options which may include extension of probation or dismissal.

This policy is mandatory for all Managers to undertake and follow with all new employees as directed by Human Resources.

2 Procedure Overview

- 2.1 The Council's standard period of probation is six months.
- 2.2 Assessment reviews will take place at 4 weeks, 12 weeks and a final assessment review at 24 weeks. Progress reviews may happen in the intervening time, for new employees
- 2.3 The outcome of the probation period is either:
 - To confirm the appointment of the new employee.
 - To extend the employee's probation period if the circumstances warrant this extension. An extension may be implemented in circumstances where the employee's performance during probation has not been entirely satisfactory but it is thought likely that an extension to the probationary period may lead to an improvement, or where the employee or line manager has been absent from the workplace for an extended period during probation, for example. The extension can only be for a further 3 months, thereafter a decision needs to be made as to whether to dismiss or confirm the appointment.

Maldon District Council

Probation policy and procedure

- To dismiss the employee if an employee's performance while on probation has been unsatisfactory despite support and it is thought unlikely that further training or support would lead to a satisfactory level of improvement. A decision to dismiss may be taken at any time during the probation period if this is considered appropriate.
- To dismiss the employee because they have behaved inappropriately or have breached their contract of employment through breaching the councils policies and procedures.
- To dismiss the employee due to unacceptable levels of absence due to sickness during the probation period; the Council's Key Performance Indicator target will be considered.

3 Scope of this Policy

3.1 This procedure applies to all Council employees, except:

- Officers employed under the JNC for Chief Executives and the JNC for Chief Officers Conditions of Service.
- Existing employees who have six months continuous service with the Council and have already successfully completed a six month probationary period are exempt from the probation policy. Existing employees in this instance will be managed in their new role through the Performance Management Framework using the tool Performance Conversations.
- This policy does not apply to those employees who have been redeployed or moved internally to a new post within the Council unless the employee is new to the Council and is already subject to the Probation policy and procedure.

3.2 All new appointments to the Council will be subject to the successful completion of a 24 week probationary period regardless of any previous local government service.

3.3 Employees engaged on fixed term/temporary contracts of six months or less are not subject to a probation period, although they would be required to serve a probation period if offered a permanent contract. Managers should give serious consideration to requiring employees to serve a probationary period if there is a likelihood that the fixed term/temporary contract will be, or is, extended beyond the initial six month period. Employees engaged on fixed term/temporary contracts for more than six months are required to undertake probation. Following completion of probation they will be given confirmation of their fixed term appointment.

4 Links to other Policies/Procedures

- 4.1 There may be a need to operate another policy while the probation procedure is being followed. These procedures will normally run simultaneously however, consideration may be given to suspending one of the procedures following consultation with Human Resources.
- 4.2 Other procedures to follow may include:
- Induction Policy and Procedure
 - Managing Attendance Policy and Procedure
 - Managing Organisational Change
 - Improving Performance Policy and Procedure
 - Performance Management Framework

Section Two – Procedure

1 Roles and Responsibilities

1.1 Line Managers are expected to:

- Ensure that the employee is properly informed at the start of his/her employment about the standards expected during probation
- Ensure the Council's Core Values are fully explained and how they relate to our every day work
- Properly monitor a new employee's performance and progress during the probationary period addressing any areas of improvement as early as possible
- Diary all assessment review meetings at the outset of the probation period
- Provide appropriate training, support and guidance to the employee during the probation period
- Follow the probation policy and procedure correctly and undertaking all assessment reviews to the timescales set
- Notify Human Resources of the employee's progress by completing the formal review forms and raising any issues or concerns, seeking relevant advice, guidance and support

1.2 Employees are expected to:-

- Take responsibility for demonstrating their suitability for the role during the probationary period by undertaking the duties and responsibilities of their role to the agreed standards
- Abide by all of the Council's policies and procedures
- Identify any learning and development needs and discuss with the line manager
- Identify any areas of difficulty/improvement needed and discuss with the line manager
- Attend work unless they are not well enough to do so
- Comply with the reporting sickness absence procedure; Managing Attendance Policy & Procedure
- Inform their line manager if they have a disability should this disability affect their ability to fulfil their role or maintain regular attendance should this not have already been disclosed on the medical questionnaire completed at recruitment stage.
- Advise their line manager if they are taking medication which may impair their ability to undertake their duties

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1.3 Human Resources will:

- Provide advice and guidance in the operation of this policy, attending meetings as appropriate
- Issue appropriate letters to the employee in accordance with the line manager assessment process
- Maintain accurate sickness absence data and provide details of sickness absence and management information to assist managers in undertaking their role
- Provide assistance to Managers in using the Performance Management Framework, Performance Conversations for existing staff that have already completed six months satisfactory probation period.

2 The Procedure

Progress Meetings

- 2.1 The process of probation should include regular progress meetings between the line manager and the employee.
- 2.2 These meetings should be held regularly throughout the probation period and will allow the employee's performance and progress to be monitored.
- 2.3 Progress meetings should be planned and scheduled at the outset of the employee's employment. At each meeting, the manager should aim to:
 - highlight areas where the employee is doing well;
 - explain clearly and in precise terms any areas in which the employee is falling below the required levels;
 - explore the possible reasons for any failure to meet the required standards;
 - discuss and agree whether or not any specific training or coaching is required;
 - discuss any other relevant matters such as timekeeping, attendance, general conduct or attitude;
 - invite the employee to comment on issues such as the extent to which he or she has integrated into the team/service and how well he or she is getting on with colleagues; and
 - give the employee an opportunity to ask questions or raise concerns about any aspect of his or her employment.

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Formal Assessment Reviews

- 2.4 Whilst these regular progress meetings will be held during the probation period, formal assessment reviews should be held at the following intervals:
- Formal 4 week review
 - Formal 12 week review
 - Formal 24 week review (final assessment review unless extension of probation is needed)
- 2.5 During these formal assessment meetings the line manager should discuss with the employee their performance against the standards expected, identify additional support and learning and development needed and plan for the next review meeting. The probation assessment forms at Appendix 1 should be used to record this discussion and a copy given to the employee.

Area of Improvement Identified

- 2.6 If there are areas of improvement identified, the probation performance improvement plan at Appendix 2 should be completed by the line manager, in discussion with the employee, and a copy given to the employee. This should indicate what should be done, by whom, how and in what timescale so that the employee will be aware of what is expected of him or her by the time of the next review. These forms should be discussed at each subsequent review meeting.

Sickness during Probationary period

- 2.7 Employees are required to comply with the reporting sickness absence procedure during the probationary period, detailed with Managing Attendance Policy & Procedure. Sickness absence records are maintained by the Human Resources department and will be provided to the line manager.
- 2.8 Employees may be dismissed due to unacceptable levels of absence due to sickness during the probationary period. Where an employee exceeds the Council's set Key Performance Indicator target for sickness during their probationary period, a meeting will be held to discuss options which may include extension of probation or dismissal.
- 2.9 Whilst the Managing Attendance Policy & Procedure does not apply to employees who are in their probationary period, (as the issue of attendance will be addressed within the probation monitoring period), probationers must comply with the notification requirements detailed within it and managers must continue to apply the policy's principles of good attendance management

Early Dismissal during Probationary Period (prior to 24 week assessment meeting)

- 2.10 It is the Council's policy to allow the employee to complete the designated period of probation rather than terminating employment before the probation has come to an end. This is to give the employee a full opportunity to come up to the required standards. However, if there is clear evidence, before the 24 week assessment meeting, that suggests the employee is unsuitable for the role, and appropriate support has been provided to the employee to meet the required standard, the line manager should consult Human Resources. One of the options will be early dismissal before the 24 week assessment meeting.

Maldon District Council

Probation policy and procedure

- 2.11 A meeting will be arranged with the employee. The line manager will chair this meeting.
- 2.12 The purpose of this meeting is to review the employee's performance and come to a decision about their continuing employment.
- 2.13 The employee has the right to be accompanied by a recognised trade union representative or a work colleague where appropriate. Human Resources will also attend this meeting. Five working days' notice of this meeting should be given to the employee if possible however for serious offences within the first two months the meeting could take place immediately.
- 2.14 Employment may be terminated at any stage during the probationary period, on the employee giving or receiving one months' notice in line with the Terms and Conditions of Employment.

Irregularities discovered during the Probationary Period

- 2.15 If, during an employee's probation, it is suspected or established that the employee does not have the qualifications, experience or knowledge that he/she claimed to have at the time of recruitment, the matter will be discussed with the employee to establish the facts. If the evidence suggests that the employee misrepresented his/her abilities in any way, a meeting will be held with the line manager. The employee will have the right to be accompanied by a recognised trade union representative or work colleague and Human Resources will also be in attendance. The outcome of this meeting may be that the Council will terminate the employment with immediate effect (giving one week's pay in lieu of notice or their notice period as determined by the line manager. The employee will have the right to appeal against this dismissal in writing.
- 2.16 If the employee is an existing employee who has been transferred or promoted into a different role, the Council's Managing Capability and Under Performance Policy must be followed in full.

Formal 24 Week Review – Final Assessment Review

- 2.17 At the end of the probationary period, the manager should conduct a "final progress review" of the employee's performance and suitability for the job.
- 2.18 It is extremely important that the final review meeting is held on or before the end of the agreed probationary period. If the meeting does not take place by this date, technically the employee's appointment will be confirmed by default.
- 2.19 The final review will allow both the line manager and the employee to:
 - identify and discuss any areas in which the employee requires further training or development;
 - discuss standards achieved;
 - check how the employee feels about his or her employment in general; and
 - explain how performance will be managed in the future.

Maldon District Council Probation policy and procedure

Satisfactory Completion of Probation

- 2.20 If the employee's performance is satisfactory, the line manager should complete the probation 24 week/final assessment review form and the manager and employee should sign the form and return to Human Resources who will issue a letter of confirmation of appointment to the employee.

Unsatisfactory Completion of Probation

- 2.21 If the employee's performance has not been to the standard required, the line manager should discuss the matter with Human Resources in the first instance.

Extension of Probationary Period

- 2.22 It may be appropriate to extend the employee's probation period and this will be at the Council's discretion. This will be limited to one extension and the total period of extended probation will usually be no longer than three months.
- 2.23 An extension may be implemented in circumstances where the employee's performance during probation has not been entirely satisfactory but it is thought likely that an extension to the probationary period may lead to an improvement, or where the employee or line manager, for example, has been absent from the workplace for an extended period during probation.
- 2.24 Before extending an employee's probationary period, the line manager will consult with Human Resources. If an extension to the probationary period is agreed, the Council will confirm the terms of the extension in writing to the employee, including:
- the length of the extension and the date on which the extended period of probation will end;
 - the reason for the extension and, if the reason is unsatisfactory performance, details of how and why performance has fallen short of the required standards;
 - the performance standards or objectives that the employee is required to achieve by the end of the extended period of probation;
 - any support, for example further training, that will be provided during the extended period of probation; and
 - a statement that, if the employee does not meet fully the required standards by the end of the extended period of probation, his/her employment will be terminated.
- 2.25 If the employee has not fully met the required standards by the end of the extended probationary period, his/her employment will be terminated in accordance with the procedure below.

Ending Employment in the Probationary Period

- 2.26 If following the completion of the probation assessment, an employee's performance continues to be unsatisfactory, and either an extension of probation is not appropriate, or an extension of probation has been given and performance standards are still unsatisfactory, it may be necessary to terminate employment.

Maldon District Council

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- 2.27 If during the probationary period serious issues are brought to the attention of the line manager it may be appropriate to terminate the employment with immediate effect.
- 2.28 Before a dismissal can take place the line manager needs to get agreement with a Group Manager.
- 2.29 A meeting will be arranged with the employee. The line manager will chair this meeting.
- 2.30 The purpose of this meeting is to review the employee's performance during the probation period and come to a decision about their continuing employment.
- 2.31 The employee has the right to be accompanied by a recognised trade union representative or a work colleague. Human Resources will also attend this meeting. Five working days' notice of this meeting should be given to the employee.
- 2.32 Where the employee is dismissed, the period of notice to be served during the probationary period is one months' notice.

Appeals

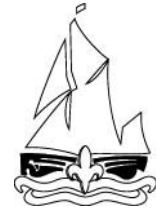
- 2.33 The Council's Disciplinary Procedures and Appeal arrangements do not apply during the probationary period.

Existing employees

- 2.34 Employees that have already completed six months satisfactory probation with the Council are exempt from this policy. The Manager will in this instance follow the direction of the Performance Management Framework setting SMART objectives, identifying competencies and holding Performance Conversations with the employee, in line with the new position held by the employee for a period of six months.
- 2.35 Where the employee is failing to meet the objectives set, advice should be sought from Human Resources. Like the probation procedure, the Council would expect that satisfactory completion of a clear Performance Conversation, agreed with the employee at the outset is completed within the six month period and provided to Human Resources as evidence of this. Managers failing to comply with this could result in disciplinary action being taken against them.
- 2.36 Should the employee not meet with the expectations of the position, the Improving Performance Policy and Procedure will be followed.

3 More Information

- 3.1 For more information please contact Human Resources.



REPORT of DIRECTOR OF CUSTOMERS AND COMMUNITY

**To
FINANCE AND CORPORATE SERVICES COMMITTEE
25 JULY 2017**

DISABLED FACILITIES GRANTS

1. PURPOSE OF THE REPORT

- 1.1 To seek approval to vary the fees for Disabled Facilities Grants (DFG) in accordance with the recommendation of the Council's Community Services Committee on 4 July 2017.

2. RECOMMENDATION

That Members of this Committee approve the increase of Disabled Facility Grants fees to 15%, in order to make the service sustainable and meet current and future strategic demands.

3. SUMMARY OF KEY ISSUES

- 3.1 The Council has a mandatory duty under the Housing Grants, Construction and Regeneration Act 1996 to provide financial assistance for essential adaptations in people's homes. Although the legislation remains in place, levels and means of funding have changed several times over the last ten years.
- 3.2 In 2016 / 17 funding to the Council for this purpose was paid for the first time via Essex County Council as part of the Better Care Funding. There was also significant increase in the annual level of grant, increasing from £184,700 in 2013 to £420,000 last year. For this current year, 2017 / 18 there has been a further increase and the grant award is £440,000.
- 3.3 The reasons for these changes are to create better opportunities for integrating the DFG programme with social care and health; encourage more pooling of other resources to meet a growing demand in the most cost-effective way and, in two-tier authority areas such as Essex, create new working arrangements between local housing authorities and social care. Officers of Maldon District Council and Essex County Council are currently working on the terms for these new arrangements to ensure funding is allocated within each year, performance reported and there are provisions for dealing with any under-spend or problems with performance.
- 3.4 On 4 July the Council's Community Services Committee was presented with a report that outlined performance for the previous year including the rising cost of meeting demand for various types of adaptations and high levels of satisfaction from clients for the service provided by the Council and contractors. As part of the review of the service, it was noted that the Council still charges variable levels of fees as a result of

these being introduced at differing times, ranging from 5% to 12% depending on the type of assistance that is provided even though in most cases these are all within the Council's DFG programme. A comparison of fees charged by other districts shows that the range charged is between 15% to above 20% with less if any variation between the percentage and type of work commissioned. This variation is confusing and also weakens the ability of the Council to develop the service as envisaged in paragraph 3.3 above. It was therefore proposed to the Community Services Committee that all fees be set at 15% which is comparable with other districts in Essex.

4. CONCLUSION

4.1 The Council's Community Services Committee resolved that:

“the Finance and Corporate Services Committee be recommended to approve the increase of Disabled Facilities Grants Fees to 15% in order to make the service sustainable and meet current and future strategic demands.”

5. IMPACT ON CORPORATE GOALS

5.1 Strengthening communities to be safe, active and healthy;

5.2 Delivering good quality, cost effective and valued services.

6. IMPLICATIONS

- (i) **Impact on Customers** – The service can have a positive transforming effect on the lives of those with disabilities.
- (ii) **Impact on Equalities** – The Council needs to be able to demonstrate under the Equalities Act how it is ensuring that it provides services to all those with protected characteristics including disabilities.
- (iii) **Impact on Risk** – Future funding is likely to depend upon the Council's ability to demonstrate that it is making the most effective use of the Better Care Funding grant
- (iv) **Impact on Resources (financial)** – The service has managed to become partly self-financing and this increases with the number of clients and level of grant funding, reducing the demand on the Council's own resources at a time when the care and support of older people is becoming more challenging.
- (v) **Impact on Resources (human)** – None.
- (vi) **Impact on the Environment** – None.

Background Papers: Disabled Facilities Grants for Home Adaptations - House of Commons Briefing Paper No. 03011 (28 December 2016).

Enquiries to: Paul Gayler, Strategic Housing Manager, (Tel: 01621 875772) or Chris Dispirito, Home Improvements Team Leader, (Tel: 01621 875881).



REPORT of DIRECTOR OF RESOURCES

**to
FINANCE AND CORPORATE SERVICES COMMITTEE
25 JULY 2017**

2016 / 17 BUDGETARY OUTTURN UNDERSPENDS

1. PURPOSE OF THE REPORT

- 1.1 To provide Members with detailed information in relation to the current status of capital projects, why they may not be proceeding as planned and when it was known that the project was not going to happen.
- 1.2 To provide information on the reasons for the revenue outturn underspend position for 2016 / 17.

2. RECOMMENDATION

That Members note the contents of this report and proposed remedial actions.

3. SUMMARY OF KEY ISSUES

This report is for Members' information only.

- 3.1 The budget outturn for 2016 / 17 reported a £1.18m underspend against budget for the revenue budgets, and £800,000 underspend against budget for capital projects.
- 3.2 Due to reporting of revised budgets to Members in January, the Capital outturn position had not been reported to Members in Quarter Three.
- 3.3 **Revenue Budgets**
 - 3.3.1 **APPENDIX 1** shows a summary of all key underspends from the 2016 / 17 outturn.
 - 3.3.2 A more detailed line by line analysis was carried out behind this summary and this work will form part of the 2018 budget review process to identify any further budgets that can be reduced to fund the future budget gap. The table below shows the largest key budget underspends categorised into the reason for the underspend.

Reason	Amount £000s	Comment
Expenditure Committed to in 2016 / 17 but will not occur until 2017/18.	300	Annually there are items that are intended to be completed in the relevant financial year, but due to various issues cannot. The figure for 2016 / 17 is lower than that in 2015 / 16 and will be reviewed annually to ensure that levels of money carried forward are not increasing year on year.
Demand led, therefore some variance is reasonably accepted at year end.	41	Due to their nature, demand led budgets will have an element of variance at year end dependent on take up. Historic trends and outturn can be used to estimate budget requirements, but there will be an element of uncertainty due to changes in trends.
Highlighted that potentially should have been built in at revised budget.	70	Senior staff advised that the revised budgets were not to be reviewed for 2016 / 17, therefore minimal work was carried out. A full budget review will be carried out for 2017 / 18 revised budgets.
Budgeting Error	242	As part of the 2016 / 17 original budget that was approved in February 2016, the Non Domestic Rate (NDR) balance attributable to Maldon was included at the wrong figure. Additionally the figures had been worked on a surplus when the outturn should have been a deficit. The balance is redistributed annually and therefore the deficit position will be corrected in 2017 / 18.
Items not known until after the revised budget process where budget was approved by Council 16 February.	318	Internal communications streams will continue to be reviewed to ensure that as much new income/changes to budget requirements can be built into budgets at the revised budget stage. This was made up of £216,000 of central government new burden grants, £39,000 of additional Revenue Support Grant (RSG) funding, and other small budget items that were not notified until after the budgets had been approved such as rates and utility rebates on Council properties.
Changes to staffing establishment	110	This was reported with the outturn to the June meeting.

Reason	Amount £000s	Comment
Department requested retention of budget that underspent	93	Services retain the detailed knowledge of service delivery and timings, therefore finance have to be led by them, but will challenge where activity and explanations do not correlate.
External Funding	100	Income is received from third parties for specific projects and retained in a reserve, this income is built into budget at revised so that departments are aware what is available, but the project may not go ahead in that year and the money will be returned to reserves. Alternative ways of presenting / reporting this will be reviewed.
Planning under achievement of income	(150)	Planning income was under target due to major applications being budgeted for, but not realised.
Residual budget variances	60	The remaining underspend is due to minor variance that haven't been investigated further.
Total Underspend	1,184	

3.3.3 The budget process for 2017 / 18 focused mainly on the new year's budget with less focus on the revised budgets. The main budgetary process is carried out in November, and departments are reluctant to relinquish budget with still a significant proportion of the year left. The finance team will be querying where they believe budgets can be revised, and making recommendations to Directors where necessary. Whilst a year end underspend could be considered favourable as there is additional money in reserves, the amount of reserves available at the time of setting the budget influence decisions on the new year's budgets and financing. Equally supplementary estimates are often received later in the year, and are approved from new money, but identifying budgets that can be reduced in year can help to cover these bids without a need for new money.

3.3.4 Staff will be communicated with to ensure that current year budgets are also considered with regard to releasing unrequired monies and why this is necessary.

3.3.5 Existing earmarked reserves will also be reviewed and challenged to identify why reserves were initially set up and movement on them to ascertain whether there are balances that can be returned to funds. However whilst anything identified will assist in the budget gap for 2018 / 19, this is one off and therefore increases what needs to be found the following year.

3.4 Capital Projects

3.4.1 **APPENDIX 2** provides details of the capital programme for 2016 / 17 and its position as at year end. This shows that at year end only 67% of the programme had been completed. Narrative has been updated by officers to show why these projects were

not completed during 2016 / 17. The reasons for project underspends are summarised in the table below.

Reason	Amount £000s	Comment
Actual Expenditure	1,579	Breakdown Detailed in APPENDIX 2
Staffing capacity issues due to the service area being responsive to maintenance requirements in the year.	104	The relevant service area must react to maintenance demands on Council Owned plant and equipment and this work is prioritised over programmed capital work. Workplans for relevant staff have been reviewed to ensure that required work is achievable in the time available and management are looking at ways that the authority can work cross directorate to make efficient use of staff capacity throughout the year.
Project delayed to tie in with the Saltmarsh Coast launch in September 17.	30	By launching the entrance refurbishments at the Splash Park and the Riverside Path signage later, it has been possible to incorporate the Sense of Place branding promoted by the Council.
Delays due to third parties	202	Some projects that have required input from third party specialists, have been delayed as contractors have not been able to be secured. Tip Road is dependent on Essex County Council (ECC) and discussion are ongoing. The CCTV project was delayed due to issues with initial contractor and installation, new contractors have now been appointed. These issues cannot be avoided. However, reporting has been reviewed to try and collate information that will help these issues to be flagged at an earlier time.
Internal Accounting	18	This underspend relates to a coastal communities project that is ongoing and was mostly funded by an external grant. The grant was applied to cover all expenditure in 2016 / 17 and the Council's contribution will be used against the future expenditure on the project.
Delay due to larger Council Project	165	The new Splash Park kiosk has been delayed due to the Maldon Central Area Masterplan, as any works will be carried out as part of a larger project. The telephony upgrade options review identified a need for a much bigger system update, and therefore the project was deferred.

Reason	Amount £000s	Comment
Equipment lead in time	117	A supplementary estimate to the 2016 / 17 budget was requested from Members in November 2016 for a Central Heating System for the leisure centre. When the system was ordered, there was a three month lead in time for the receipt of the equipment, meaning that this could not be installed until 2017-18.
Completed underspends	96	Capital expenditure for 2016 / 17 was last reported to Members as at Quarter Two with full narrative on project progress. The officers responsible for the budget setting process at that time, made the decision that full monitoring information was not required for Quarter Three due to the reporting of the revised budgets. Finance Team management has changed since then, and the information that should be being reported and frequency will be reviewed to ensure that Members are aware of progress and any issues in a timely manner.
Changes to projects	143	Three projects were identified as not being required to be completed and instead the funds used to support the transformation agenda. There was no call on this capital money in 2016 / 17 as the transformation agenda was only launched at the end of the year with senior management and the main work streams will fully commence in 2017 / 18.
Internal Decisions	15	Logistical discussions with regard to placement of the electronic gates delayed the installation.
Budget	2,469	Breakdown Detailed in APPENDIX 2

- 3.4.2 Capital reporting will now look at the start and due completion dates to flag when a project is looking to be delayed and Capital Outturn will be reported quarterly to Members so that they are aware of any potential project underspends.

4. CONCLUSION

- 4.1 Whilst the revenue budget had significant underspends in 2016 / 17, £318,000 relating to notifications after the budget process, £110,000 staff savings, and £41,000 demand led budgets, could not have been built into the 2016 / 17 revised budgets due to timings of notifications, but areas will be reviewed as part of the next budget cycle

comparing trends and outturn from the prior years. Processes will also be reviewed and staff educated to enable more savings to be reflected with the revised budgets.

- 4.2 Work programmes and capital monitoring procedures have been reviewed to ensure that issues in delivering the capital programme are less frequent, and can be flagged at an earlier stage.

5. IMPACT ON CORPORATE GOALS

- 5.1 This report links to the corporate goal of ‘delivering good quality, cost effective and valued services’.

6. IMPLICATIONS

- (i) **Impact on Customers** – None directly.
- (ii) **Impact on Equalities** – None identified.
- (iii) **Impact on Risk** – There are no corporate risk issues associated with this report.
- (iv) **Impact on Resources (financial)** – Variances from the budget will impact upon the level of balances and/or capital reserves available in the future.
- (v) **Impact on Resources (human)** – None identified.
- (vi) **Impact on the Environment** – None.

Background Papers: None.

Enquiries to: Carrie Cox, Finance Manager, (Tel: 01621 875799).

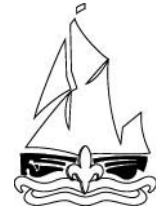
Appendix 1

Area of underspend	Narrative
Salaries	These would not have been known at the time of budget setting as relate to staff retention and recruitment which is an unknown variable.
Increased CT sharing agreement allowance	Budget is revised after 2 known quarters, so there is an element of uncertainty over the performance for the remainder of the year, however budget could have potentially increased been increased.
Revenue Support Additional sum	Received in March, was not known about at time of setting revised budget.
NDR Surplus	Result of a budgeting error. Will be an overspend in 2017/18 as we pay it back.
IT	£15k of underspends are demand led budgets, these will be reviewed in more detail at budget stage to look at the historical trends. Some Disaster Recovery items for 2016/17 were not renewed as new ways of working are being identified, but this will be reviewed in the 2018 budget process. This had an underspend of £10k. £22k is committed to be spent in 2017/18. £5k of underspends had already been built into the 2017/18 budget.
New Burden Grants	Relate to planning (community housing / self build / brownfield new burdens Grants). These were not known about at the time of setting the budget and were received in March. They have been rolled forward in a reserve to cover expenditure in 2017/18.
Community Safety	These budget underspends relate to projects committed from an earmarked reserve, therefore the money has been returned to reserve for completion at a future time.
Community Safety	Additional funding received in the year which is for specific projects, so this has been put into an earmarked reserve for future spending.
Recycling Income	The budget is set based on the prior years profiling, however this profile shifted so that more recycling happened in the second half of the year, therefore wasn't known at the time the budget was set. Subscriptions to green waste also increased in the second half of the year.
Environment Protection	Budget Underspends relate to expenditure that was committed to at year end but will be occurring in 2017/18.
Planning income	
General Service Underspends. The key movements are detailed below.	
Chief Executive	£32k underspends committed to be spent in 2017/18. Remaining £3k variance relates to numerous insignificant variances

Area of underspend	Narrative
Resources	<p>£84k committed at end of the financial year to be spent in 2017/18.</p> <p>£9k of the underspends have been identified as areas that could be reviewed in more detail for potential reduction as part of the 2018 budget process. The majority of this has been generated from training budgets.</p> <p>£6k saving as unable to recruit enough staff for canvassing.</p> <p>£3k budget for surveys that are only required biannually</p> <p>£5k already built into 2017/18</p> <p>No staff survey saved the Council £3k</p> <p>£5k of rate rebates for St Cedds</p> <p>£12k savings from demand led budgets. These are reviewed at revised and would be cut if a significant change, but some additional budget will be left in case of an increase in demand.</p>
Planning and Regulatory	<p>£67k committed at end of the financial year to be spent in 2017/18.</p> <p>£4k savings due to timings of agency cover</p> <p>£23k saving identified for 2017/18, but retained for 2016/17.</p> <p>£20k relates to a budget which overspent in 2015/16, therefore expenditure in 2016/17 was reduced, was not amended for at revised budget.</p>
Customer and Community	<p>£95k committed at end of the financial year to be spent in 2017/18.</p> <p>£23k increased car park income due to additional evening charges and increased visitors in off peak season.</p> <p>£4k additional work from parish councils</p> <p>(£27k overspend on housing benefits, this is totally demand led, £10k increase in CTax admin and collection).</p> <p>£3k from additional wharfage</p> <p>£5k contribution from Burnham TC was not known about at time of revised budget.</p> <p>£8k refund on water rates.</p> <p>£6k development in splash park ticketing that hasn't yet happened.</p> <p>£17k reductions already flagged in 2017/18 budget</p> <p>£17k underspend parks and open spaces</p> <p>£4k increase in animal welfare licenses in second half of the year.</p> <p>£10k increase in PCNs as more officers on patrol</p>

Capital Programme 2016/17	2015/16 B/F (£000)	2016/17 (£000)	Supp. Estimates & Virements	Total Budget (£000)	Expenditure to (£000) 31/03/2017	Project Status	Narrative
Council Offices Site							
St Cedds Shared Accommodation	143		11	154	154	Completed	Completed January
Vehicle & Plant Replacement							
Rangers Vehicle		14		14	10	Completed	Delivery of vehicle due 1st November
Parks Vehicles & Mowers	20	20		40	23	In progress	Order planned Autumn 2017. Delay due to staffing resources
Purchase of Waste Vehicle		12		12	13	Completed	Purchase complete
Emergency Planning Vehicle		12		12	13	Completed	Purchase complete
Information & Communication Technology							
PC & Printer Replacement		35		35	32	In progress	Ongoing
Telephony Review / Upgrade	5			5	0	In progress	Options currently being researched. Will be implemented in 17/18
Parks & TIC Upgrade/Improvement	8			8	7	In progress	Awaiting final accounts
CRM Project		53		53	0	In progress	Options presented to CLT. Will form part of transformation programme.
IT Project Officer		50		50	0	Not started	Options presented to CLT. Will form part of transformation programme.
I-Dox Application & Upgrades		22		22	20	Completed	
Sharepoint		40		40	0	In progress	Options presented to CLT. Will form part of transformation programme.
Maldon Promenade							
Entrance Refurbishments	10			10	0	In progress	Part of September 17 Launch to ensure maximum impact of sense of place project.
Prom Park Road Repairs 15/16	40			40	0	In progress	Planned Autumn 17 (delayed due to uncertainties about Phase 2 of Adventure golf. Will now go ahead in Sept / Oct)
Park Drains - purchase of surveying equipment	1			1	1	Completed	Completed
CCTV Upgrade Prom	14			14	5	In progress	These were not completed in 2016/17 due to issues with the contractor and installation issues. Spencer Clarke have now been assisting with the CCTV project and we are looking to install a wireless system in phases and at this moment in time are seeking quotes to carry out this work.
Bollard Lighting Prom Pk		18		18	19	Completed	Bollard type selected, writing work specification, due for completion March 2017 (no works to start until after fireworks display)
Adventure Golf	30			30	30	Completed	Completed July 2016.
New Service and Splash Park Kiosk	160			160	0	In progress	On hold until central area masterplan complete which is going to P&L in July.
Winter Car Parking Prom Park		10		10	0	Not started	Due to be carried out after Autumn 17 due to capacity issue SK
Tip Road		80		80	0	Not started	Dependant on ECC discussions are ongoing
Promenade Park Electric Gates			15	15	0	Not started	Out to quotation, Install completed by Early Autumn. Discussions on correct location has now been resolved.
Prom Park Road Repairs		10		10	0	In progress	Planned Autumn 17 (delayed due to uncertainties about Phase 2 of Adventure golf. Will now go ahead in Sept / Oct)
Leisure & Sports Centres							
New Leisure Centre Contract	185		110	295	178	In progress	Refurbishment programme completed. Final Account has been received and has been presented to the Community Services Committee. Combined Heating and Power unit has been purchased in 2017/18 as the lead in time for the unit meant delivery within 16/17 was not achievable.
Planned Maintenance Programme	111			111	78	In progress	Main electrical panel is fit for purpose. Difficulties obtaining specialist advice to draw up tender for control panel. May well be fit for purpose as is.
Parks & Open Spaces							
Playsite Resurfacing		30		30	31	Completed	St Georges Field completed 18/10/16 West Maldon due to start Mid November
Riverside Skate Park		12		12	9	Completed	
Riverside Park Sea Wall Resurfacing		11		11	0	In progress	Due to be completed mid July 2017
Riverside Park Footpaths	9			9	0	In progress	Due to be completed mid July 2017
Riverside Park information boards and signage	20			20	0	In progress	Rescheduled to tie-in to Sense of Place and CCF projects and Caravan Park development to maximise impact. Part of September 2017 launch.
Rivers							
Thirslet Bhoy		20		20	15	Completed	Project to be completed by March 2017. New navigation buoy delivered November 2016, installed January 2017. Complete
Purchase of two PWC's		15		15	16	Completed	PWC'S purchased and operational. Completed April 2016.
Coastal & communities Match funding	18			18	0	In progress	Project is ongoing and funded from £18k form the Council and Government Grant so will be spent.
Car Parks							
CCTV High Street & Car Park System Upgrade		30		30	0	In progress	These were not completed in 2016/17 due to issues with the contractor and installation issues. Spencer Clarke have now been assisting with the CCTV project and we are looking to install a wireless system in phases and at this moment in time are seeking quotes to carry out this work.
Environmental Waste							
Purchase of Bins	588			588	505	Completed	Bin purchase now complete
Cemeteries							
Burnham Cemetery Roadway		57		57	0	In progress	Autumn / Winter 2017 - Delayed due to Capacity issue
Housing							
Disabled Facility Grants		420		420	420	Completed	on track to spend budget
	1,362	971	136	2,469	1,579		

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REPORT of DIRECTOR OF RESOURCES

**to
FINANCE AND CORPORATE SERVICES COMMITTEE
25 JULY 2017**

BUDGETARY CONTROL (APRIL – JUNE 2017)

1. PURPOSE OF THE REPORT

- 1.1 To provide Members with information in relation to financial performance over the period 1 April 2017 to 30 June 2017.

2. RECOMMENDATION

That Members note the contents of this report.

3. SUMMARY OF KEY ISSUES

This report is for Members' information only.

3.1 Revenue Budgets

- 3.1.1 **APPENDIX 1** provides information in relation to controllable revenue budgets. This information is presented by Directorate. The appendix also provides information in relation to total expenditure and total income; this is to assist in understanding whether expenditure variances are caused by over or underspends or income is either exceeding or not meeting expectations. **APPENDIX 1A** gives the summary budget data for those budgets over £25,000 on a service line basis. **APPENDIX 1** shows the following:

- Current controllable budget – the current annual budget amount as approved by the Council on 16 February 2017; this figure will include any adjustments to budget levels such as virements movements or supplementary estimates which have been approved.
- Actuals to date – the current actual expenditure or income to 30 June 2017.
- Variance to budget – this shows the difference between the annual budget amount and the actual to date.
- Current budget utilised (%) – this shows the amount of actuals as a percentage of the current budget.

- 3.1.2 Total expenditure and income over the period 1 April 2017 to 30 June 2017 totals £1,843,456; this represents 29% of the total controllable budget of £6,302,900.

Directorate	Current Controllable Budget	Profiled controllable expenditure (3/12ths)	Actual to Date	Variance to Profiled Budget	% of current Controllable Budget Utilised
	£		£	£	
Chief Executive	722,900	180,725	168,955	- 11,770	23%
Resources Directorate	2,497,400	624,350	764,267	139,917	31%
Customers and Community Directorate	1,411,700	352,925	597,016	244,091	42%
Planning and Regulatory Directorate	1,670,900	417,725	313,219	-104,506	19%
TOTAL	6,302,900	1,575,725	1,843,457	267,732	29%

3.1.3 The report provides information for the first quarter of the 2017 / 18 financial year; should expenditure or income be utilised or received evenly throughout the year, at this point we would expect variances to be around 25%. In the following sections further details are provided where there are considerable variances.

3.1.4 The following areas are currently demonstrating significant variances:

Chief Executive and Resources Directorate

- Training budget is demand led. The Performance review cycle is currently finalised for the 2017 / 18 objectives, and this will highlight where there are any individual training needs.
- Internal Audit and Performance Management is invoiced, no invoice has currently been received for services. Budget is based on the total contract cost, therefore is expected to be spent.
- Electoral Registration is about to start the canvassing exercise for 2017 / 18 so more expenditure will start being incurred.
- Council Offices appears overspent, however Rates on property are a one off payment and therefore the whole budget has been spent in quarter one.
- IT services has incurred annual software payments in quarter one which are for the full year.

Customers and Community Directorate

- National Non Domestic Rates (NNDR) Collection is a grant receipt in year, this will be a one off payment from Government.
- Housing Benefits Administrations is a grant. This is now paid to the Authority as smaller new burdens sums that will be received throughout the year.
- Car Park income for the promenade is seasonal and therefore more income is expected to be received in the first two quarters of the year.

- Community Grants are paid by the Authority as one off sums to individual bodies and the expenditure is therefore not anticipated to follow an equal profiling.

Planning and Regulatory Services Directorate

- Planning Policy has some expenditure where there are no budgets, this expenditure is covered by the Local Development Plan (LDP) reserve, and a claim for a £20,000 grant for Neighbourhood plans for a referendum being held in July.
- Income is also low for Planning Development Fees that is looked at in more detail in section 3.2.3.
- Salaries are underspent due to vacancies, this is considered further in paragraph 3.2.1.2.

3.2 Key Areas of Note

3.2.1 Vacancy Savings

3.2.1.1 Current salary and temporary staff expenditure for the period totals £1,765,081 against a current budgets totalling £7,656,000 (this represents 23.05%).

3.2.1.2 **APPENDIX 2** shows that there is currently a £148,000 underspend, 51% of which relates to vacant posts within the Planning and Regulatory Services Directorate. These posts have been recruited including a 15% market supplement however budgets are profiled equally over the 12 months. The vacancy savings will be used to cover the additional staff costs when the vacant posts are started to fill from the end of July.

3.2.1.3 Revenues and Benefits also significant underspends, these relate to vacancy savings and will be used to finance an internal restructure without need for redundancy.

3.2.2 Agency Expenditure

3.2.2.1 Over the period to 30 June 2017, the total costs of Agency staff that have been included within the salary variances above are as follows:-

Service	Expenditure to 30 June 2017 (£)
Corporate Core	22,800
Committee Services*	26,481
Housing	7,215
Planning Policy	21,930
Development Control	2,580
Building Control	981
TOTAL	81,987

* This figure is not included in the salary variances, as a supplementary estimate and subsequent budget have been set separately in agency costs, and does not require a virement from the salary budget.

3.2.2.2 As previously agreed with members, more detail on agency expenditure will be provided. This will be brought to the 26 September Finance and Corporate Services Meeting by the People, Performance and Policy Team.

3.2.3 Major Sources of Income

3.2.3.1 The Council is dependent on several large income sources in order to balance the budget. The table below details the main income budgets and income received for the period to 30 June 2017. It also provides information in relation to income levels for the same point in 2016/17 for comparison:

Area of Income	Current Budget £	2017/18 Income to 30 June £	% of Current Budget	2016/17 Income to 30 June £
Land Charges	154,500	32,388	20.96	33,922
Planning Development Fees	863,000	140,226	16.25	115,284
Pre Application Advice	27,800	12,473	44.87	8,430
Building Control	182,000	40,521	22.26	43,241
Investment Income	157,800	32,000	20.28	55,715
Town Centre Car Parks	687,500	174,534	25.39	156,452
Prom Car Parks	323,000	144,041	44.59	93,597
Splash Park	110,000	43,018	39.11	4,367
TOTAL	2,505,600	619,201	24.71	511,008

3.2.3.2 Key headlines are:-

- Planning Development Fees are currently being reviewed by the Policy Manager to consider the level of Major Planning Fees anticipated.
- Investment income is an estimation of that expected in Quarter 1.
- Splash Park income looks higher than in previous year, however this is due to the Quarter 1 takings for 2016 / 17 being banked later than in 2017 / 18.
- Pre Application Advice is demand led, and this may change in future months.

3.3 **Capital Projects**

3.3.1 **APPENDIX 3** provides details of the capital projects due to be undertaken during the 2017/18 financial year.

3.3.2 As part of the 2017 / 18 budget process, the capital programme for 2017 / 18 was reviewed and approved. The approved programme totalled £949,000.

3.3.3 There were a number of capital projects from 2016 / 17 that have been included for 2017/18 as they were on-going or were yet to start as at 31 March 2017; these projects were outlined in the Financial Outturn 2016/17 report that came to this Committee in June 2017. The balances included to be carried forward into 2017/18 are £795,000.

- 3.3.4 Total expenditure for the period to 30 June 2017 stands at £239,000 this reflects 13.72% of the overall 2017/18 budget (totalling £1,744,000).
- 3.3.5 Of this budget, £403,000 relates to projects that are now not going ahead as originally bid for. £193,000 of this is intended to be used for the transformation project, £160,000 will be subject to a future bid to members relating to the Maldon Master plan, £40,000 for depot screening is being removed as is linked to a decision relating to the Millfield caravan park, and therefore if still required, will be requested through the 2018 / 19 budget process and £10,000 is no longer required for the amphitheatre and will be returned to funds.

4. CONCLUSION

- 4.1 Current financial performance is within approved budget limits.
- 4.2 Capital projects are progressing, with further projects to start within the Council's parks and open spaces over the later period of the financial year. The Director of Customers and Community has reviewed resources allocated to the delivery of capital projects in his directorate to ensure estimated delivery times are achieved going forward.

5. IMPACT ON CORPORATE GOALS

- 5.1 This report links to the corporate goal of 'delivering good quality, cost effective and valued services'.

6. IMPLICATIONS

- (i) **Impact on Customers** – None directly.
- (ii) **Impact on Equalities** – None identified.
- (iii) **Impact on Risk** – There are no corporate risk issues associated with this report.
- (iv) **Impact on Resources (financial)** – Variances from the budget will impact upon the level of balances and/or capital reserves available in the future.
- (v) **Impact on Resources (human)** – None
- (vi) **Impact on the Environment** – None.

Background Papers: None.

Enquiries to: Carrie Cox, Finance Manager, (Tel: 01621 875799).

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Budget Control Summary 2017/18 (April - June)

Grand Total	Current Controllable Budget	Actual to Date	Variance to Current Controllable Budget	% of current Controllable Budget Utilised
Total Expenditure	26,194,400	6,157,663 -	20,036,737	24%
Total Income	- 19,899,500 -	4,314,207	15,585,293	22%
TOTAL	6,294,900	1,843,456 -	4,451,444	29%

Chief Executive	Current Controllable Budget	Actual to Date	Variance to Current Controllable Budget	% of current Controllable Budget Utilised
Total Expenditure	718,900	170,508 -	548,392	24%
Total Income	- 4,000 -	1,553	2,447	39%
TOTAL for Chief Executive	714,900	168,955 -	545,945	24%

Resources Directorate	Current Controllable Budget	Actual to Date	Variance to Current Controllable Budget	% of current Controllable Budget Utilised
Total Expenditure	2,857,300	864,879 -	1,992,421	30%
Total Income	- 359,900 -	100,613	259,287	28%
TOTAL for Resources Directorate	2,497,400	764,266 -	1,733,134	31%

Customers and Community Directorate	Current Controllable Budget	Actual to Date	Variance to Current Controllable Budget	% of current Controllable Budget Utilised
Total Expenditure	19,535,500	4,468,383 -	15,067,117	23%
Total Income	- 18,123,800 -	3,871,367	14,252,433	21%
TOTAL for Customers and Community Directorate	1,411,700	597,016 -	814,684	42%

Planning and Regulatory Directorate	Current Controllable Budget	Actual to Date	Variance to Current Controllable Budget	% of current Controllable Budget Utilised
Total Expenditure	3,082,700	653,893 -	2,428,807	21%
Total Income	- 1,411,800 -	340,674	1,071,126	24%

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Budgets over £25,000

	Budget Value	Profiled budget (3/12ths)	Actual Spent Year to Date	Variance to profiled budget	Actual spend as % of full Budget.
Chief Executive					
Corporate Core	562,800	140,700	144,700	4,000	25.71%
Corporate Management	160,100	40,025	24,255	- 15,770	15.15%
Resources Directorate					
Elections	90,000	22,500	16,378	- 6,122	18.20%
Policy & Comms	208,100	52,025	50,684	- 1,341	24.36%
Training	78,500	19,625	2,365	- 17,260	3.01%
Human Resources	192,000	48,000	49,332	1,332	25.69%
Apprentices (2017/18)	46,900	11,725	7,432	- 4,293	15.85%
Committee Services	302,500	75,625	83,711	8,086	27.67%
General Office Support	67,600	16,900	12,533	- 4,367	18.54%
Internal Audit & Perf Review	74,800	18,700	1,119	- 17,581	1.50%
Finance	408,100	102,025	90,887	- 11,138	22.27%
IT Services	643,900	160,975	211,880	50,905	32.91%
Council Offices	327,900	81,975	152,057	70,082	46.37%
Reprographics Unit	27,000	6,750	3,500	- 3,250	12.96%
Telephones & Reception	29,400	7,350	10,003	2,653	34.02%
Electoral Registration	27,400	6,850	1,501	- 5,349	5.48%
Springfield Industrial Estate	- 115,000	- 28,750	- 46,088	- 17,338	40.08%
Investment Interest	- 157,800	- 39,450	- 32,000	7,450	20.28%
Democratic Representation & Mgt	242,100	60,525	59,507	- 1,018	24.58%
Customers and Community Directorate					
Customer Services	462,400	115,600	104,322	- 11,278	22.56%
Revenues & Benefits	577,100	144,275	133,126	- 11,149	23.07%
Leisure & Community	291,500	72,875	98,009	25,134	33.62%
Environmental Waste	165,000	41,250	46,428	5,178	28.14%
Parks Operational Services	667,000	166,750	149,955	- 16,795	22.48%
Parks Rangers	288,000	72,000	83,916	11,916	29.14%
N.N.D.R. Collection	- 94,600	- 23,650	190	23,840	-0.20%
Housing Benefits Admin	- 144,100	- 36,025	- 10,380	25,645	7.20%
Rent Allowances	- 539,000	- 134,750	1,079,907	1,214,657	-200.35%
Council Tax Benefit Admin	- 58,300	- 14,575	- 58,308	- 43,733	100.01%
Council Tax Collection	- 95,300	- 23,825	213	24,038	-0.22%
Civil Emergencies	33,200	8,300	740	- 9,040	-2.23%
Rivers	- 128,500	- 32,125	- 56,532	- 24,407	43.99%
Tourist Information Centre	145,100	36,275	40,771	4,496	28.10%
Blackwater Leisure Centre	- 580,300	- 145,075	- 320,588	- 175,513	55.25%
Dengie Hundred Sports Centre	126,900	31,725	30,257	- 1,468	23.84%
Maldon Promenade	- 396,700	- 99,175	- 207,405	- 108,230	52.28%
Play Provision	38,800	9,700	18,338	8,638	47.26%
Maldon Town Centre Car Parks	- 705,400	- 176,350	- 181,828	- 5,478	25.78%
Public Conveniences	85,200	21,300	16,105	- 5,195	18.90%
Cemeteries	- 79,600	- 19,900	- 28,500	- 8,600	35.80%
Community Safety	32,100	8,025	2,772	- 5,253	8.64%
Community Safety LAA	56,800	14,200	17,153	2,953	30.20%
Community Grants	73,500	18,375	40,650	22,275	55.31%
Street Cleansing	436,100	109,025	38,949	- 70,076	8.93%
Waste Services	766,000	191,500	- 442,198	- 633,698	-57.73%
Planning and Regulatory Directorate					
Environmental Health	461,300	115,325	107,800	- 7,525	23.37%
Housing	505,300	126,325	122,802	- 3,523	24.30%

	Budget Value	Profiled budget (3/12ths)	Actual Spent Year to Date	Variance to profiled budget	Actual spend as % of full Budget.
Corporate Fraud and Enforcement	181,000	45,250	51,195	5,945	28.28%
Economic Development, Partnerships	101,800	25,450	24,133	- 1,317	23.71%
Planning Policy Services	379,300	94,825	100,492	5,667	26.49%
Planning Admin Services	269,700	67,425	66,436	- 989	24.63%
Development Control Services	633,500	158,375	103,079	- 55,296	16.27%
Building Control Services	212,700	53,175	38,447	- 14,728	18.08%
Land Charges	- 139,700	- 34,925	- 31,941	2,984	22.86%
Planning Policy	36,800	9,200	15,503	6,303	42.13%
Development Control	- 779,000	- 194,750	- 154,441	40,309	19.83%
Building Control (Fee Related)	- 176,800	- 44,200	- 39,752	4,448	22.48%
Temp Events and Personal Licences	- 27,800	- 6,950	- 9,680	- 2,730	34.82%
Pest Control	- 35,300	- 8,825	- 23,152	- 14,327	65.59%
Private Sector Renewal	- 27,400	- 6,850	- 1,591	5,259	5.81%
Other					
Trading Accounts*	46,100		128,496		

* No budgets are set for trading accounts other than Parks Operational External Works Account, these are recharged at year end into services.

Cost Centre	Budget 2017/2018	Profile 30-Jun	Actual 2017/2018	(Saving) / Overspend	
<u>Chief Executive</u>					
Corporate Core	556,300	139,075	130,600	(8,475)	
Service Area Total	556,300	139,075	130,600	(8,475)	
<u>Resources Directorate</u>					
Election Management	90,000	22,500	16,377	(6,123)	
Policy & Comms	194,200	48,550	48,402	(148)	
Human Resources	168,500	42,125	41,340	(785)	
Apprentices	28,900	7,225	3,841	(3,384)	
Committee Services	237,200	59,300	57,132	(2,168)	
General Office Support	50,300	12,575	10,228	(2,347)	
Finance	333,000	83,250	74,324	(8,926)	
ICT Services	381,700	95,425	105,137	9,712	
Council Offices	179,400	44,850	43,968	(882)	
Service Area Total	1,663,200	415,800	400,749	(15,051)	
<u>Customer & Communities Directorate</u>					
Customer Contact Centre	449,200	112,300	103,707	(8,593)	
Revenues & Benefits	764,200	191,050	158,157	(32,893)	
Leisure and Countryside Management	273,200	68,300	70,737	2,437	
Environmental Waste	162,800	40,700	45,979	5,279	
Parks Operational	518,800	129,700	128,795	(905)	
Community Rangers	321,400	80,350	78,999	(1,351)	
Maldon TIC	116,600	29,150	27,388	(1,762)	
Burnham TIC	11,900	2,975	2,568	(407)	
Highway Rangers	48,900	12,225	12,889	664	
Community Safety	68,500	17,125	17,122	(3)	
Service Area Total	2,735,500	683,875	646,341	(37,534)	
<u>Planning Services Directorate</u>					
Environmental Health	458,200	114,550	106,713	(7,837)	
Housing	502,000	125,500	122,329	(3,171)	
Enforcement	180,100	45,025	50,674	5,649	
Economic Development	99,700	24,925	19,450	(5,475)	
Planning Policy Services	372,800	93,200	83,841	(9,359)	
Planning Admin Services	263,900	65,975	65,806	(169)	
Development Control	621,400	155,350	100,542	(54,808)	
Building Control	202,900	50,725	38,036	(12,689)	
Service Area Total	2,701,000	675,250	587,391	(87,859)	
TOTAL	7,656,000	1,914,000	1,765,081	(148,919)	23%

Salaries include estimation of agency staff where necessary.
Agency costs are reported separately.

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Capital Programme 2017/18	2016/17 (£000)	2017/18 (£000)	Total Budget (£000)	Expenditure to (£000)	Project Status	Due start date	Due completion date	Narrative
				20/06/2017				
Vehicle & Plant Replacement								
Parks Vehicle - Rolling replacement programme	20	22	42	0	Not started	Dec-17	Feb-18	Planned for Jan / Feb delivery 2018. Managers note - vehicles and equipment are purchased in Q4 as this is the quiet period for the team and allows for replacement of equipment at the end of the seasons use. The £20k roll forward coincided with a change of manager within the team which meant procurement in 15/16 was delayed. The £20k is to fund a parks vehicle.
Maintenance Team Vehicle	0	30	30	34	Completed	May-17	Oct-17	Additional cost funded from sale of old vehicle
Information & Communication Technology								
PC and Printer Replacement Programme	0	35	35	1	In progress	Apr-17	Mar-18	
Telephony Review/Upgrade	5	0	5	0	In progress	Apr-17	Mar-18	Options currently being researched. Will be implemented in 17/18
IT project officer - One Fixed term post to assist with the rollout of a number of key IT capital projects such as Share point, CRM)	0	50	50	0	Not started	n/a	n/a	Project not going ahead
Transformation Programme	143	0	143	0	Not started	n/a	n/a	Options presented to CLT. Will form part of transformation programme.
E-Mail replacement - Upgrade of Exchange and Enterprise Vault	0	60	60	0	Not started	Jun-17	Dec-17	Initial investigations for selection of software
Maldon Promenade								
Prom Park Road Repairs	0	55	55	0	Not started	Sep-17	Mar-18	Planned for Autumn & Winter 2017. Managers note - The start date is for the process not works on site
All weather Car Parking improvements	0	60	60	0	Not started	Sep-17	Mar-18	Planned for Autumn & Winter 2017. Managers note - The start date is for the process not works on site and this project now linked to road repairs in Prom Park to maximise VFM.
New accessible play site	0	48	48	0	Not started	Mar-18	Summer 18	Managers note -Awaiting S106 agreement funding which should be available in January (the total cost of the project is £100k).
Amphitheatre Fencing	0	10	10	0	Not started	n/a	n/a	Project will not go ahead following on site assessment and concerns that fencing will subside on steep embankment.
Entrance Refurbishments	10	0	10	0	In progress	Apr-17	Sep-18	Managers note - this work has been linked to the CCF project (sense of place) which required design work to be completed before an order could be raised. Quotations have now been obtained and the signs will be installed late summer 17
Prom Park Road Repairs - rolled forward	50	0	50	0	In progress	Sep-17	Mar-18	Managers Note - this project was delayed due to uncertainties about Phase 2 of Adventure Golf (construction work on /adjacent to the road to be re surfaced). It is now clear phase 2 of the golf will be delayed so this work can now go ahead. It is proposed to link this project to line 14 (Prom Park Road Repairs and line 45 (Burnham Cemetery Road) repairs to maximise VFM

Capital Programme 2017/18	2016/17 (£000)	2017/18 (£000)	Total Budget (£000)	Expenditure to (£000)	Project Status	Due start date	Due completion date	Narrative
				20/06/2017				
CCTV Upgrade Prom	9	0	9	0	In progress	Jun-17	Mar-18	Managers Note - This project was originally intended to be completed in 2016/17. However during the research and scoping of the works it became apparent technology has advanced to a point where a like for like replacement is not appropriate. A review has been undertaken by the Community Safety Partnership Manager and Essex Police to ensure the proposed upgrades are effective and reduce revenue costs wherever possible through the use of wireless technology (replacing broadband connections) it is felt the works can be completed during this financial year
New Service and Splash Park Kiosk	160	0	160	0	In progress	n/a	n/a	The central Area Masterplan and Waterfront Study suggests a central hub project rather than a stand alone kiosk so this budget is no longer required and a new bid will be made when the detail becomes available on the hub proposal.
Winter Car Parking Prom Park	10	0	10		Not started	Aug-17	Mar-18	Managers Note - This project is to link two existing winter car parks to increase capacity. The delay was caused because of workload for the Maintenance Officer
Tip Road	80	0	80		Not started	Not confirmed	Not confirmed	Managers Note - The timing of this work is dependant upon ECC who are required to fund this work on a 50/50 basis. The total project cost is £160k. There is uncertainty when ECC will make the funding available and this funding could be held and called down when agreement is finally reached.
Promenade Park Electric Gates	15	0	15		Not started	Jul-17	Dec-17	Out to quotation, Install completed by Early Autumn. Discussions on correct location has now been resolved.
Leisure & Sports Centres								
New Leisure Centre Contract	117	0	117	117	Completed	Apr-17	Jul-17	Refurbishment programme completed. Final Account has been received and has been presented to the Community Services Committee. Combined Heating and Power unit has been installed.
Planned Maintenance Programme	31	0	31	0	In progress	Apr-17	Nov-17	Main electrical panel is fit for purpose. Difficulties obtaining specialist advice to draw up tender for control panel. Initial Specification included the Electrical Panel and then needed considerable changes. The Procurement Hub had difficulties with communicating with the contractor to change the Specification. Revised Specification will be finalised by August, to go out to Tender. PfP have confirmed they works are still required for the term of the contract.
Parks & Open Spaces								
Riverside Park depot screening		40	40	0	Not started	Oct-17	Dec-17	Managers note - withdraw project to avoid conflict with proposed new caravan site. Look for relocation options. New bid in 18/19
Mobile Welfare facility trailer		15	15	0	Not started	Sep-17	Oct-17	Procured summer with September - October delivery anticipated subject to availability.

Capital Programme 2017/18	2016/17 (£000)	2017/18 (£000)	Total Budget (£000)	Expenditure to (£000)	Project Status	Due start date	Due completion date	Narrative
				20/06/2017				
Riverside Park Sea Wall Resurfacing	11	0	11	0	In progress	Apr-17	Jul-17	Managers Note -This work was not carried out in 2016/17 due to other work priorities. It has now been scheduled for completion summer 17 and quotations have been sought for the work.
Riverside Park Footpaths	9	0	9	0	In progress	Apr-17	Jul-17	Managers Note -This work was not carried out in 2016/17 due to other work priorities. It has now been scheduled for completion summer 17 and quotations have been sought for the work.
Riverside Park information boards and signage	20	0	20	0	In progress	Apr-17	Nov-17	Managers note - this work has been linked to the CCF project (sense of place) which required design work to be completed before an order could be raised. Quotations have now been obtained and the signs will be installed late summer 17
Rivers								
Coastal & communities Match funding	18	0	18	0	In progress	Apr-17	Mar-18	Managers note - this funding will be drawn down as works near completion
Elections								
Replacement of Polling booths	0	25	25	0	Not started	Oct-17	Mar-18	Winter 17/ Spring 18
Facilities and Asset Management								
99 Wood Road Refurbishment	0	40	40	0	In progress	Jun-17	Nov-17	Planning app for replacement windows etc. submitted 14/06/17
Car Parks								
New Car Park signage (Town & Prom)	0	14	14	0	In progress	Jul-17	Sep-17	Designs completed and with company for production
CCTV High Street & Car Park System Upgrade	30	0	30	0	In progress	Jun-17	Mar-18	Managers Note - This project was originally intended to be completed in 2016/17. However during the research and scoping of the works it became apparent technology has advanced to a point where a like for like replacement is not appropriate. A review has been undertaken by the Community Safety Partnership Manager and Essex Police to ensure the proposed upgrades are effective and reduce revenue costs wherever possible through the use of wireless technology (replacing broadband connections) it is felt the works can be completed during this financial year
Cemeteries								
Heybridge Cemetery Chapel Roof	0	25	25	0	Procurement process	Aug-17	Mar-18	Bat survey required summer 2017 and subject to results, works commission and completed Winter (Feb-March) 2018
Burnham Cemetery Roadway	57	0	57	0	In progress	Sep-17	Mar-18	Autumn / Winter 2017 - Delayed due to Capacity issue
Housing								
Disabled Facility Grants		420	420	87	In progress	Apr-17	Mar-18	Demand led through the year
	795	949	1,744	239				

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

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