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CHIEF EXECUTIVE'S OFFICE
CHIEF EXECUTIVE
Fiona Marshall

06 February 2018

Dear Councillor

You are summoned to attend the meeting of the;

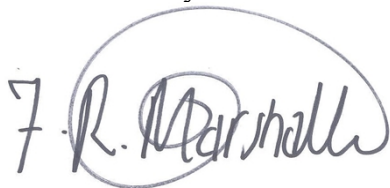
OVERVIEW AND SCRUTINY COMMITTEE

on **WEDNESDAY 14 FEBRUARY 2018 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 M W Helm

VICE-CHAIRMAN

Councillor R P F Dewick

COUNCILLORS

Mrs P A Channer, CC
P G L Elliott
M S Heard
N R Pudney
S J Savage
Mrs M E Thompson

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AGENDA
OVERVIEW AND SCRUTINY COMMITTEE
WEDNESDAY 14 FEBRUARY 2018

1. **Apologies for Absence**
2. **Chairman's notices (please see overleaf)**
3. **Minutes of the last meeting** (Pages 5 - 12)

To confirm the Minutes of the meeting of the Overview and Scrutiny Committee held on 10 January 2018, (copy enclosed).

4. **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 on a specific agenda item, the time slots to be allocated on a “first come first served” basis.
3. Participation may take the form of a statement, or alternatively a question to be addressed to the Chairman. There will be no discussion on questions put unless it is formally moved. In line with the current scheme applied to other Committees, the questions must:
 - not be defamatory, frivolous, vexatious or offensive;
 - not be the same or substantially the same as another question to the same meeting or anything so put in the last six months;
 - not involve the disclosure of confidential or exempt information.
4. Anyone wishing to speak must notify the Committee Clerk between 7.00pm and 7.20pm prior to the start of the meeting.

5. **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).

6. **Tackling Empty Homes** (Pages 13 - 22)

To consider the report of the Director of Planning and Regulatory Services (copy enclosed).

7. **Procedure for Commencing Prosecution** (Pages 23 - 30)

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

8. **Internal and External Communication** (Pages 31 - 80)

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

9. **Review of Performance - Quarter 3 2017-18** (Pages 81 - 110)

To consider the report of the Chief Executive (copy enclosed).

10. **Treasury Management and Annual Investment Strategy 2018 / 19** (Pages 111 - 162)

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

11. **Section 106 Agreements** (Pages 163 - 192)

To consider the report of the Director of Planning and Regulatory Services (copy enclosed).

12. **2017 / 18 Programme of Work** (Pages 193 - 198)

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

13. **Any other items of scrutiny Members wish to consider**

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

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
OVERVIEW AND SCRUTINY COMMITTEE
10 JANUARY 2018**

PRESENT

Chairman	Councillor M W Helm
Vice-Chairman	Councillor R P F Dewick
Councillors	Mrs P A Channer, CC, P G L Elliott, M S Heard, N R Pudney, S J Savage and Mrs M E Thompson

711. CHAIRMAN'S NOTICES

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

712. APOLOGIES FOR ABSENCE

There were none.

713. MINUTES - 4 OCTOBER 2017

RESOLVED

- (i) that the Minutes of the meeting of the Committee held on 4 October 2017 be received.

Minute No. 494: Project Update – Procurement and Delivery of the 2016 / 17 Capital Programme

It was noted that the additional information highlighted (in red) in paragraphs two and three of this Minute had been proposed by Councillor R P F Dewick and agreed for inclusion, by the Committee at the last meeting. In response to a comment regarding the statement "...no-one was to blame..." the Chief Executive sought to provide Members with her recollection of the discussion that took place.

Minute 495: Any Other Items of Scrutiny Members Wish to Consider

In response to a question raised regarding the scrutiny requested regarding internal and external communications, it was clarified that this piece of scrutiny would include the complete email system.

RESOLVED

- (ii) that subject to the above amendment, the Minutes of the meeting of the Committee held on 4 October 2017 be confirmed.

714. MINUTES OF THE LAST MEETING

RESOLVED

- (i) that the Minutes of the meeting of the Committee held on 22 November 2017 be received.

Minute No. 615 – Minutes of the Last Meeting

Minute No. 494 – Project Update Procurement and Delivery of the 2016 / 17 Capital Programme

The Chief Executive drew Members' attention to the amendment from Councillor R P F Dewick and asked that it be recorded that her view was different to that stated.

It was noted that paragraph three of this Minute should read "...these reserves soon be *spent* and then...".

RESOLVED

- (ii) that subject to the above amendment the Minutes of the meeting of the Committee held on 22 November 2017 be confirmed.

715. PUBLIC PARTICIPATION

There was none.

716. DISCLOSURE OF INTEREST

Councillor S J Savage disclosed a non-pecuniary interest in Agenda Item 9 – Review of the Council Decision on the Petition to Reinstate the Marine Lake, as he had voted on the original decision and appeared to be scrutinising himself.

Councillor Mrs P A Channer disclosed a non-pecuniary interest as an Essex County Councillor for the Maldon Division, was Chairman of the Planning and Licensing Committee and sat on the South Eastern Area Planning Committee. She also advised in relation to Agenda Item 9 – Review of the Council Decision on the Petition to Reinstate the Marine Lake that she had voted on the original decision. She declared a further interest in Agenda Item 8 – Recruitment of GPs in the Maldon District, as she sat on the Maldon Health Hub and Stakeholder Project Board as a Maldon District Councillor and that the Board was constituted with Members of the Clinical Commissioning Group.

717. PRIMARY SCHOOL EDUCATION IN THE MALDON DISTRICT

The Committee considered the report of the Director of Customers and Community updating Members on an item of scrutiny relating to primary school education in the Maldon District.

The Chairman introduced Nicola Pruden, School Effectiveness Partner from Essex County Council and Rev. Tim Elbourne from Chelmsford Diocese.

The report provided details of meetings that had taken place with representatives of the Diocese of Chelmsford and Essex County Council to explore some of the recommendations made by this Committee at its January 2017 meeting. Recruitment and retention of teachers along with lack of affordable housing were highlighted as areas of concern and the report set out some of the ongoing work by the Council to address these.

The Committee were provided, in advance of the meeting, with two summary sheets the standards of education in the Maldon District in 2017, comparing the Maldon District to other districts and its 2016 performance. Members were provided with additional information regarding education in the District which included:

- All Key Stage 1 (KS1) elements had improved in 2017 and Maldon District's ranking had risen.
- Recruitment and retention of strong teachers and leaders of schools was a priority. It was noted that the problems experienced recruiting into the Maldon District were a challenge seen across all rural areas of the country. The financial pressures linked to the recruitment and retention of good teachers were also highlighted. It was noted that housing incentives or ways of getting people to move into and teach long term in the area were required. The Director of Customers and Community advised that the Council was willing to share its recruitment packs which may be of assistance when recruiting teachers and Governors to the District.
- Governors - There were vacancies for governors across schools within the District. Ms Pruden advised that they were looking to Parish and Town Councils and whether there was opportunity to utilise their connections with local communities to recruit governors.
- Housing – The Director of Customers and Community reported that the Strategic Housing Manager was reviewing housing in the District and the Council was willing to discuss requirements with education providers regarding community led housing.
- Officers were working with colleagues to identify further ways of ensuring schools were seen as part of a community. An example of releasing vacant classrooms in a school which had spare provision was discussed.

The Chairman thanked Ms Pruden and Rev. Elbourne for attending the meeting.

RESOLVED

- (i) that the update on progress in relation to recommendations made in January 2017, be noted;
- (ii) that the performance update of primary education within the Maldon District, be noted;
- (iii) that the following recommendations to the relevant educational providers on key findings and this Council on initiatives to assist the educational providers in improving performance within the Maldon District be agreed as follows:

- a. the Council offers the Diocese of Chelmsford and Essex County Council use of district promotional materials to aid recruitment of Teachers and School Governors within the Maldon District;
 - b. that the Council provides details of local Town and Parish Councils to the Diocese of Chelmsford and Essex County Council to enable sharing of Governor recruitment issues by specific area to raise awareness and assistance in recruitment;
 - c. the Council facilitates dialogue between Town and Parish Councils with schools within their locality to encourage greater joint working.
- (iv) that future updates relating to progress on the above recommendations are made to the Locality Board and this matter is now concluded by the Overview and Scrutiny Committee.

718. RECRUITMENT OF GPs IN THE MALDON DISTRICT

The Committee considered the report of the Chief Executive setting out the background to its scrutiny on GP (General Practitioner) recruitment in the District.

The Chairman introduced Mr Donald McGeachey from the Clinical Commissioning Group (CCG), Dr Tiatino and Dr Julie McGeachy, local GPs and Ms Lesley Beale and Mr David Barker, practice managers at Blackwater and Longfields Doctors surgeries.

The report set out a number of potential questions to be raised with the health representatives present and in response to these and additional discussions the following information was provided:

- GP recruitment – Members were advised that there were problems recruiting GPs into the area and how very few wanted to settle permanently in practices opting instead for locum work. It was noted that recruiting GPs into rural practices was a national problem.
- Workforce diversification – The CCG were working alongside practices to identify their needs, this included upskilling staff e.g. teaching nurses how to prescribe drugs, increasing triage levels and utilising receptionists to assist in directing patients through the most appropriate channel of care. Dr McGeachy reported on a number of initiatives that her practice were implementing as a way to try and improve the service offered to patients. It was noted that Anglia Ruskin University may become a medical training centre in the future.
- Members were advised by the practice managers of work their respective practices were doing to provide a better service to patients alongside freeing up the availability of GPs. This included utilising the NHS initiative for a pharmacist in practice and a text message reminder service to try and reduce non-attendance. It was noted that if patients cancelled rather than not attend appointments this would provide a lot more availability. There was also a need to educate patients to make them aware of the other options available to them within their GP practice.
- Educating young people in the District of the benefits of being a GP was discussed. The Chief Executive advised that the Council was working on a skills strategy and this was one of the areas the Council was looking to support.

She confirmed that Officers would engage directly with GPs as part of this piece of work and look to identify any areas where assistance could be provided by the Council.

- Contributions to GPs through monies raised from planning applications and Section 106 agreement contributions was raised. In response the Chief Executive reported that the NHS had recently been reviewing this and it was noted that the allocation of such funds was the responsibility of the NHS. The Chief Executive agreed to seek confirmation from the CCG and NHS England on how allocation was prioritised.

In response to a question regarding the text message reminder service, it was noted that patients had to sign up to the service. Councillor M S Heard proposed that a leaflet be produced by the CCG and distributed with new Council Tax bill letters due to be sent out by the Council, advising the public of the service and encouraging them to sign up. This proposal was duly seconded and agreed.

The Chairman thanked those representatives for attending the meeting and the information they had provided.

RESOLVED that a leaflet be produced by the CCG and distributed with new Council Tax bill letters due to be sent out by the Council, advising the public of the service and encouraging them to sign up.

719. REVIEW OF THE COUNCIL DECISION ON THE PETITION TO REINSTATE THE MARINE LAKE, PROMENADE PARK, MALDON

The Committee considered the report of the Director of Customers and Community seeking Members' review of the decision made by the Council on 2 November 2017 on the petition calling for the reinstatement of the former Marine Lake at Promenade Park.

The report provided background information regarding the petition, its submission and consideration by the Council. A copy of the decision issued was attached as Appendix 1 to the report. It was noted that a complaint had been raised in relation to this decision and a number of reasons for the complaint detailed (as set out in Appendix 2 to the report). The Director of Customers and Community outlined the criteria for review of a petition in accordance with the Council's Petitions Scheme.

The report provided a response to each of the seven points raised as part of the complaint. These were considered and agreed by all Members with the exception of Councillor M S Heard who did not agree with any of the seven points raised.

Councillor Heard advised he felt that public perception was that they had not been given a fair hearing. He proposed that the Council set up a Working Party comprising of both sides to look at the viability of the proposal of resuming the swimming at Promenade Park. This proposal was discussed but not seconded.

Councillor Mrs P A Channer proposed that the Committee accept the Officers recommendation. The Director of Customers and Community clarified that should Members be content that the petition had been dealt with correctly there would just be one recommendation. This was duly agreed.

RESOLVED that the Council's response and consideration of the petition to reinstate the Marine Lake, Promenade Park, Maldon was carried out in line with its petition scheme.

720. FINAL REPORT - PROCUREMENT AND DELIVERY OF THE 2016 / 17 CAPITAL PROGRAMME

The Committee received the report of the Director of Resources presenting conclusive findings on the procurement and delivery of the 2016 / 17 Capital Programme.

Seven recommendations arising from this conclusion were set out in the report for Members' consideration and in response to discussions the following information was provided:

- In response to a question regarding budget assurance, the Director of Resources provided an update on changes to reporting and a number of controls recently implemented to ensure delivery of the Capital Programme. The Director of Customers and Community gave further information regarding the controls in place and reported that all contracts would be let and procured within this financial year. Information regarding specific capital projects was provided at this time.
- Project 180 – St Cedds was discussed and in response to a query regarding Members receiving a copy of the project brief the Director of Resources advised she would check to ensure this had been emailed to Members. In response to further questions raised in relation to this project the Director of Resources provided the Committee with additional information.
- In response to a question regarding recommendation six, the Director of Resources provided Members with some detail as to how this would be achieved and advised that it could also be linked to the performance management framework for Directors.

The Director of Resources provided some detail regarding how the recommendations would be carried forward if agreed by the Committee.

In response to some debate, it was proposed that recommendation two be amended as detailed below and that an additional recommendation two (b) be added to provide additional assurances for Members. These amendments were agreed.

Recommendation two:

All capital schemes follow the required project management framework and report risks, performance and updates on budget to the *Finance and Corporate Services Committee*.

Recommendation two (b):

That surplus audit days in the internal audit plan be used to carry out a review to provide assurances to Members that recommendation two (as set out above) had been carried out.

RESOLVED

- (i) that the contents of the report and implementation of the recommendations (as detailed in sections 3.3 – 3.11 of the report and amended above) by 31 March 2018, be noted;
- (ii) that Officers report on the implementation of these recommendations to a future meeting of this Committee.

721. 2017 / 18 PROGRAMME OF WORK

The Committee received the report of the Director of Resources confirming the Committee's Work Programme for 2017 / 18, attached as Appendix 1 to the report.

The Director of Resources provided Members with an update on the scrutiny items detailed on the 2017 / 18 programme of work. In respect of Staff Sickness, Members were advised that an agreed brief had been prepared and work started on it immediately with a date for reporting back to this Committee to be confirmed.

In response to a question regarding the Provision of Healthcare Services it was confirmed that the Outline Business Case was due to be completed by March 2018.

RESOLVED that the contents of the report be noted.

722. ANY OTHER ITEMS OF SCRUTINY MEMBERS WISH TO CONSIDER

There were none.

There being no further items of business the Chairman closed the meeting at 9.51 pm.

M W HELM
CHAIRMAN

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REPORT of DIRECTOR OF PLANNING AND REGULATORY SERVICES

**to
OVERVIEW AND SCRUTINY COMMITTEE
14 FEBRUARY 2018**

TACKLING EMPTY HOMES

1. PURPOSE OF THE REPORT

- 1.1 To propose a variation to the Council's approach in tackling empty homes.

2. RECOMMENDATIONS

- (i) That the Council should amend the way that it monitors the level of empty homes by showing this as a percentage benchmarked against regional and national averages; and
- (ii) More attention should be given to those properties that have been empty for the longest periods in particular those that are abandoned and may not be classified as 'empty homes' by some definitions.

3. SUMMARY OF KEY ISSUES

- 3.1 The Council has made good progress in tackling empty homes over the last decade, defined as those that have been empty for six months or more and are not second homes or buildings that have been abandoned and become derelict. The majority of empty homes that are now being recorded and dealt with are those that are still within the housing market but may be delayed from being brought back into use due to issues such as probate, renovation or owners just taking time to decide whether to sell or rent. Officers have looked at recent performance and reviewed recent studies and good practice to see if there is more that could be done. A copy of the Empty Homes Agencies report from 2016/17 is provided as a background paper to this report.
- 3.2 Experience of the Council reflected by regional trends is that the number of empty properties has reduced throughout the East of England with the exception of some local 'hot spots'. In comparison with other areas, the Maldon District has below average numbers and percentages of empty and long-term empty homes according to the Empty Homes report. Although the number of homes being brought back into use has declined from year to year recently, looking at this current year, so too has the number of empty properties. It is therefore misleading to see a reduction in the number of homes being brought back into use as the complete picture of activity and level of empty homes in the District. Reporting the number as a percentage against the regional or national average is a better indication of performance in comparison with

other local authorities and would also indicate the extent to which the level of empty homes are becoming a problem as opposed to being within expected levels.

- 3.3 The number of empty homes being reported comprises two elements: the majority which although empty for more than six months are unlikely to remain empty for significantly longer periods, especially with encouragement from the Council, and a much smaller number that have been empty for much longer periods, in some cases more than 10 years. Another aspect mentioned in the Empty Homes report is the distinction between properties that are recorded as being 'empty' using Council Tax definitions and homes that are empty but may not be recorded as such because they are second homes, derelict or abandoned. To the public, such distinctions are immaterial, a property that is empty and abandoned can be a cause for concern to the local community irrespective of whether or not Council Tax is liable, it is a second home, or deemed to be derelict.
- 3.4 Although it is only a minority of properties that fall into this category, these are the type of buildings that can attract most attention. It is therefore proposed that more active work is directed towards enforcement against owners whose properties are abandoned, derelict and are likely to be beyond economic repair to bring these buildings back into use as homes. In most cases these will also be properties whose owners have failed to engage with the Council or at most, showed little intention of addressing the problems caused by their buildings being empty for such long periods.
- 3.5 Officers will continue to work with owners of homes that remain empty beyond six months, targeting advice and support to those where they remain unoccupied beyond a year as in practice we have found that this is the sector where early intervention can be most effective. Preparing to take enforcement action against those buildings that have been empty for the longest periods would also send a clear signal to all owners that the Council is prepared to take action should owners fail to take responsibility for their property in the longer term. This may help encourage some other owners to take more seriously the Council's requests to cooperate in making best use of existing properties and accept offers of help and advice.
- 3.6 The powers of enforcement that could be used vary depending on the particular nature of the problems a property is causing and can include the need to meet housing demand, risk of harm, appearance and impact on the neighbouring community.
- 3.7 Officers would create a matrix for the assessment of all properties that have been empty or abandoned for more than five years, taking into account for example the number of complaints, location and risk, in order to objectively prioritise those that should be considered for possible enforcement action. It is possible that in some cases, the owners lack capacity or ability to deal with their properties, in these cases the preparation for enforcement would highlight this and help them get additional help and support to manage their affairs. In other cases, notification of the fact that enforcement is being considered may be incentive to deal with the problem.

4. CONCLUSION

- 4.1 The proposal to give more attention to abandoned properties would be a sensible way to escalate action taken to bring empty homes back into use in a proportionate way,

directing resources to those buildings that are likely to cause most concern to local residents even if they are not technically defined as ‘empty homes’.

- 4.2 Current performance in bringing empty properties back into use is as good if not slightly better than most other local housing authorities in the region, suggesting that there is little need to significantly alter the way that the Council is dealing with most cases but it is concerning that despite these improvements, there has been hardly any change to those that have been empty for the longest time. Developing a policy for tackling homes that have been abandoned highlights the fact that this cuts across the conventional split between ‘empty homes’ and ‘second homes’ and is about targeting those buildings that are not only empty but falling into disrepair through neglect and a dereliction of the owners’ duties.
- 4.3 Preparing to move towards enforcement to tackle the owners of these buildings also highlights the Council’s intention to support responsible property owners and landlords and address matters that are a concern to local communities and tenants. Preparing for enforcement action will help build capacity and ability to also address other matters such as rented properties that fall into disrepair and poor standards of property management at all levels, improving the overall condition of the District’s housing stock and the quality of housing for local residents.

5. IMPACT ON CORPORATE GOALS

- 5.1 Protecting and Shaping the District – empty properties in a state of disrepair has an impact on the surrounding area.
- 5.2 Creating opportunities for growth and prosperity – providing housing, including the building, renovation and repair of homes, creates opportunities for employment and has been shown to have a positive effect on the local economy.

6. IMPLICATIONS

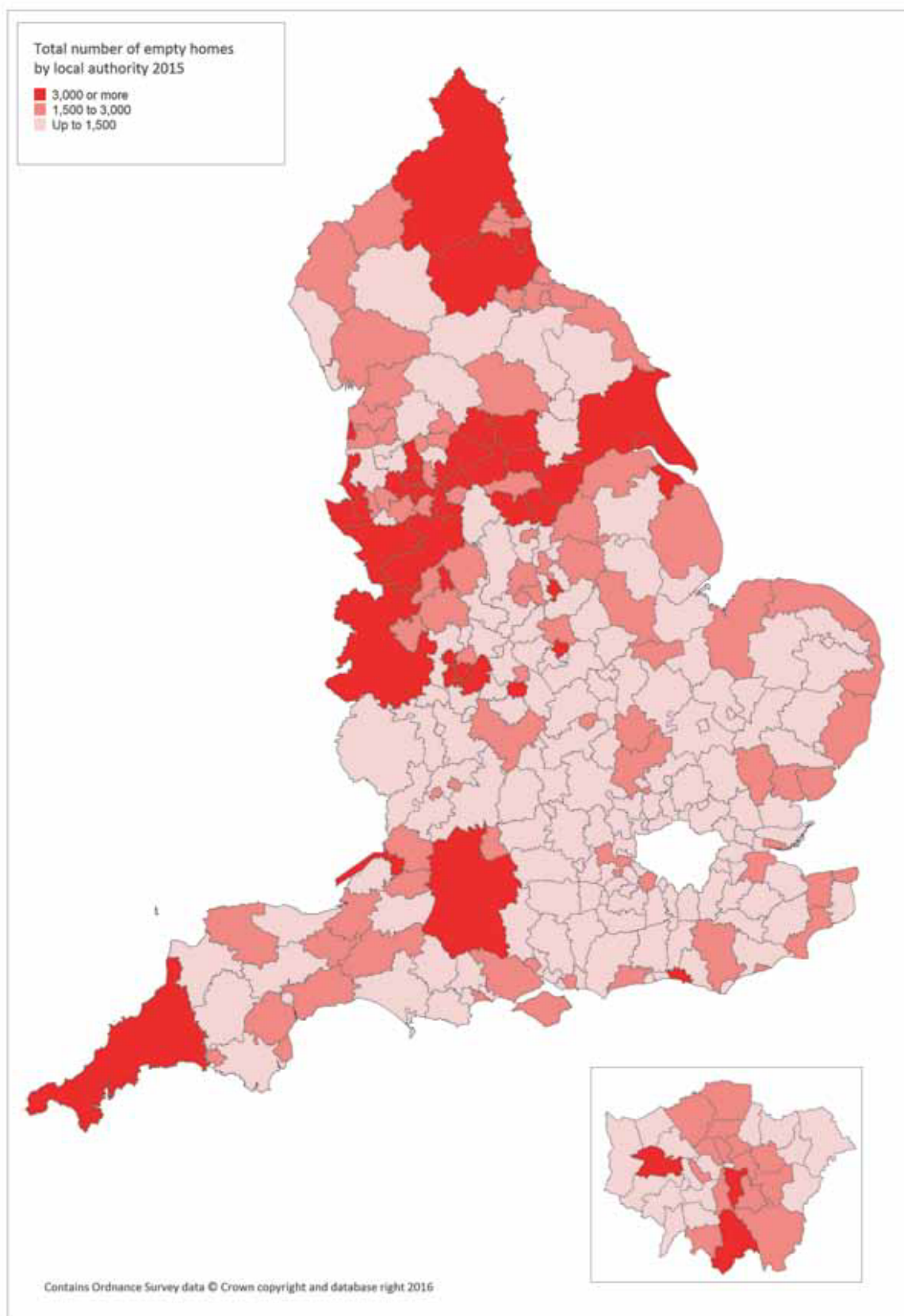
- (i) **Impact on Customers** – local residents will benefit from seeing the removal of abandoned homes which blight local areas.
- (ii) **Impact on Equalities** – in some cases, homes may be abandoned because the owners lack the ability or capacity to manage their property responsibly. If this is found to be the case, appropriate steps can be taken through the process of planned enforcement to help others provide help assistance to vulnerable owners managing their estate.
- (iii) **Impact on Risk** – the Council could be held accountable for failing to take appropriate action should a building fall into serious disrepair and create a risk of harm or nuisance.
- (iv) **Impact on Resources (financial)** – there would be a financial cost in taking enforcement, this varies dependent upon the actual process but in some cases, such as works carried out in default, these costs can be recovered either from the owner or from the estate itself.

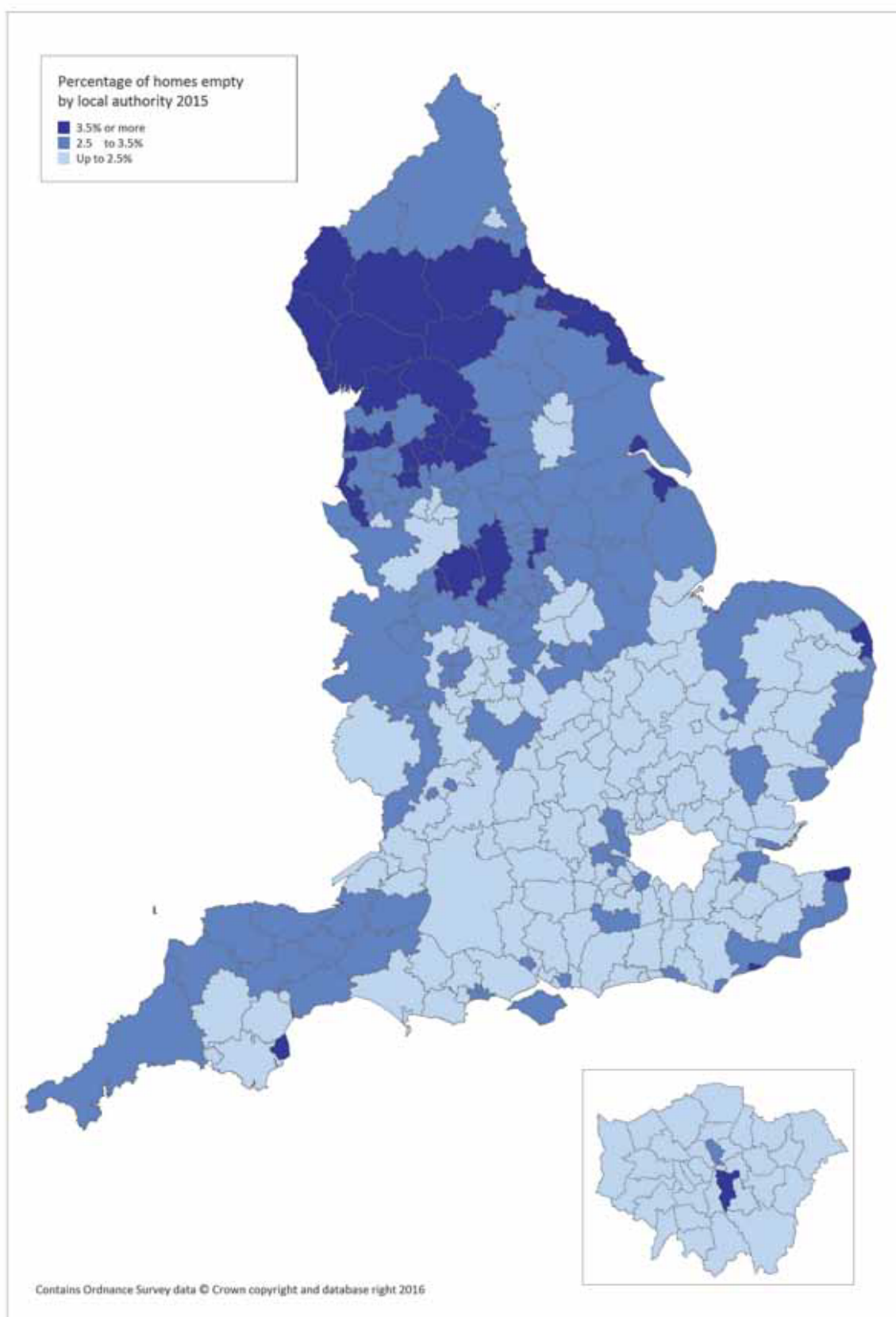
- (v) **Impact on Resources (human)** – this would require additional officer time; the assessing and prioritisation of properties can be done within existing resources as could the basic preparation prior to enforcement. A decision would then need to be made by managers and the Director as to the most effective way to resource the final stages.
- (vi) **Impact on the Environment** – tackling abandoned homes has a positive impact on the environment and if successful in bringing buildings back into use or providing sites for alternative housing, this can also provide a sustainable way to meet housing need.

Background Papers: Empty Homes in England (2016) Empty Homes / Cobweb Consulting

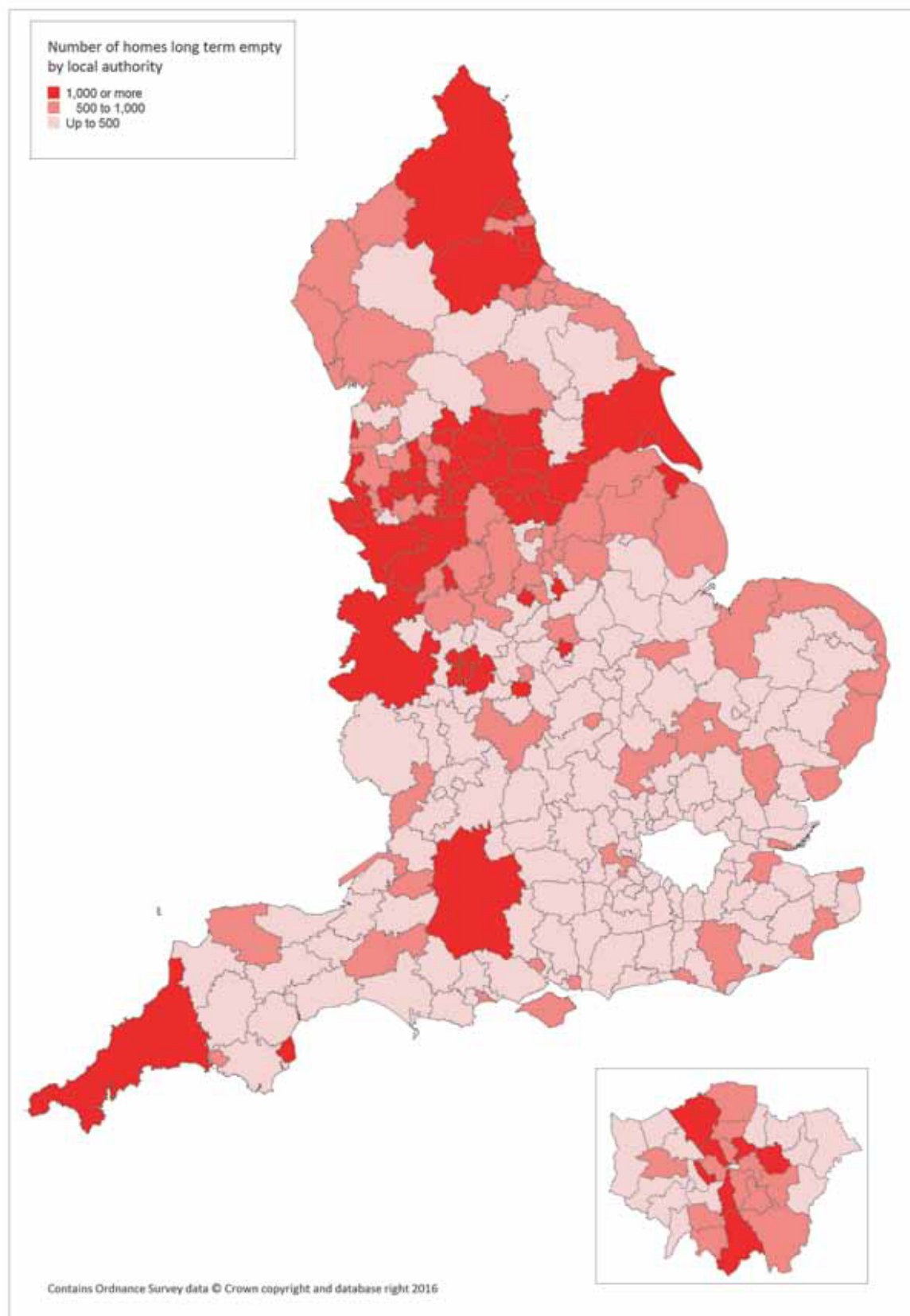
Enquiries to:

Paul Gayler, Strategic Housing Manager (Tel: 01621 875872) paul.gayler@maldon.gov.uk

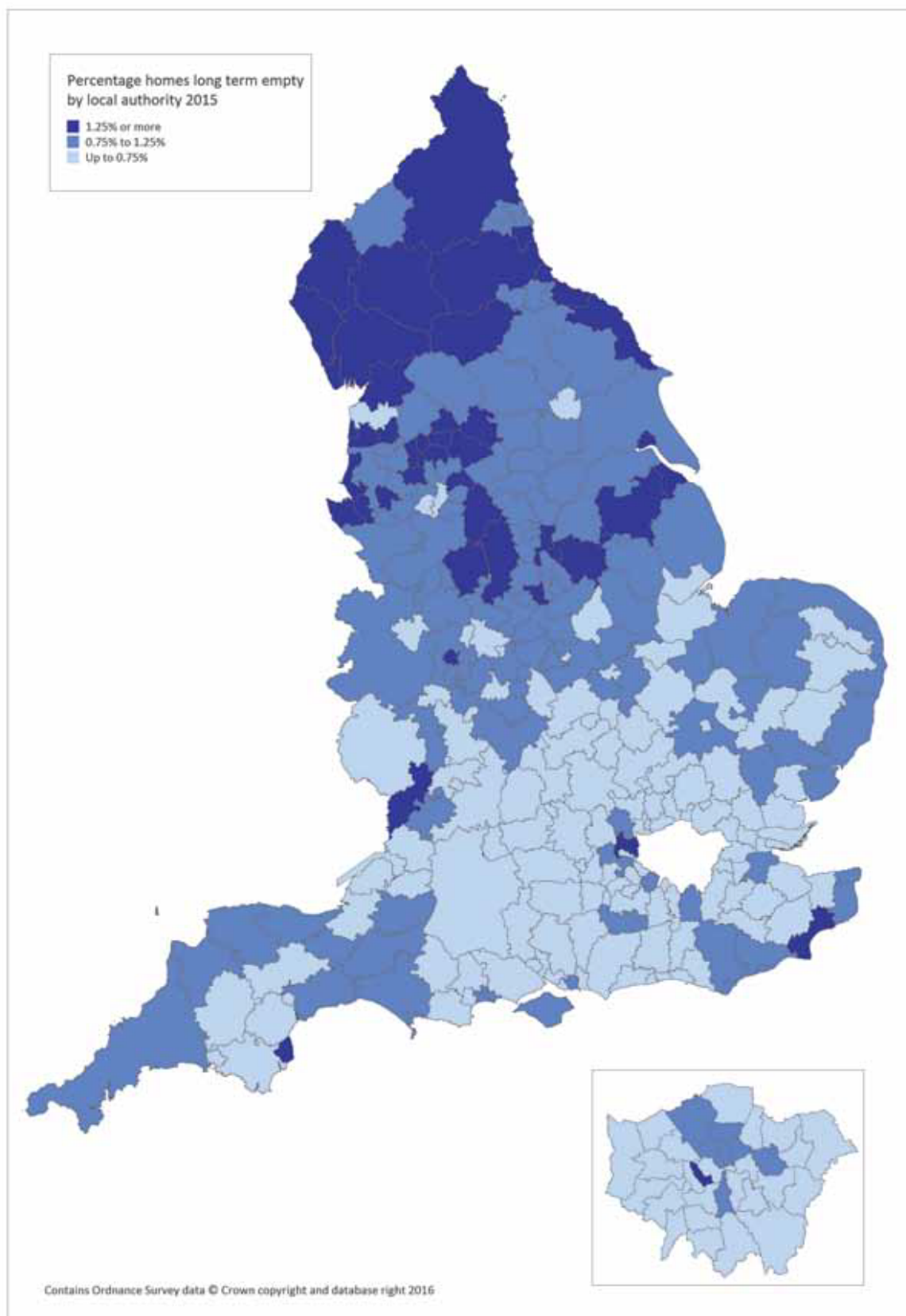
Appendix: Excerpts from Empty Homes in England – Empty Homes / Cobweb Consulting**Total Number of Empty Homes by Local Authority – Empty Homes / Cobweb Consulting 2016/17**

Percentage of Empty Homes by Local Authority – Empty Homes / Cobweb Consulting 2016/17

**Number of Long-term Empty Homes by Local Authority (more than 6 months) – Empty Homes /
Cobweb Consulting 2016/17**



**Percentage of Long-term Empty Homes by Local Authority (more than 6 months) – Empty Homes /
Cobweb Consulting 2016/17**



Appendix Two

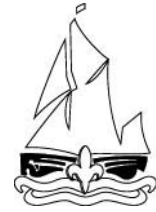
Current reporting format of empty homes returned to use.
 Note that although the number being returned to use in Row B) is reducing, suggesting decrease in performance, the actual number of empty homes both for >6 months and >5 years has also reduced.

Indicator	16/17 Actual	17/18 Target	Q3 16/17	Cumulative For the Year 16/17	Q2 17/18	Q3 17/18	Cumulative For the Year 17/18	On track to achieve annual target
A). Total number of long term (i.e. longer than 6 months) empty homes in the District	219 as at 31/03/17 (of which 39 have been empty in excess of 5 years)	N/A	216 as at 31/12/16 (of which 44 have been empty in excess of 5 years)	N/A	214 as at 30/09/17 (of which 37 have been empty in excess of 5 years)	212 as at 31/12/17 (of which 29 have been empty in excess of 5 years)	N/A	N/A
B). Number of long empty homes returned to use	78	80	20	41	9	20	46	No

Proposed amendment – can be reported once or twice yearly.

Indicator	Regional % of long-term empty homes	Local % of long-term empty homes	Above or below regional average
Percentage of long-term empty homes (more than 6 months)	2.2%		

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REPORT of DIRECTOR OF RESOURCES

**to
OVERVIEW AND SCRUTINY COMMITTEE
14 FEBRUARY 2018**

PROCEDURE FOR COMMENCING PROSECUTION

1. PURPOSE OF THE REPORT

- 1.1 To describe the process followed for commencing a prosecution so that its adequacy can be assessed as a part a wider review of enforcement procedures.

2. RECOMMENDATIONS

- 2.1 To evaluate the process and make an assessment of the adequacy of the process.

3. SUMMARY OF KEY ISSUES

- 3.1 Prior to October 2017 the Council's Enforcement Team was responsible for commencing prosecutions, planning and environmental health issues. Prosecutions relating to dog fouling, litter dropping, fly tipping and speeding on the River Blackwater were not dealt with by the Team but were passed to Legal Services. Because of the amount of legal work in other areas Legal Services was not able to process these prosecutions. Some of the less serious cases were in danger of passing the limitation period of 6 months within which they needed to be commenced.
- 3.2 In October a meeting took place with those case officers involved in prosecution cases. The conclusion was that all Council prosecutions should be passed to the Enforcement Team and not sent to Legal Services. Since then the Enforcement Team have commenced several of those prosecutions to a successful conclusion.
- 3.3 To commence a prosecution each case officer must firstly complete a Prosecution Report Pack (see annexe). It requires the following:
- a) a statement(s) setting out the evidence that proves the offence has been committed;
 - b) any necessary authorities under the Terms of Reference of the Constitution to authorise commencement of proceedings;
 - c) consideration by one of the lawyers that there is sufficient evidence and that it is in the public interest to commence proceedings;
 - d) the costs of investigation so that this can be included in any costs order if the person is convicted;

- e) listing of all information beyond the statements to facilitate a comprehensive disclosure of any information that might be prejudicial to the Council's case in accordance with statute.
- 3.4 The Prosecution Report Pack ensures standardisation in the way prosecutions are commenced and ensures that the appropriate information is provided to assess whether a prosecution should be commenced.
- 3.5 Once the prosecution is commenced and a court date obtained, the Enforcement Team request one of the in-house lawyers to attend court on behalf of the Council. Previously this was normally handled by Essex Legal Services. This means that there is now a saving to the Council.
- 3.6 It is early days in making a conclusive assessment if the new process for all prosecutions is working entirely satisfactorily. Some prosecutions are seasonal, like the River prosecutions, and so the benefits of the process can only be fully assessed once we pass into late October. However, early indicators are that those cases that were not being properly processed for prosecution are now being prosecuted.

4. CONCLUSION

- 4.1 The new post October procedure should ensure that all prosecutions are processed in a standardised and fair manner. Although it is early days to finally assess the value of the new arrangements the early signs are favourable.

5. IMPACT ON CORPORATE GOALS

- 5.1 The new procedure should ensure that all cases that merit prosecution are brought to court and that the deterrent effects of enforcement are fully maximised.

6. IMPLICATIONS

- (i) **Impact on Customers** – More effective enforcement that acts as a deterrent
- (ii) **Impact on Equalities** – None
- (iii) **Impact on Risk** – Should reduce risk of an unsuccessful prosecution and avoid prosecutable cases being commenced within the limitation period
- (iv) **Impact on Resources (financial)** – None
- (v) **Impact on Resources (human)** – None
- (vi) **Impact on the Environment** – More effective enforcement with a greater deterrent effect for environmental offences like fly-tipping

Background Papers: None

Enquiries to: Simon Quelch, Senior Solicitor, TEL: 01621 875870

PROSECUTION REPORT PACK

Reporting Officer:

Date:

Defendant's Details

Defendant's Name

Date of Birth

Registered
Office/Private
Address

Date of Offence

On or before the th day of 201..Time limit for
prosecution

No time limit

Last Date for information
to be laid:

No time limit

Place of Offence

Offences (Act & Section)

Town and Country Planning Act 1990 (as amended) Section 179

Statutory Notices
sent: YES

Type

Date Sent

Schedule of Offences

1.

Summary of Investigation & Background**Summary of the investigation***(all relevant background information relating to the offence including any history or intelligence relating to the defendant(s), the reason for the investigation, details of any notices or interviews, any further information received from third parties etc)*

Aggravating Features <i>(details of period of the offence, collusion, failure to attend interview, false claim forms etc)</i>
Mitigation <i>(extenuating circumstances such health, age, family circumstances, finances, first offence, full co-operation etc)</i>
Previous Convictions (if known)

Defendant's Explanation

No lawful explanation given	
-----------------------------	--

Defences

Is a statutory defence available?
If Yes, can the defendant rely on the defence?
Give Reasons: Can't rely on defence.

Recommendations & Decisions

Criteria for Consideration: (in accordance with Enforcement Policy)

(1) Seriousness of Offence	
(2) Previous History	
(3) Statutory Defence	
(4) Competence of Witnesses	
(5) Evidential Test	
(6) Public Interest	
(7) Co-operation of Defendant	
(8) Alternative Action	

Officer's Recommendations & Reasons

Prosecution in line with policy for the reasons outlined in the summary of investigation and the criteria for consideration.	
Signed:	Dated: 14th October 2016
Name & Position	(Corporate Fraud and Enforcement Team)

Decision of Director of Planning and Regulatory Services / Manager for Planning Services	
I have viewed the above recommendations and the case file in relation to the proposed offering of a sanction. I have reached the following conclusion	
Sanction to be offered: Prosecution in line with policy Reasons for decision or additional comments, if any: -	
Signed:	Dated:
Name & Position	

Decision of Legal And Democratic Services Manager	
I have viewed the above recommendations and the case file in relation to the proposed offering of a sanction. I have reached the following conclusion	
Sanction to be offered: Prosecution in line with policy Reasons for decision or additional comments, if any: -	
Signed:	Dated:
Name & Position	

Submission Dates

Management

Legal Services

INVESTIGATION LOG

Date	Action/Task	Officer	Time Hrs : Mins

INVESTIGATION COSTS SHEET**OFFICER TIME**

Hours:			Rate Chargeable		
Hours:			Rate Chargeable		
Hours:			Rate Chargeable		
Hours:			Rate Chargeable		
Hours:			Rate Chargeable		
Hours:			Rate Chargeable		

£

Miles:

Total Miles:	
--------------	--

--

£

£

Total Investigation Costs

Other Costs

Description	Cost
Essex Legal	
Total Costs	

SCHEDULE OF WITNESSES

No.	Name	Date of Birth	Address	Contact No.	Statements	Dates to avoid

Exhibit List

Ref No.	Description

DISCLOSURE OFFICER'S REPORT

The following items are listed on the Schedule(s) for this case and may:

a)

See Schedules with case papers

Item No.	Sens/ Non Sens	Description of Item	Tick if attached

CERTIFICATE:

I, Spyridon Mouratidis being the Disclosure Officer, hereby certify that to the best of my knowledge and belief all material which has been retained and made available to me has been revealed to the Prosecutor in accordance with the Code of Practice under the Criminal Procedure and Investigations Act 1996.

Signed: _____ (Disclosure Officer)

Date:

SCHEDULE OF UNUSED MATERIAL (NON-SENSITIVE)

Item No.	ID Mark if applicable	Description of Item
----------	-----------------------	---------------------

1.		
----	--	--

CERTIFICATE:

I, being the Disclosure Officer, hereby certify that to the best of my knowledge and belief:

- a) This schedule does not contain any sensitive material **and**
- b) All material which has been retained and made available to me has been revealed to the Prosecutor in accordance with the Code of Practice under the Criminal Procedure and Investigations Act 1996.

Signed: _____ (Disclosure Officer)

Date: _____

SCHEDULE OF UNUSED MATERIAL (SENSITIVE)

Item No.	ID Mark if applicable	Description of Item
1.		

CERTIFICATE:

I, being the Disclosure Officer, hereby certify that to the best of my knowledge and belief:

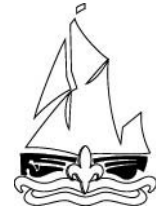
- a) This schedule contains sensitive material **and**
- b) All material which has been retained and made available to me has been revealed to the Prosecutor in accordance with the Code of Practice under the Criminal Procedure and Investigations Act 1996.

Signed: _____ (Disclosure Officer)

Date: _____

Compensation order needs to be requested for Council

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REPORT of DIRECTOR OF CUSTOMERS AND COMMUNITY

**to
OVERVIEW AND SCRUTINY COMMITTEE
14 FEBRUARY 2018**

INTERNAL AND EXTERNAL COMMUNICATIONS

1. PURPOSE OF THE REPORT

- 1.1 The purpose of this report is to review the Council's approach to internal and external communications making recommendations to the appropriate service committee or Council as required.

2. RECOMMENDATIONS

- (i) that Members review the content of the Officer presentation, and their views and comments are sought.
- (ii) That Members' comments are taken into account by Officers when drafting a future digital strategy for the Council and introducing unified communications systems.

3. SUMMARY OF KEY ISSUES

- 3.1 In January 2018 Members of this committee confirmed the current work plan for the year which includes a scrutiny topic of Internal and External Communications. The Member sponsors are Councillors S J Savage and M S Heard. It was agreed the scrutiny topic will include;
- the email system;
 - telephone contact via the Council's contact centre;
 - how the Council can improve the website;
 - some examples of other authorities' approach to communications;
 - the Council's Digital Strategy
- 3.2 In response this item of scrutiny Officers have prepared a presentation for Members which sets out to demonstrate the integration of the Council's Customer Strategy and the ICT Strategy which is due for a refresh in the form of a new Digital Strategy for the Council later this year.
- 3.3 The presentation updates Members on progress on delivering communication projects including voice (telephony) and electronic (email) in an integrated package of communications improvements. Officers will outline the key principles which underpin both the Customer and Digital strategies which will guide the Council's communications in the next few years, including moving to online and self-service

provision by default wherever possible. A section reflecting the current Website provision will be included, together with some performance information for Members' interest and discussion. Finally the increasingly important use of social media as a communication tool will be explored. A copy of the presentation is included at **APPENDIX ONE**.

- 3.4 In setting the content of this item of scrutiny Members made specific mention of a number of issues they wished to be included. The presentation detailed above will deal with the majority of matters raised including the question raised by Councillor S J Savage relating to Officers of this Council taking responsibility for the safe receipt of electronic communications (including individual emails sent from these offices).

- 3.4 As requested examples of current digital strategies have been provided. Examples from Chelmsford City Council & Braintree District Council are set out within **APPENDIX TWO**.

4. CONCLUSION

- 4.1 The aim of this review to consider how the Council communicates both internally and externally and seeks to give reassurance on the strategy relating to future plans for service delivery.

5. IMPACT ON CORPORATE GOALS

- 5.1 This item of scrutiny relates to the corporate goal of delivering good quality, cost effective and valued services.

6. IMPLICATIONS

- (i) **Impact on Customers** – The Council is reviewing both the customer and digital strategies relating to providing good quality customer services. Advances in technology coupled with customer expectations on access to services are driving a re focus on our communication methods and the customer and digital strategies will set a clear pathway for the future.
- (ii) **Impact on Equalities** – No issues identified.
- (iii) **Impact on Risk** – No issues identified.
- (iv) **Impact on Resources (financial)** – There are costs associated with the implementation of new technology. However, there are also corresponding savings which can be delivered through efficiencies and varying models of service delivery.
- (v) **Impact on Resources (human)** – None identified.
- (vi) **Impact on the Environment** – No issues identified.

Background Papers: None.

Enquiries to: Richard Holmes, Director of Customers & Community (01621 875752)



Presentation to the Overview and Scrutiny Committee Wednesday 14 February 2018

Communications Scrutiny Item
Russell Dawes, Sue Green,
Chris Wall



Content

- The presentation will look at the issues raised by the Committee and include;
 - Website overview
 - Customers Strategy
 - Telephony and proposed Unified Communication System
 - Email upgrade
 - Digital Strategy



Our Website

- Current web site re-designed/refreshed in 2016 - to include responsive technology www.maldon.gov.uk
- The website is managed from a technical perspective by our IT team and the content is managed by the Public Relations team in liaison with designated super-users across the departments
- Our corporate site also has a number of external third party websites which link seamlessly to our website, but which we do not have the ability to directly amend but we can influence change
- Our Tourism site www.visitmaldondistrict.co.uk is managed by the Tourism team and links to our site.



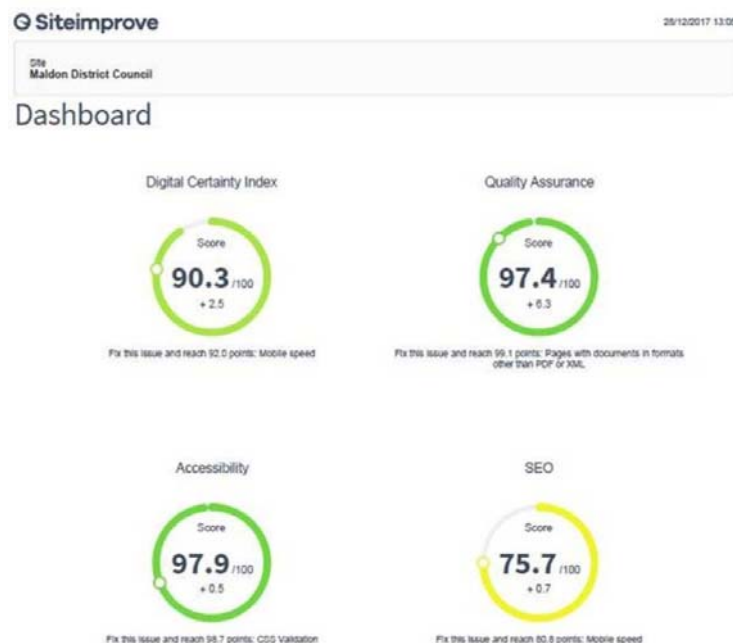
Website Performance/Monitoring

- We subscribe to a website service which highlights issues of mis-spellings, broken links, performance, usability and accessibility
- This provides regular emails when issues are detected which enable us to maintain and improve our website
- We also have access to another free site which provides benchmarking data and compares our site across all local authority sites



Performance /Benchmarking

Performance



Benchmarking

Essex Council	Place Ranking Score Qtr 4 2017
1. Thurrock Borough Council	32
2. Braintree District Council	64
3. Maldon District Council	91
4. Castle Point Borough Council	150
5. Southend Council	233
6. Chelmsford City Council	262
7. Colchester Borough Council	277
8. Uttlesford District Council	310
9. Tendring District Council	316
10. Basildon Borough Council	317
11. Brentwood Borough Council	365
12. Harlow Council	383
13. Epping Forest District Council	386
14. Rochford Borough Council	389



MALDON DISTRICT
COUNCIL

Working to make Maldon District a better place to live, work and enjoy

Customer Strategy – Key Aims

- Right first time service delivery.
- Resolution at the first point of contact
- Helping our customers to help themselves
- Working in partnership
- Focussing on end-to-end service delivery
- Learning from customer feedback
- Culture and behaviours
- Access to services using the most efficient and cost effective channels - ensuring our face-to-face service is available for those customers who most need it.



Existing Telephony System

- Analogue not digital
- About 15 years old
- Cannot recognise peaks of customer contact
- Messages have to be recorded over.
- On hold music poor quality
- Reliant on supplier to make changes
- Can't hold information about reasons for call



Existing Telephony System

- Minimal reporting capabilities
- Does not support a virtual contact centre
- Handsets old
- No ability to link to availability of staff
- Cannot be linked to other teams who are outside of building
- Unable to support mobile working
- Limited functionality to support DR



Existing Telephony System

- Disaster Recovery and Business Continuity
- Security
- Support and Maintenance
- Flexibility
- Visibility of call handling



MALDON DISTRICT
COUNCIL

Working to make Maldon District a better place to live, work and enjoy

Proposed Unified Communication System

- Flexibility
- Control
- Platform to deal with all contact
- Resilience
- Possible monthly revenue savings
- Added benefits



E-mail Upgrade

- Why?
- Where are we now?
- Next steps



Digital Strategy

- What does it mean for us?
- What are the opportunities for us?
- Engagement with Members – workshop



BRAINTREE DISTRICT COUNCIL

Digital Strategy 2017 – 2021

Why do we need a Digital Strategy?

For our customers

The internet and digital technology have become a huge part of our everyday lives. Nine in ten (86%) adults now have internet access at home, with the average user estimating they spend approximately 25 hours online each week. More people are now using the internet to interact with organisations. We are using online services for shopping, banking, information and entertainment because they tend to be quicker, more convenient and cheaper to use. There are now more smartphones than landlines, people want to access services when it's convenient to them. The trend for young people is to use the internet/social media/texting/email on their phones more than they use them to make 'phone-calls. The older generation is getting more internet-conscious and there is now a growing core of 'silver-surfers'. This is particularly helped by the major rollout of fast broadband services across the country via landlines and mobile networks. In the UK, fixed internet traffic is set to double every 2 years, while mobile data traffic is set to increase further at a rate of up to 42% per year. Consequently we need to respond to these existing and the emerging trends to ensure our customers remain well served and engaged with our web services and digital presence.

Focusing on Digital will mean putting our customers at the centre of all digital change, and developing and maintaining an internal digital culture. We must also be aware of the digitally excluded and ensure that there remain non-digital methods of contact for those who really need them. We must also continuously improve the digital services we provide.

We want to inspire confidence in our digital services for all of our customers. We want going online to be the first preference when customers choose to interact with us; for it to be digital by default. For customers to trust our services online and actively choose them first, we need to create truly accessible, good quality digital services, and to do that we need to transform how we work, starting with continually listening to our customers and incorporating their feedback when making improvements and changes. We also want to have a consistent look and feel to our digital processes for our internal and external customers. By being bold, re-imagining and redesigning our services, and embracing digital tools and processes, we can improve the customer experience and make financial and resource savings across the organisation. With these savings we can increase our capacity and focus our time and expertise on understanding and helping those who need support to get and stay online. The better our online services are, the faster our customers will move away from choosing traditional methods of contact like the phone.

BRAINTREE DISTRICT COUNCIL

For our Organisation

There has never been a more challenging time for Local Government. How local authorities are funded is changing. By 2020 Braintree District Council will be largely self-funded, which means we need to take a more commercial and private sector approach to delivering our services.

These financial constraints are requiring us to reinvent ourselves to be more efficient and effective, while the world of digital is developing and public expectations are growing. Technology has and will play a vital role in how we manage our business. We must find ways to drive better services at lower cost, which means using new technology to the very best advantage

With the increased use of technology and larger amounts of information stored comes an increase of the impact created through cyber security threats. We need to ensure that we keep our customers information safe and ensure business continuity through strong management of our information and systems.

Our Digital Landscape

The digital age is changing what we do, how we work and how we communicate. The world has been transformed by the Internet and our customers are embracing technology in all its forms.

Where are we now?

- We receive over 66,000 visits to our website each month, with over a quarter of a million page views – (66,132 - 293,121)
- Mobile devices users make up 47% of our online visitors
- Over 79,00 online transactions are made each year by our customers (79,732)
- 74 online services are available through our website, including 60 online forms
- Completion rates for our online forms are around 74%
- In 2016/17 31% of all transactions with the Council were made online.

The drive to make more services available online has been part of our Channel Strategy for some time and we have made great progress to:

- Make access to our services easier and more convenient
- Improve the customer experience of our online services
- Reduce waiting and be more efficient in dealing with requests
- Meet customer expectations for online services

In 2016/17 we made the following improvements:

- Launched our new website in March 2016, which is designed for all device types

BRAINTREE DISTRICT COUNCIL

- Improved the navigation, content and forms on our website to make information easier to find and understand.
- Moved more services online
- Launched 'Open Access e-billing' for Council Tax and Business Rates, enabling customers to receive and review their bills online.
- Improved the Councillor information available on the website
- Implemented Google Site Search to improve our customer search experience
- Improved our technical and user Cyber Security knowledge and skills
- Upgraded our infrastructure to provide enhanced security, flexibility and performance
- Made it easier for customers to upload planning applications via the website
- Made improvements to back office processes to make them more efficient
- Launched a 'Do It Online' area on the website and supporting campaign to make it easier for customers to make transactions online.
- Launched a 'Do It Online' area in our reception, providing access to our online services for those customers who do not have access, skills or confidence to do it from home.

Purpose of Strategy

There is still significant potential for improving our performance and delivering better digital services. This strategy sets out how we will meet our challenges and make the best use of technology to deliver better outcomes for our customers.

Our vision is to deliver excellent digital services by:

- Improving productivity and performance of our services and our people through the use of technology
- Redesigning our digital services to meet the needs of our all customers regardless of age, gender, ability or location, making them so good, convenient and easy to use that people make them their first choice of contact.
- Improving digital skills and promoting access across the district, ensuring that everyone has the capability to access and use digital services.

There are three key themes to our digital strategy:

- Digital Council
- Digital Customer
- Digital District

BRAINTREE DISTRICT COUNCIL

The Digital Strategy

Digital Council

Digital transformation can make every business more productive. A recent survey of 1000 UK based businesses found digital capabilities helped boost revenue by 4.4% and reduce costs by 4.3%.

As a digital council, the way we work is changing. In the current challenging climate, most companies and public sector organisations are looking closely at what they do and how they do it and where they do it. Becoming more flexible and working smarter is at the heart of transforming and streamlining our business.

Smarter working focuses on achieving the following benefits:

- Increasing the effectiveness of our activities
- Focusing our work on outcomes rather than processes
- Meeting the aspirations of staff for an improved work-life balance
- Reducing the financial costs of running our business
- Creating office environments that facilitate collaboration and innovation
- Reducing the environmental footprint of our working practices
- An environment which readily allows remote working and reduces the need to be in the office to work
- Easy communication and collaboration

Work in the 21st century is about what you do, not where you do it; however there are currently technological limitations and challenges of a traditional office culture and paper based processes that hold us back. Smart working is about embarking on a journey, where the aim is to make continuous process towards achieving these benefits.

The internet and digital transformation are extraordinarily powerful tools for freedom, innovation, growth and knowledge. The increasing uptake of internet-based technologies has brought, or will bring, significant advantages to our Council, Customers and District. But as our reliance on technology grows, so do the opportunities for those who would seek to compromise our systems and data. Responding to this threat and ensuring the safety and security of our systems is an essential requirement. The benefits of digital will only continue if people and businesses feel safe and confidence whilst online.

What we will do:

- Improve mobility and flexibility of our workforce through the use of technology; enabling our teams to spend more time adding value to our customers
- Improve the way we handle and use information to make decisions that create better outcomes for our customers

BRAINTREE DISTRICT COUNCIL

- Reduce the cost of service delivery through the use of technology improving how our systems integrate and reducing duplication in our processes and data collection
- Regularly review cyber security threats, ensuring that our organisation is well protected and that we have strong business continuity plans in place in the event of an issue
- Improve our digital skills across the organisation to make the best use of technology for our staff and members
- Improve our interactions with other authorities, our knowledge sharing and the tools we use for these

Digital Customer

We have a responsibility to provide excellent services to our customers and value for money to the taxpayer. The ways in which customers interact with us are a critical part of the service we provide and there is an ongoing impetus for them to be managed effectively and efficiently for everyone.

In the current age, our customers want and expect access to services using a method and time that suits them. We need to be agile and responsive to customers' needs but also ensure that we deliver services in the most cost effective manner. We must balance treating customers individually and according to need, with continued pressure on finances and a drive to make best use of the most financially efficient methods of contact. Our customers are always at the heart of what we do and therefore improving access to our services through the use of technology is our priority.

We currently provide access to services through a number of existing channels:

- Face to face visits at our premises
- Telephone via our Customer Services Centre
- Telephone direct contact through personal extensions
- Email via our Customer Services Centre
- Email via other generic or personal inboxes
- Website visits

We know that the demand for digital services is growing and so are the expectations of our customers, but our finances continue to be stretched. The Society of Information Technology Management (SOCITM) details how much it costs local authorities to interact with their customers:

- | | |
|----------------|-----------------------|
| • Face to face | £8.23 per visit |
| • Telephone | £3.21 per call |
| • Web | £0.39 per transaction |

We will not discriminate against any individual by limiting the choice of contact methods; however our overheads will reduce and we'll see a huge improvement in how we deliver services if every one of us adopts this strategy in to our everyday work and thinks 'Digital First'.

BRAINTREE DISTRICT COUNCIL

We will provide digital access to services and meet the needs of our customers enabling them to successfully transact, interact and engage with us online and continue to provide support for those who are unable to do so. We will do this by:

- Making digital services available 24hrs a day, 7 days a week, from anywhere with internet access, using any device.
- Increasing the number of services available online
- Continuously reviewing the customer experience of our digital services
- Continuously reviewing and improving content and navigation so that information is easy to find and understand
- Promoting and encouraging use of our digital services so that our customers know what services are available and how to access them
- Supporting customers to use our digital services effectively so that they have a choice about how to contact us
- Engaging with customers to design, review and improve services
- Promoting and encouraging the use of our digital services
- Providing people with access to the internet, technology and equipment and helping them to learn the skills they need to exploit the digital revolution.

Digital District

As digital is becoming a bigger part of our society, it is important for our District to ensure that it is in the best position to use digital to support growth in a sustainable way.

The UK's digital infrastructure must be able to support the rapid increase in internet traffic predicted, providing coverage with sufficient capacity to ensure data can flow at the volume, speed and reliability required to meet the demands of modern life. Broadband and mobile must be treated as the forth utility, with everyone benefiting from improved connectivity. This will play a crucial role in ensuring that everyone, wherever they live and however they connect, can make full use of digital services and benefit from participation in the digital economy. Improved connectivity also increases innovation and productivity across the economy, bringing significant economic rewards for the district. Independent research suggests that increased broadband speeds alone could add £17 billion to UK output by 2024.

Although we live in an increasingly online world, a significant part of the population remains digitally excluded. One in 10 adults have never used the Internet and many more are missing out on the opportunities the digital world offers, whether through lack of connectivity, digital skills or motivation. We must continue to address the digital divide between those who have been able to embrace the digital world and those who have not.

We also need to turn our attention to those who have basic digital skills and connectivity, but lack the confidence and knowledge to make the most of the digital economy, whether at work or beyond. Many jobs have a digital element, and it is predicted that within 20 years 90% of all jobs will require some element of digital skills. Effective digital skills provision is essential to ensure the workforce is prepared for this and future technological changes.

BRAINTREE DISTRICT COUNCIL

For those lacking basic digital capacity, the reasons for this exclusion are often complex. Research suggests that there are four key barriers, and more than one may affect individuals at any one time:

- Access – the ability to connect to the internet and go online
- Skills – the ability to use the internet and online services
- Confidence – a fear of crime, lack of trust or not knowing where to start online
- Motivation – understanding why using the internet is relevant and helpful

We need to work with our partners to increase the digital capability of those who are digitally excluded, as well as those who are online but lacking the confidence and knowledge to make the most of it.

We will do this by:

- Promoting high speed and reliable broadband development across the district for domestic and business use
- Ensuring that digital infrastructure is considered as part of the development of new communities
- Promoting digital skills for businesses across the district
- Working with education providers to improve the quality of digital apprenticeships

How we will deliver the strategy

This strategy will be delivered through an annual digital plan and ICT roadmap that will align with the corporate business planning process. More detailed information can be found at the Appendices

Appendix A – Annual Digital Council Plan 2018/19

Appendix B – ICT Roadmap

Appendix C – Annual Digital Customer Plan 2018/19

BRAINTREE DISTRICT COUNCIL

References

- South Staffordshire Customer Services Strategy
- Ofcom Communications Report
- Oxfordshire Digital Strategy
- SOCITM – cost per contact data
- UK Digital Strategy 2017
- Camden Digital Strategy
- Thurrock Digital Strategy
- SMART Essex strategy

BRAINTREE DISTRICT COUNCIL

Appendix A

Annual Digital Council Plan 2018/19

1. New Technology

As part of the Digital Strategy and to take the council along a path that allows more flexible working, enhanced collaboration and improved communication it is essential that a number of new products be launched within the organisation.

1.1 Office 365

Microsoft's latest offering provides software and services covering email, MS Office tools (Word, Excel, etc), virus checkers, social networking in the business environment, Share-point amongst others. It is typically hosted on the cloud which offers resilience and easier business continuity.

1.2 Video conferencing

Office 365 offers point-to-point video-calling. However, it is envisaged that there will be times when the council will need to meet formally with other organisations in a conference style setting. The facilities to allow this will be built into the organisation's main meeting room – Causeway Room.

1.3 Move from ISDN to SIP

In order to improve telecommunications technology to make more use of the internet connections to improve resilience and reduce costs of phone-calls.

1.4 Move from a physical server room to Cloud services

The servers are physically contained in Causeway House although the bulk of them are virtual servers. By moving the physical presence it will be possible to build in resilience (in the event of a problem occurring in the building), reduce operability costs and offset lighting, heating, air-conditioning, server room protection and insurance costs.

2. Business Continuity/Disaster Recovery

The following systems/services are hosted externally:

HR/Payroll

Echo – Waste Management

Arbitas – Housing

Marketplace – Procurement

Covalent – Performance & Project Management

JADU – Intranet and Internet

In the event of a failure in the council's server room then the above functions can still be carried out. However, the other systems used by the organisation are hosted in Causeway House and will not be accessible. They will have to be restored elsewhere. The council are currently working through the practicalities of the different recovery scenarios and solutions. It is expected that these will be known and agreed by March 2018.

BRAINTREE DISTRICT COUNCIL**3. Flexible & mobile working****3.1 Flexible working**

An increasing number of staff are now using works smartphones when they are on the road. This allows them to readily access emails and to contact the office when there are issues identified that require back-office support. The smartphones also allows them to capture evidence and pin-point locations e,g, fly-tipping, violations and areas of concern.

3.2 Mobile working

Our staff are moving more towards laptop usage rather than fixed base desktops. This gives them the freedom to work in any location once they have access to a wi-fi link as they will be able to access emails and documents from anywhere. This programme is being rolled out as equipment is replaced throughout the organisation.

3.3 BYOD

Bring Your Own Device (BYOD) is closely related to flexible working – it offers the same way of working and is only different in that the kit used are owned by staff and not the council. It entails different management by the ICT team which is why it is separately identified.

3.4 Jabber

The upgrade to Cisco 11 in 2017 gives the council a springboard to other Cisco offerings. Jabber is the Cisco tool for networking within the organisation environment. It will allow management to communicate very quickly with the office-based workforce and allow free/quick access between individuals within the organisation – this is especially key for the communication with staff in other buildings.

3.5 P2P Teleconferencing

As above, the upgrade to Cisco 11 in 2017 gives the council a springboard to other Cisco offerings. Point 2 Point teleconferencing is one such facility. It allows individuals to communicate face-to-face over the network and is another aid to communication for people who prefer such types of communications.

4. Cyber-security

The Cyber-security subtitle covers a very wide area from the technical end of the spectrum to the non-technical user-oriented.

4.1 Firewalls

The firewalls used to protect the council require regular maintenance and upgrade when collaborations need to be set up. This will become more critical as the council works more closely with other organisations and/or when new partners move into the main building. Both of these scenarios are envisaged over the next 5/6 years and there will therefore be much activity on this front.

BRAINTREE DISTRICT COUNCIL**4.2 Intruder Detection System/Intruder Protection System**

The IDS/IPS products provided within Cisco offers good protection from cyber attacks. They are not labour intensive at the moment but it is projected that cyber attacks will increase rather than decrease. This item notes the potential for extensive ICT effort being required in this area.

4.3 Passwords

This is not expected to be a highlight this year but is still critical to cyber-security. It therefore remains on the radar and will remain there for the life of this document.

4.4 Metacompliance

The first metacompliance exercises are planned for late 2017. Dependent on the outcome of those tests there may be further activity on this front. It is therefore included in this strategy as part of the education and training of our users in cyber-security and the risks associated.

4.6 Education & training

There are two elements to cyber-security education and training. The first is of the users and the need to keep them abreast of developments and threats to beware. There is also the need to induct joiners and to refresh training done in the past.

The other side of education/training is that of the technical support team. They will need to be kept up to date on new developments and to network with other organisations. This will be managed with external organisations.

5. ICT Education & Training

In order to develop and maintain the ICT Roadmap for the council and to ensure that we are heading in the same direction, ICT will arrange for users to be kept up to date with technology relevant to their workareas. This will be done using:

Surgeries: these will be run by the ICT team for specific items

Open days: similar to the Surgeries but for non-specific items

Technology days: managed by the ICT team but external companies would be invited to present ideas relevant to our users

Description	Ap	My	Jn	Jl	Au	Se	Oc	No	De	Ja	Fe	Mr
Consolidate Video conferencing	x	x	x									
Plan for Office 365	x											
Plan for BC/DR exercise	x											
BYOD	x											>
Flexible working	x											>
Mobile working	x											>
Firewall upgrades/	x											>

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maintenance												
Replacement kit programme	x											
Jabber enhancement	x	x										
Teleconferencing	x	x										
BC/DR exercise			x	x	x							
Office 365 – initial training - pilot - roll-out						x		x			x	→
IDS/IPS enhancement/ maintenance	x											→
Passwords			x									→
Metacompliance					x							→
Cyber-security education & training	x											→
Move from ISDN to SIP			x									→
Move server room to Cloud - Initial study							x					→
CRM												
Online booking												
Online payments												

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Appendix B - ICT Roadmap – September 2017

Item	Name	Dependent on Items	Area	Planned Infrastructure	Benefit/Saving
1	Workstation refresh		Laptop/Desktop	Workstation	Improved workstation performance Improved flexible/mobile working
2	Email upgrade		Email	Office 365	Improved collaboration Improved mobile/flexible working
3	Telephony Refresh		Telephony	Cisco UCS	Future-proofing Platform for later products
4	Communications	3	Jabber - internal comms	Cisco UCS	Improved BDC comms Improved collaboration
5	BC/DR		Business Continuity	Hosting	Resilience
6	Telephone line upgrades	3	Telephony	ISDN -> SIP	Resilience Reduced costs
7	Storage & Backups		Hosting		Resilience Business Continuity
8	MS Office upgrade		Office 365	MS Applications	Future proofing
9	Server move to cloud		Hosting	Server	Resilience Business continuity
10	Metacompliance		Cyber security	Cyber security	Business continuity

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11	Enforcement of Password compliance	Cyber security	Cyber security	Business continuity
12	P2P video-conferencing	Telephony	Cisco UCS	Collaboration Internal Communications
13	CRM update	Customer Service	Application	Integration Costs

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Appendix C – Digital Customer Plan 2018/19

1. Use technology to improve the customer experience of our digital services
 - 1.1. Investigate the need for a Customer Relationship Management System
 - 1.2. Provide an online payment option for all goods and services offered by the Council
 - 1.3. Implement an online booking system to allow customers to book and pay for goods & services
 - 1.4. Investigate a single sign on account to enable customers to view personal information, carry out transactions, track the progress of their enquiries or orders and interact with us online.

2. Improve the digital skills and knowledge of our staff
 - 2.1. We will implement new standards for web content.
 - 2.2. We will ensure that any staff using our website Content Management System have been fully trained in its use and in 'Writing for the Web'.
 - 2.3. We will provide training for our front facing staff to enable them to better promote our online services
 - 2.4. We will make our Service Heads the Digital Champions for their service area and responsible for promoting customer needs.
 - 2.5. We will consider adoption of the Local Government Digital Service Standard as our methodology for designing and implementing digital services

3. Help more of our customers to go online and be confident using our digital services
 - 3.1. We will promote our web services to customers through our Do It Online campaign
 - 3.2. Our Customer Service Advisors will promote digital first and assist customers to go online and have confidence in our digital services
 - 3.3. We will consider introducing a weekly drop in day for our customers to get practical assistance using our digital services.
 - 3.4. We will work with our partners to assist our customers with using our online services

4. Improve the online experience for our customers to make Digital their first choice
 - 4.1. We will use our customer feedback, analytics data and user testing to continuously improve our digital services
 - 4.2. We will use our business networks to understand the needs of the business users to improve our service to them.

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- 4.3. We will review all of our online forms to ensure they are concise, relevant , the information requested is not excessive and is kept for no longer than is necessary
- 4.4. We will make improvements to the website navigation to make information quicker and easier to find.
- 4.5. We will work with accessibility specialists and our web developers to improve the accessibility of our website for our customers
- 4.6. We will critically review our website content to ensure that it is easy to understanding, concise and fit for purpose.

Chelmsford City Council's Digital Strategy and Roadmap



Discussion paper

Authors:

Louise Goodwin, **Director of Corporate Services**

Alex Butler, Interim Digital Lead

14th November 2016

Executive summary

'Councils deliver an estimated 80 per cent of local public services, and are located in and form part of the communities they serve. They are rising to the challenges they face and transforming the way they deliver services by redesigning, reorganising and reforming. An important part of this process is bringing their deep understanding of local needs together with technological innovations to offer better management of demand, more reliable and efficient handling of routine transactions, and greater use of shared data.' (Nesta, Connected Councils 2016)

The case for using digital to transform local government services has been strongly made, from the [LGA](#) to [Nesta](#), there is plenty of evidence to support the case for digital, estimating savings of £14.7 billion, and between 2% and 13% of an average Council's annual budget. But the real prize offered up by digital is that it unlocks an entirely new way of thinking about the way we operate as a local authority, a service provider and how we relate to our Chelmsford community.

Fit for the future

Our aim is to use digital technology to enable more efficient and effective services. That doesn't necessarily mean that all services can or should be digital end-to-end, but that we use technology to enhance and enable better results. This means digital services that are so straightforward and convenient that all those who can use them will choose to do so, while those who can't are not excluded.

By **digital** we mean internet-enabled: such as desktop, laptop, tablet, mobile or digital devices not yet invented. We also include video and non-networked digital devices such as kiosks.

This means wherever possible our services, including information and transactions, will be delivered through digital channels, rather than face-to-face, phone or post.

It will involve changing the way we work, and transforming our processes and practices.

Most importantly, digital services will be designed around the needs of our users, whether public, practitioners, staff, partner organisations or stakeholders. We will use technology wisely, ensuring that we can scale resources up or down as required and that we are not held hostage to long term, prescriptive capital contracts.

Our approach will be to move away from standalone systems towards core capabilities and components that we can share, accessible easily from multiple devices and freeing us up to work more flexibly. We want to put our information and data at the heart of our operations. Our management information will be significantly improved because we will have access to joined up information across all our services, and for the customer it will mean being able to deal with the Council as a whole, rather than individual services.

There is also the opportunity to achieve financial savings.

Approach	Rationale	Type of saving	Examples
Automate individual processes	Moving from paper to online channels for payments and services.	Low cost channels such as web = efficiency savings.	Electronic filing, improved processes eg parking permits, report a missed bin, request a license.
Design our processes for a digital age	This makes processes simpler and takes out unnecessary bureaucracy	Efficiency savings – across the Council these can be substantial.	Implementing a Council wide CRM (Customer relationship management tool) to give us a ‘single customer view’.
Digital operations (recommended approach)	Enables us to share information and resources and to operate as ‘one Chelmsford’,	Significant economies of scale and scope including opportunity to reduce overheads	Common IT infrastructure, Cloud hosted common components eg. Document management, ticketing etc.
Business model built around digital platform	Replaces traditional management and/or back office processes with self generated options	Transfer of responsibility, for example Chelmsford citizens helping other citizens with advice or connecting third party partners to customers	Eg Implementing a knowledge base of articles to answer common customer service questions. Build a sharing platform for Chelmsford connecting local businesses to customers

Our core themes and plan of action

Our digital transformation will be organised in 4 core workstreams:

1) *Transforming our services*

To give us the economies of scale and efficiency and to give our customers a better, more joined up experience of the Council’s services, we will implement a Council wide data strategy and technology that gives us a ‘single customer view’.

This will mean integrating our customer information, implementing new back office process and committing to one Customer Relationship Management tool and Customer Services approach for the whole organisation.

All the Council’s services will be available via a customer ‘portal’ (aka a ‘myChelmsford account’), accessible as a self service tool and used by Customer services.

2) *Transforming the way we work*

We will open up opportunities for the Council to operate more flexibly. We can reduce overheads giving Council employees secure access to their information and communication tools wherever they are, and from a range of devices. For example, giving our planning or housing teams access to important documents out in the field

We will invest in better digital skills across the organisation, thereby reducing our reliance on external suppliers and create a new Digital Services team from the current ICT structure with the addition of further programme and project management capabilities.

We will enable far better insight into the workings of the Council through improved management information, if possible in real time. This will allow us to see how our services are being consumed and to adapt our delivery for greater efficiency and better customer experience.

3) *Removing the barriers to digital transformation*

We won't realise the benefits of this investment without changing our approach and our culture. By that, we mean:

- Empowering our employees to work more flexibly using better digital tools
- Taking steps to measure performance of our investments and projects
- Running leaner, faster tendering processes
- Identifying and finding solutions to legislative barriers to digitising services.
- Identifying, developing and using common components and services.

Without tackling aspects of our culture as an organisation and the way we lead, we won't realise the benefits of the new digital tools and infrastructure. For example, giving staff new remote working tools without changing our policy towards home-working and implementing it consistently would be pointless. So we will implement a complete review of our working processes and culture alongside a review of our service delivery to identify where digital tools will work best.

4) *Transforming the way we engage*

We have a great opportunity to rethink the way we engage with each other, with our wider community, visitors to Chelmsford and all our stakeholders. This digital strategy recommends an approach to technology that will mean:

- Opening up consultations and engagement by increasing access to and effective use of social media eg webchat for customer services.
- Using common technology and applications such as a CRM (Customer Relationship Management tool) to connect our revenue generating services, thereby enhancing opportunities for 'cross-sell' and awareness.

- Driving awareness and encouraging channel shift through more consistent and sustained communication and collaborating with other partners.
- Being able to collaborate and communicate securely with partners such as the NHS, police, social services to provide better support for those who need it.
- Providing ways for people to access our digital services if they are not able to do so independently.

Managing the implementation

This strategy supports the priorities set out in Chelmsford City Council's corporate plan and provides a framework for service transformation between November 2016 and 2020.

Progress will be tracked through a formalised programme plan and the digital roadmap. It will be developed alongside all the Council's service areas, and supported by other policies and protocols such as data and security management, HR and communications. We will be seeking authority from the ICT Strategy Board to implement a policy framework to support future IT expenditure.

Louise Goodwin, Director of Corporate Services will lead the implementation of the strategy and champion digital transformation within the Management team and across the organisation. The ICT Strategy Board will own the strategy and associated investments and will monitor progress towards goals.

However, everyone across our organisation – not just digital specialists – will have to be involved and committed to these actions to make the strategy a reality and make Chelmsford City Council a digitally capable organisation for the future.

A Strategic Plan for Digital Transformation

1. Our Vision

Chelmsford's digital vision sets out how the increased use of digital and technological innovations can support better public services and in Chelmsford. Specifically focussing on the need for:

- Redesigning public services for digital accessibility, convenience and value for money
- Modernising the way we work for Chelmsford via better use of data and technology
- Seeing our customers in the round
- Adapting to an increasingly mobile population
- Understanding the future value of data
- Preparing for a digital future, whatever that brings

-

2. The Scope

Digital transformation will support Chelmsford City Council's priorities by:

- delivering better information to allow users to make more informed decisions about when and how to interact with us
- delivering better, less costly services to make it easier, faster and cheaper for people to use Council services
- transforming the operational, structural or cultural processes and practices which support our information and service provision.

Our strategy focuses on how we will start to move towards a digital future, but does not provide a detailed review of every information asset, transaction, service, channel or process. We will develop detailed implementation plans to support priority projects in the coming months, and focus on digital transformation of those services where it provides better value for money. Chelmsford City Council provides some services online, but often only part of the process is digitised and we deliver services in organisational silos, forcing customers to repeat information and contact us many times with the same information.

Most of these services could be extensively if not fully digitised. This would be better value and provide a much better user experience. Some of our services are not online at all and still rely on paperwork or call centres, and these could be significantly improved and rationalised using digital tools.

In many cases we would like to see less demand on our services where customers are able and more than willing to use 24/7 digital service provision. In some cases, successful services may well be those which are used less.

Redesigning services to respond to user needs and in order to relate to customers as a single entity rather than organisational silos is critically important to our digital strategy, and will be a significant change in approach for the Council. However, investing in new digital tools alone will be money wasted if we don't ensure that our processes, policies and culture adapt alongside them.

The potential for all of this to improve confidence in the work of Chelmsford Council and to provide transparency and value for money for local residents and businesses should not be underestimated.

Digital transformation is essentially about how the Council develops better business strategy and a way of operating, informed by understanding of customers.

What's out of scope

The recommendations in this strategy do not include improvements to business as usual IT operations, maintenance and upgrades to core infrastructure, such as CCTV, public wifi and internet access to Chelmsford CC buildings. However, there are some key dependencies in the implementation of this Strategy, such as internet access and resilience of our current systems.

3. The core themes

Theme	What it means for Chelmsford
Transforming the way we deliver services	Customers can access any of our services at a time and in the ways that suit them and can expect the service to be well designed and on a par with other good quality brands. This is particularly important where we are providing more 'commercial' services such as leisure facilities.
Transforming the way we work	Staff will have the digital tools and skills required to deliver services effectively and efficiently. This means a better experience for Chelmsford's residents and businesses because staff have access to the data they need with a complete picture of our customers' relationship with us and the best available technology ensuring they have the skills to use it effectively. Managing the Council's operations will be easier because we have far better, up to date management information.
Reducing the barriers to digital transformation	We will be empowering our employees to work more flexibly using better digital tools, taking steps to measure performance of our investments and projects and running leaner, faster tendering processes. We will identify and find solutions to legislative barriers to digitising services. Instead of duplicating effort across the Council we'll identify, develop and use common components and services.
Transforming the way we engage and collaborate with partners	Digital technology will enable the Council and its partners to tackle complex issues and work together seamlessly. This means using digital technology to work with our partners to deliver the outcomes we all need

3.1 Transforming our services

Our focus is to provide a better experience for the user and deliver greater efficiency across the Council's services. We will identify the processes, services and information where digital transformation can make the most difference.

Recent work to digitally enable some services has already begun in some areas of the Council, notably in:

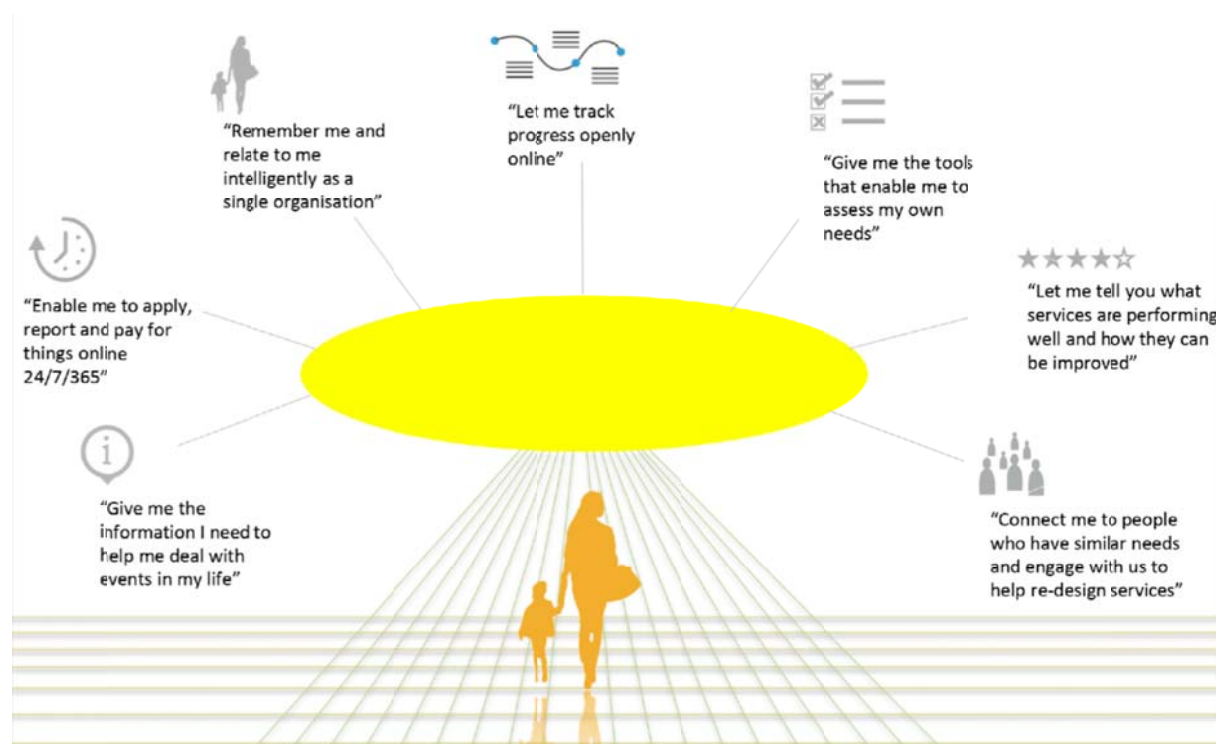
- Waste management, where a managed service using the Salesforce platform provides an end-to-end case management approach.
- Revitalising Chelmsford.gov.uk with more user-focused online content for core services.
- Mapping customer journeys (service requests) in order to enable these using a CRM tool,
- Introducing Office 365 trial for Members.

Without a digital strategy and services framework these initiatives don't deliver greater efficiency or a better experience for our customers in the round but they do provide an excellent springboard and learning from which we can accelerate our digital programme.

However, many of our services have not been digitised. Sometimes, those that have been are often ineffective, increasing demand on more expensive channels like helplines. ***This is because in the past we have not redesigned our services around customer needs and behaviours, we have***

designed the service around the capabilities of disparate systems. Digital ‘transformation’ is exactly that. Investing in better digital tools and technologies presents us with a prime opportunity to transform the way the department operates to realise a step change in service quality and reduce costs.

Here’s an example of the approach that Bristol City Council has taken:



Source: Bristol City Council

3.1.1 Joining up our customer data to give us a ‘single view of the customer’.

Without having a ‘single view of the customer’, Chelmsford City Council cannot deliver the kind of digital and transactional experience that people have come to expect. The Council is currently unable to effectively authenticate or identify users across its portfolio and information is often duplicated, leading to inefficient and ineffective service delivery.

At best, our systems and applications do not support an integrated view of customer service delivery and at worst, they encourage many ‘workaround’ processes that add cost and inefficiency in our operational delivery.

Additionally, there is no clear data policy for the organisation and thus no data mandate, policies or guidance. As proliferation of data continues and Chelmsford City Council makes more use of digital services, this will become critical.

3.1.1.1 Data strategy:

We will develop a data strategy for the Council including a policy for data governance and identify a data 'champion' to oversee this. This is a set of processes that will ensure that important data assets are formally managed and exploited throughout the Council. It will give the Council a more trustworthy view of customers and businesses. It is about putting people in charge of fixing and preventing issues with data so that the Council can become more efficient. The data policy will help the Council think differently about how it uses customer data and will empower wider access to it.

3.1.1.2 Data integration

We will review our systems and applications moving to a platform-based architecture, making full use of Cloud technologies and open data standards where appropriate and helpful. The key focus will be interoperability and improved data 'flow' around the organisation.

3.1.1.3 Customer relationship management (CRM)

We will power all future customer service management and delivery through the use of a Council-wide CRM tool and have identified Microsoft's Dynamics365 product as a good fit for this approach. This will allow us to service a digital customer account enabling self service as well as giving our customer service teams and front line staff greater actionable insight into our customers needs. It will also significantly improve the Council's ability to 'cross sell' across services particularly leisure and lifestyle services.

3.1.2 *Creating a digital 'myChelmsford' digital account for Chelmsford residents and businesses*

Our customers don't care about how we structure ourselves as an organisation, and our divisional boundaries create operational inefficiencies in the way we deliver services. Simply put, our customers expect to deal with us digitally in the same way that they are able to access other online services such as Amazon.

That means creating a simple customer digital account, where customers and businesses can see a complete overview of their relationship with us, and control this to suit their needs.

We will use MS Dynamics CRM to power this account and in time, an associated smartcard, which will allow customers to:

- Change and control their basic information such as addresses and bank details
- Store payment and credit cards allowing them to pay for services
- Manage their services such as gym memberships
- Book tickets
- Feedback, for example on consultations
- Find key documents
- Access Council services such as leisure centres and car parks

3.1.3 *Delivering early 'proof of concept' services*

We have identified 7 services/capabilities that we may need to prioritise. Some we will deliver

initially as ‘proofs of concept’ by March 2018. This will allow us to get early feedback from customers and staff that we can use to further develop the services, but it also gives our staff an opportunity to get used to the new tools and to provide their own feedback. It means that we can phase our digital implementation over a longer period, and that the challenge ahead doesn’t seem as insurmountable.

The following areas are in scope (exact project to be defined):

- Customer service requests, such as report a missed bin, public health notifications and customer feedback.
- Waste management case management
- Theatre Bookings
- Riverside leisure management
- Marketing newsletters
- Planning/Gazetteer
- Remote working/Office 365

*Other solutions will need to be prioritised in the Roadmap, but aren’t necessarily suitable to deliver as a proof of concept. For example, the requirement for a replacement leisure management application and a separate ticketing solution will be tackled differently. This is a significant technology programme in its own right and will require its own project controls and budget. The aim is to break the programme into smaller deliverables and to support early delivery of key components. Ordinarily, we would not start with a key programme such as this, but its important that the overall digital strategy informs the design of the new leisure and lifestyle platform.

3.1.4 Re-imagining Chelmsford’s core services using digital technology

We will set out a programme to redesign all of our services, where digital transformation will provide better value for money. We’ll prioritise those which support the projects within our Corporate Plan.

These include all paid for transactions such as council tax payment, parking and and leisure services.

We will also be tackling many services where the volumes are lower, but better value for money could be realised. And we will explore opportunities where changing an existing process would make delivery of a new digital service possible.

We will publish our priorities by January 2017, once we have further assessed the potential for digital transformation, and designed the ideal applications infrastructure. This will mean that we can fully cost and prioritise projects.

3.1.5 Establishing a new cohort of digital service managers to oversee the design delivery and ongoing management of each service.

Service Managers will be accountable for the quality and usage of the digital services across the Council.

They will:

- champion the needs of users throughout the full life cycle of each service
- join up divisional, front line and digital delivery teams
- combine a deep understanding of the business with knowledge of the digital technology that underpins the service.

By March 2017 we will have identified Digital Service Managers across all core services within the business and trained them with the necessary skills.

3.1.6 Ensuring that Chelmsford.gov.uk supports well designed, consistent access to all our digital services.

Building on the work that the Customer Services team have started to improve the efficacy of Chelmsford.gov.uk, we will harmonise all information and services within the core website, developing a consistent but relevant customer experience powered by our CRM system.

3.2 Transforming the way we work

3.2.1 Investing in better digital skills in-house, reducing our reliance on external suppliers, and offsetting common tasks such as password resets through automation.

The external maintenance and upgrade costs of supporting our current systems are not sustainable, and we currently have very little control within the scope of our contracts. By taking the approach to digital service design outlined above, we need to rethink the way we support these services in the future. For example, we have only one business analyst and scarce IT programme management capabilities within the ICT team at present. The need for this kind of support ongoing will be substantially increased. At the other end of the scale, ICT provides an exceptionally high level of service already in some areas already, but if we introduce Digital Service Managers within the divisions, it will be possible to 'outsource' the day to day service management for some of our applications.

3.2.2 Creating a new Digital Services Team from the current ICT structure with the addition of further programme and project management capabilities

See above. We are already seeing substantial demand for core project management across the Council. This kind of function would sit well within the new DS team.

3.2.3 Making full use of digital to become more accessible and improve performance, accountability and services.

By setting ourselves a bold ambition for digital, we move beyond 'digitisation' of services and work tools to challenging the way we operate. Digital tools will give us access to incredible insight and management information which can, in future, support real time service delivery.

As part of this digital transformation, we will therefore challenge all the Council's back and front office processes. In doing so, we will remove unnecessary complexity, become more efficient and transparent in our service delivery and at a stroke, make substantial cost savings through streamlined services.

3.2.4 Supporting flexible working and reduced operational costs through more effective use of

digital technology

Underpinning all of our aspirations for a better digital customer experience is the need for better working tools and practices for our staff. If we are to support flexible working, we need to enable staff with a toolkit that allows them to take their office applications and documents with them securely, accessing their information wherever they are. Like our customers, our staff are used to accessing the information and 'apps' they need on devices such as smartphones and tablets. We should aspire to giving them the same kind of experience at work because it will make them more efficient.

3.2.5 Adopting a more 'agile' approach to the design and development of our digital services – continuously improving these at pace.

We often find ourselves searching for a new or replacement system to do a particular task in the Council. Over time, a number of suppliers specialising in local government have developed 'off the shelf' services that appear easy to plug in and use for a specific purpose. In reality, these systems are all standalone and the associated contracts or licences are limited. Over time and across the whole Council, the costs of maintaining these disparate systems is unsustainable.

We will therefore recommend that Chelmsford City Council moves to a platform approach for our digital service delivery. This is a modern approach to IT and systems architecture which provides agility in a number of ways. Small, loosely coupled components/services can be built, modified and tested in isolation, or even ripped out and replaced depending on how requirements change. This style of architecture also lends itself to a flexible and adaptable deployment model, since new components/services can be added and scaled if needed.

To support this the Council should invest in a new integration platform, which is basically technology that manages access to applications and services providing a single, simple and consistent interface. It's very good for standardising across all our existing databases and systems in the interim which is something that is critical if we are to achieve a single customer view.

3.3 Removing the barriers to digital transformation

Chelmsford City Council's organisation and service delivery has evolved over a long time, and many of our processes can no longer cope effectively with demand.

As with many local government systems, there are problems with:

- Outdated, siloed technology
- complex and lengthy procedures
- general resistance to change
- objections due to perceived issues of security, cost, reliability and take-up

To achieve our digital ambition, we'll need to remove the barriers throughout the system.

3.3.1 Breaking down large programmes into agile, leaner projects encouraging a culture of continuous innovation.

One of the reasons that digital innovation doesn't happen is that projects become so complex that they are unmanageable. As we approach larger programmes, such as implementing a leisure and lifestyle account for our residents, we should consider breaking the overall programme into a number of parallel workstreams with identified leads and budgets. These can run in parallel, allowing us to accelerate the amount that can be achieved within the timescales.

3.3.2 Improving processes

Like many local authorities, Chelmsford City Council suffers from a lack of documented business processes on the one hand, and some overly bureaucratic processes on the other. This isn't just an issue of quality or cost efficiency. It exacerbates the cultural issues and barriers to innovation and means that the Council is missing the opportunity to harness the entrepreneurial spirit of its staff, elected Members and the community. In ICT for example, there are several 'single points of failure', particularly where there is a heavy reliance on particular specialist skills.

Processes need to be developed to harness and share knowledge and skills more widely through digital tools. We need to re-engineer the Council's business processes giving it the ability to rapidly respond to changing needs and customer/member information in real or near time. This may require investment in agile business processes software and this will be investigated.

3.3.3 Procurement and commissioning

Additionally, our 'back office' functions need to be supported with leaner processes to help them to play their part in the digital transformation ambition. By moving to a software as a service model around a common platform, we will be able to make use of the Government Digital Service digital marketplace and the G-Cloud framework, that allows us to procure pre-qualified specialist services quickly.

3.3.4 The right tools for the job in hand

We aim to take the same approach as we do for digital customer services, ie to develop staff 'personas' and design a digital toolkit and associated processes that are adaptable to different needs. For example, an individual who works from different locations, would be a priority for remote working tools including cloud storage.

3.3.4 Moving to modern, agile solution architecture and technologies, embracing cloud and software as a service.

There are gaps in the Council's technology infrastructure and it suffers from some of the issues of legacy systems. Frustration with the inability of the current systems to support integrated delivery is high, and incurs additional costs and time resources where it is necessary to use workarounds.

Chelmsford City Council finds itself in a very similar position to many organisations of its size and complexity. In the past, investment in technology would have required a few extra noughts on the budget and IT teams were faced with complex and inflexible contracts. That context has changed and the Council should not have to tailor and fine tweak its systems to fit its needs.

In the future, our digital strategy will be to move from capital investment in self hosted systems, with all the associated costs every time the system needs an upgrade to 'the Cloud'. To put it simply, the 'cloud' refers to the infrastructure of the internet. In practice, it means storing our data and files over the internet rather than on an internal hard drive or Council servers. Using cloud hosted technology means that our staff can access applications anywhere, anytime, on any internet-based device.

Implementing a Cloud strategy has a number of advantages:

- Flexibility: rather than being limited to a desktop PC, staff can access data files and applications across a variety of web-based devices, including tablet or smartphone, with whilst mobile.
- Cost-effective: We are effectively subscribing to software on a pay-as-you-go model that means you only have to pay for the applications and amount of storage that you use.
- Increases collaboration: We will be able to synchronise, access and manage all our projects across the Council and extend to colleagues and clients from around the world.
- Reduces IT administration: with automatic updates and security, the need for IT to manage local hardware and software issues is removed, freeing up time and money
- Increased security: as all of our data files are automatically backed up on a remote cloud platform, all of our important files can be recovered in the event of a storage device or datacentre failure.

3.3.5 Measure performance and deliver real-time management information.

A further barrier to the Council reaching its digital ambition is the lack of an effective management information system. Many of our services were not designed to capture the data we need about our customers and our performance.

We will work with our business to understand how we can develop better real time management information. As we begin to redesign our services we will take a modular approach, building automated data collection into each one. And we'll make sure that we have the right tools to make sense of all this new data.

3.3.6 Identifying and finding solutions to legislative barriers to digitising services.

Across many services, legislation passed before the growth of digital constrains the development of simple, customer end-to-end digital services. That's particularly true in services such as planning and benefits.

As a digital Council, we will have to commit to identifying and removing perceived legislative obstacles. In practice this could mean reviewing current restrictive interpretations of laws that prevent us from developing straightforward, convenient digital services. An immediate example is the need for a wet signature that prohibits full digitisation across many of our services or for excessive numbers of documents to identify customers.

As this can take time to change, in the interim we will get on with delivering partial digital solutions,

but always with a view to realising the full potential for digitisation later.

3.4 Transforming how we engage

3.4.1 *Connecting staff, users and partner organisations with each other and the information and the tools they need to deliver digital solutions.*

In future, our services must owe far more to collaboration within the Council, across the police, the NHS, other third sector providers, front-line staff and the Chelmsford community.

This means finding ways to connect us all to work together in partnership. We won't always need to build digital solutions, and can reuse tools that already exist in the marketplace.

Digital technology will allow us to collaborate more with our users and partners to improve our services together. Defaulting to open standards and making greater use of APIs (Application Programming Interfaces) in the development of our services will support this.

Additionally, there are a number of free to use or cost effective digital tools that will enable this and we should work hard to build these into our menu of digital tools.

3.4.2 *Opening up consultations and engagement by increasing access to and effective use of social media eg webchat for customer services.*

Digital tools will make it easier than ever before to engage the public and specialists in the work of the Council and as a way to raise awareness of our services.

Our digital strategy will focus on engaging and consulting more openly and informally in the spaces where people are already having conversations. This includes online spaces such as blogs, chat rooms, Facebook, and Twitter. We should not see social media as a just a marketing tool, but a very effective way to deliver timely customer service.

We will support this with access to the right tools and understanding of how to use them effectively, including trialling new tools such as web chat for customer service staff for staff.

3.4.3 *Using digital to drive new sources of revenue and support our existing commercial offers*

A feature of successful digital organisations is a strong commercial mindset. It's important to understand that this doesn't equate to a profit driven culture, but to understanding value exchange.

Like other public sector organisations, Chelmsford City Council is embracing new opportunities for revenue generation and improving existing services such as leisure facilities for a digital age. Opportunities to build great and profitable services through better digital delivery must be seized by the Council and this means radically overhauling some transactions that can be a deeply frustrating experience, cost time and money and often do not match those services available through commercial enterprises.

As Chelmsford City Council moves towards a 'digital first' approach, service development and outreach activities should focus on digital delivery. Too often, organisations spend a lot of time and effort translating 'offline' services to fit the digital space and thus miss out on the opportunities that digital offers to rethink how audiences consume. Look to the retail sector for examples of digital innovation that are 'born digital' and there will be plenty of scope to redefine the way Chelmsford Council engages, delivers, showcases and shares knowledge.

Our strategy will be to place real users at the heart of our digital service design, ensuring that we are creating services that match their expectations. For example, we should ensure that they have access to some basic features such as:

- Digital wallet
- Intuitive and easy to use booking applications
- Personalised services and information

Our revenue generating services will be supported with first class applications that match the experience that our customers have in the commercial sector.

3.4.4 Driving awareness and encouraging channel shift through more consistent and sustained communication and collaborating with other partners.

As well as enabling our staff, we need to ensure the public are aware of our digital services and the shift away from other channels. Our ambition is for digital services to be so easy to access and use that all who can use them, choose to do so. We should embrace tools such as SMS and email to keep our residents and businesses aware and alert to Council services.

3.4.5 Providing ways for people to access our digital services if they are not able to do so independently.

As we reducing the number of non-digital channels and we need to help as many people as possible to access digital services as the default method. Despite the high levels of digital literacy in Chelmsford, given the breadth of our user base, not everyone who uses our services will currently be able to access them digitally, and we are committed to ensuring that our digital services are accessible to all.

As we introduce new digital services we will consider where more effective methods can be used as a 'way in' to access these. What we provide for people will depend on the service and the needs of the user, but we will look to work with a range of external partners, such as Barclays Digital Eagles to ensure that the right level of support is provided, focusing on those who need the most help.

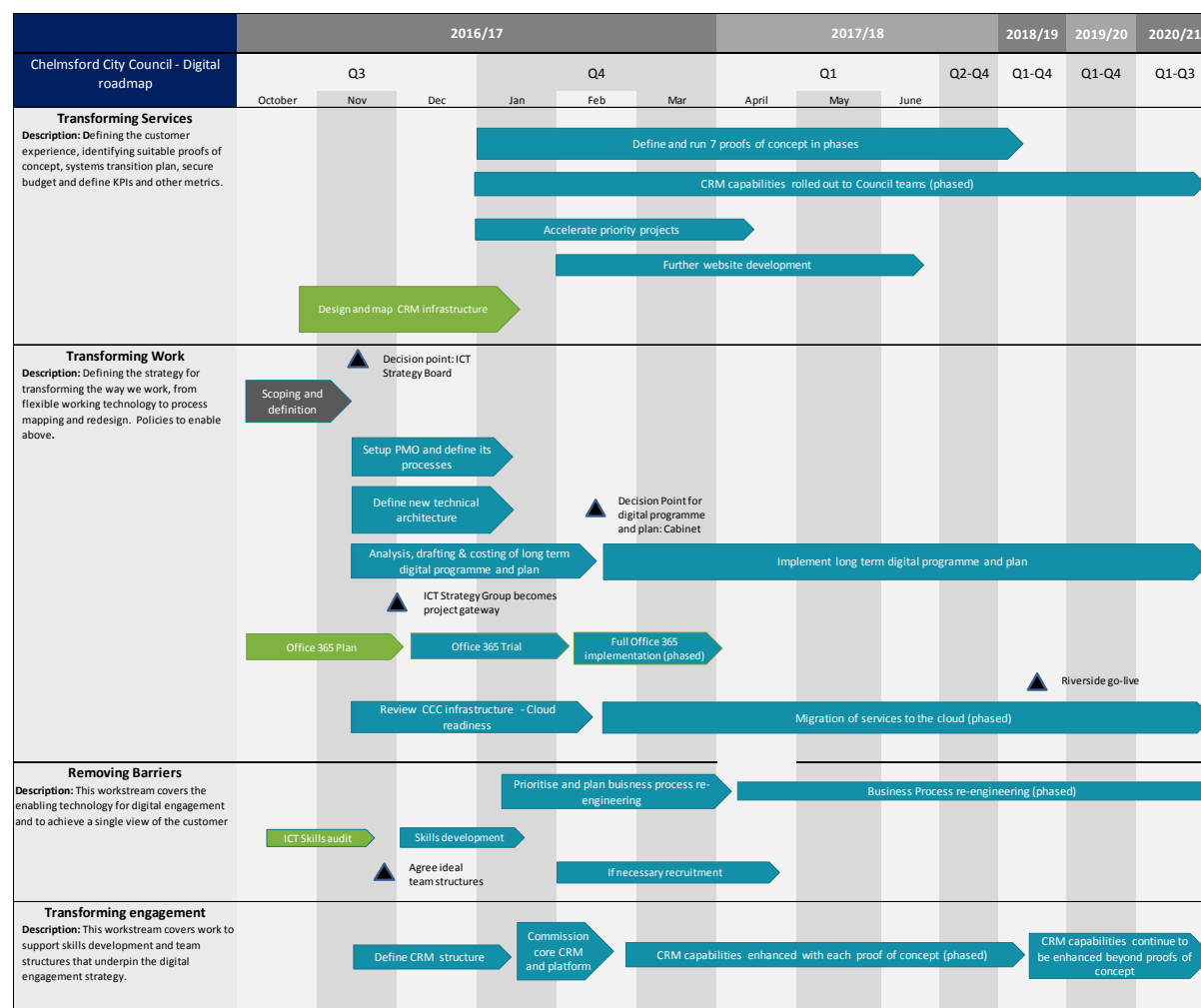
In developing assisted digital, the Digital Services team will operate within the required standards established for government websites and software development.

4. The Digital Roadmap

The Digital Roadmap provides an overview of all projects involving a digital element, and those that would support provision of a digital service or process.

The Roadmap will be based on contributions from across our business and the Digital Services team will lead on ensuring that each project meets the required standards and commitment.

The Roadmap is the basis of our future Digital Transformation ambition. This will focus on those priority projects identified by the ICT Strategy Board.



The Roadmap will continuously develop over time as we work to ensure we have realised the full digital potential of existing projects and scope new digital opportunities.

5. Delivering the change

The new digital framework will evolve over a four-year period, with some workstreams expected to carry on beyond. By December 2020 (if not sooner) all the new services and most workstreams will be operational and many will be well established in their new ways of working.

Primarily, the timescale will be driven by the speed with which Chelmsford City Council is able to refresh processes, procure or source new applications and software where needed and build confidence in the quality of the digital products.

We anticipate a scoping phase between November 2016 – March 2017 during which we will design the ideal applications architecture for the future. But we will accelerate the move to flexible working in this period, introducing Office365 across the Council. Simpler projects will also be delivered as ‘proofs of concept’ in this period.

Once the new digital strategy, framework and associated investment has been agreed, Chelmsford Council can establish the new workstreams. Responsibility for implementing the new strategy will fall to the ICT Strategy Group and the Senior Responsible Owner will be the Director of Corporate Services (Louise Goodwin).

5.1 Timescales

After the initial 3 month scoping period, the coming year (2017) will be a period of Transition. There will be a period of mobilisation to establish the programme of change required to deliver a ‘Digital Chelmsford’. This is not a small task and will have to be prioritised by the Management team to ensure that it is delivered at pace.

Chelmsford City Council will also address some of the capability gaps within the new structure, both via the development of existing staff and selective recruitment as required.

2017/18 will be the year of Stabilisation - there will be significant effort devoted to technology development activity and the implementation of the full range of digital services. This will ensure that during 2018/19, final rationalisation of resources can take place and all functions will be operating effectively and be truly embedded in the new ways of working.

5.2 Mobilising a programme of change

It will be important to engage with HR and internal communications colleagues as this work progresses as their input will be required to advise of job roles and person specifications, alignment with the organisation’s policies and performance management.

The key actions during this first phase include:

- Establishing a Digital Programme including a project team and supporting infrastructure;
- Agreeing the change management process and identifying implementation support requirements;
- Identifying some ‘quick wins’ such as enabling the digital workforce
- A systems amnesty, followed by a moratorium on any further systems procurement without the explicit authority of the ICT Strategy Board
- Early engagement with the all Teams to secure engagement and commitment with the overall strategy and roadmap;
- Identifying leads within all teams to support the programme in the first few months;
- Carrying out a skills assessment and gap analysis of existing specialist resources;
- Identifying and prioritising the core processes – including customer journey mapping;
- Developing and agreeing an approach and business case for consolidating digital technology (including a detailed inventory of the existing Chelmsford City Council systems);
- Recruiting key digital roles or upskilling where necessary

5.3 Measuring progress towards digital maturity and return on investment

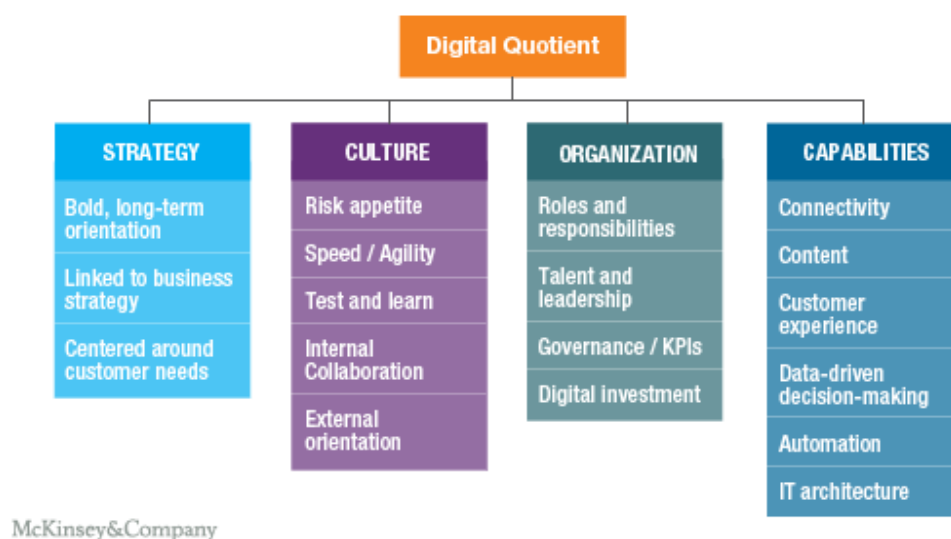
Changing the way we measure the effectiveness of our digital services will be a key element in transforming digital services. Chelmsford City Council should consider a balanced scorecard approach to measurement, mixing qualitative with quantitative measures. For example, whilst its interesting to see how many people are using your website, what do they think about the quality of the experience, and how easy do they find it to navigate?

Digital analysis is a specialist skills and consideration should be given to how this will be done and whether additional specialist skills are required.

McKinsey recently developed a way of measuring digital maturity – their Digital Quotient matrix. This is a useful way of measuring progress on the Digital programme.

Digital Quotient (DQ) evaluates four major outcomes

The maturity score determined by a DQ assessment directly correlates with digital and financial performance



Once the programme scope is approved and is underway appropriate measures will be developed to determine how the success of the project will be measured and be included in the initial project plan.

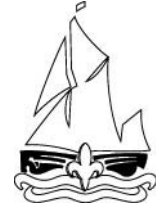
Conclusion

This is a programme that should radically change the way Chelmsford City Council operates. The ways that will happen are partly enabled by new technology, but much of the transformation will be in the way the Council ‘works’ as it becomes more adaptive, more confident in its decision making, more innovative and more connected.

It could be very easy to revert to the tactical delivery of new digital platforms, to build a nicely designed new website and to lose the opportunity to revolutionise Chelmsford City Council’s way of

APPENDIX TWO

operating because pulling off a true digital transformation is challenging and disruptive. Chelmsford City Council should hold onto a bold digital vision and remain excited by the opportunities that this work and investment will open up.



REPORT of CHIEF EXECUTIVE

**to
OVERVIEW AND SCRUTINY COMMITTEE
14 FEBRUARY 2018**

REVIEW OF PERFORMANCE - QUARTER 3 2017/18

1. PURPOSE OF THE REPORT

- 1.1 The purpose of this report is to supply Members with details of performance against targets set for 2017/18 and to ensure that progress is being achieved towards the overall corporate goals and objectives detailed in the Corporate Plan 2015-19 adopted by Council in February 2015, with the most recent annual update approved by Council in April 2017.
- 1.2 Members should challenge performance or allocation of resources where the Committee feels that the Council's corporate goals have not or may not be achieved.
- 1.3 Where performance or progress is behind schedule or at risk, the reasons why need to be fully understood and decisions taken on what, if any, action is required to bring performance back on track.
- 1.4 The Corporate Leadership Team (CLT) held the quarterly performance and risk clinics on 31 January 2018 when the performance and risk information provided for each Directorate was reviewed and challenged where necessary. The aim of these clinics is to manage performance effectively to ensure that progress is being achieved towards the corporate goals and objectives. The full quarterly performance pack produced for each Directorate and reviewed by CLT at these clinics will be placed in the Members' Room following the review of performance by this Committee.
- 1.5 All of the performance information contained within this report is recorded on the Council's Performance and Risk Management system (TEN) to which all Members have access.

2. RECOMMENDATIONS

- (i) Members review the information as set out in this report and **APPENDIX 1** and their views and comments are sought.
- (ii) That Members review and/or scrutinise decisions made by, and the performance of, both Committees and Council Officers.
- (iii) That Members challenge performance or allocation of resources where the Committee feels that the Council's corporate goals may not be achieved.

- (iv) That Members question Members and Officers on decisions and performance, relating to comparisons with service plans and targets, or in respect of particular decisions, initiatives or projects.
- (v) That Members make recommendations to the Chief Executive, Directors, the appropriate Committee and/or Council arising from the outcome of the scrutiny process.

3. SUMMARY OF KEY ISSUES

- 3.1 As agreed by this Committee, **APPENDIX 1** to this report shows the status of all Key Corporate Activities, but additional comments are only provided for those activities and indicators/measures that are behind schedule, at risk or not on target to facilitate the effective scrutiny of performance.

4. IMPACT ON CORPORATE GOALS

- 4.1 The Council stated its corporate goals and desired objectives in the Corporate Plan for 2015-19.
- 4.2 In turn, the Services agreed actions (Key Corporate Activities) that they would take forward in 2017-18 to contribute to the achievement of these objectives. Performance indicators and measures were also established to monitor the impact of these actions and to provide evidence of achievements.
- 4.3 To ensure that Maldon District Council progresses towards or achieves the goals stated in the Corporate Plan, it is important that performance is monitored and managed effectively against targets and milestones.
- 4.4 As the Council is accountable to the community, it is also important that it is able to demonstrate it is monitoring and managing performance effectively.

5. IMPLICATIONS

- (i) **Impact on Customers** – Performance Management is about agreeing and achieving objectives and priorities, monitoring our performance against agreed targets and timescales, identifying opportunities for improvement, making necessary changes and ultimately delivering quality public services.
- (ii) **Impact on Equalities** – The Council aims to understand the needs of our staff and customers and making sure that our policies and services are designed to meet these needs and are implemented appropriately.

MDC is committed to providing equal opportunity of access to services and working towards developing communities that are free from discrimination.

Effective performance management will assist the Council in determining whether it is achieving this.

- (iii) **Impact on Risk** – If performance is not managed effectively by the Council at both Committee and management level, there is a risk that the Council will not achieve its stated priorities and objectives.
- (iv) **Impact on Resources (financial and human)** – If action is needed to bring key activities or indicators back on track to meet the targets set, a reallocation of resources may be required to ensure that objectives and priorities are achieved.
- (v) **Impact on the Environment** – None.

Background Papers: None.

Enquiries to:

Fiona Marshall, Chief Executive, (Tel: 01621 875711).

Julia Bawden, Performance and Risk Officer, (Tel: 01621 876223).

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Review of Performance 2017-18 Quarter 3 (Q3)



OVERVIEW & SCRUTINY COMMITTEE

QUARTERLY REVIEW OF PERFORMANCE

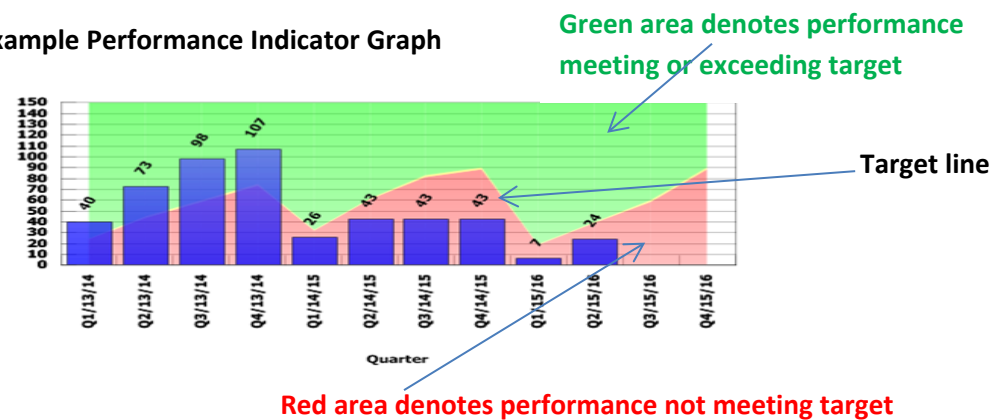
2017-18

QUARTER 3

Status Definitions for Key Corporate Activities

At Risk	There are issues which could impact the completion/ achievement of the Key Corporate Activity in the future
Behind Schedule	Target date for completion of the Key Corporate Activity , or milestones upon which activity depends, have not been met
On Track	Work progressing satisfactorily, milestones upon which the activity depends are being met and overall target for completion should be achieved
Completed	Key Corporate Activity completed – no further work required

Example Performance Indicator Graph



Review of Performance 2017-18 Quarter 3 (Q3)

Corporate Goal - Strengthening communities to be safe, active and healthy

Key Corporate Activities contributing to this goal - 4			
At Risk	Behind Schedule	On Track	Completed
	1	3	

Key Corporate Activities (KCAs)	Target Date	Status	Comments for KCAs "At Risk" or "Behind Schedule"
Implement projects from the Community Safety Partnership action plan to maintain the low levels of crime, support victims of anti-social behaviour and reduce the fear of crime: <ul style="list-style-type: none"> - introduce a Public Space Protection Order under the ASB, Crime and Policing Act 2014 for the relevant parts of the District to tackle clearly defined activities (i.e. consumption of alcohol, street racing) - deliver projects with partners and local communities to promote the safe use of our roads and tackle irresponsible driver behaviour - deliver effective education and intervention programmes which promote community safety and reduce vulnerability within the District - work in partnership with statutory partners and communities to develop a framework for tackling and reducing rural crime and strengthening communities 	Ongoing	On track	
Implement with partners targeted projects that contribute to the local health and wellbeing needs: <ul style="list-style-type: none"> - obesity - old age - frailty - isolation - educational attainment 	Ongoing	On track	
Embedding the Safeguarding policy and procedures across all the Council services	March 2018	On track	

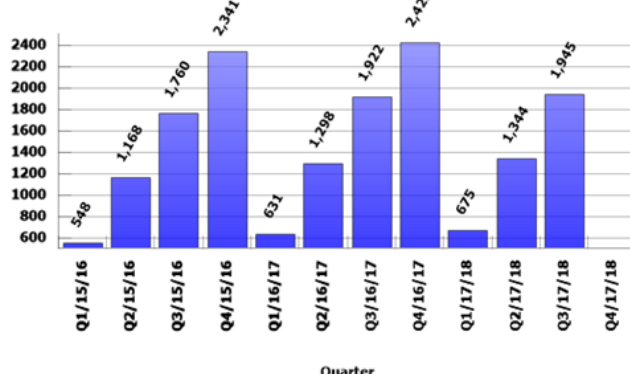
Review of Performance 2017-18 Quarter 3 (Q3)

<p>Identify and implement Strengthening Communities Strategy projects, such as 1) providing at least three volunteer projects within the District's open spaces for improved conservation or improved amenity of those areas 2) Pilot project to tackle social isolation in identified area of need</p>	<p>March 2018</p>	<p>Behind schedule</p>	<p>The Strengthening Communities Task and Finish Group was due to meet in November. The meeting was rescheduled for December and a decision was taken to defer the endorsement of the Strengthening Communities Strategy by the Member Group, or to make recommendations for changes until the Working Group Members had attended a meeting of the new Live Well Partnership in the second week of January 2018.</p> <p>The Strengthening Communities work has been aligned with the Health and Wellbeing priorities, so that we are maximising the opportunities for targeted and sustainable projects.</p> <p>Members will meet again in late January or early February to consider the Strategy and associated projects.</p> <p>Work continues on a pilot project in the North of the District, targeting areas which are at a high risk of loneliness and isolation. This project is being supported by resources provided by ECC, including a formal evaluation of the project</p> <p>A number of volunteer projects have now been implemented on Council sites, including projects at Promenade Park, Elms Farm Park, Maldon, Heybridge and Burnham on Crouch Cemeteries. The Community Payback Team have also undertaken some of the work as reported to the Community Services Committee in January 18.</p>
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Review of Performance 2017-18 Quarter 3 (Q3)

Indicators

For comparison purposes, where available, the figures for the previous year, for the same period in the previous year and the previous quarter are provided.

Indicator	16/17 Actual	17/18 Target	Q3 16/17	Cumulative For the Year 16/17	Q2 17/18	Q3 17/18	Cumulative For the Year 17/18	On track to achieve annual target
Level of reported crime Low performance is good	2,422 Incidents of all crime	Fewer reported incidents than in previous year	624 Incidents of all crime	1,922 Incidents of all crime	669 Incidents of all crime	601 Incidents of all crime	1,945 Incidents of all crime	No
	1,000 ASB incidents		249 ASB incidents	800 ASB incidents	297 ASB incidents	231 ASB incidents	778 ASB incidents	At risk
	Sanctioned detection rate 12.5%	No target	11.8% (April – Dec 2016)	11.8%	11.1% (for the year to date)	10.2% (for the year to date)	10.2%	N/A
Comment on current performance See comments below.								

Review of Performance 2017-18 Quarter 3 (Q3)

Indicator	16/17 Actual	17/18 Target	Q3 16/17	Cumulative For the Year 16/17	Q2 17/18	Q3 17/18	Cumulative For the Year 17/18	On track to achieve annual target
<p>The community safety partnership continues to implement activities identified within the agreed action plan for 2017/18. The partnership has delivered education and interventions for a wide range of areas for this current year.</p> <p>The ANPR system for the Dengie Peninsular is now live and operational at both locations. Essex Police provided some anonymised performance statistics to indicate the effectiveness of this system at the Overview & Scrutiny meeting held in October 2017.</p> <p>Members should note that at the Responsible Authorities Group meeting in October 2017 funding was agreed from partnership funds to support the following initiatives:</p> <ul style="list-style-type: none"> • ASB awareness training for social landlords • Public Space Protection Order (PSPO) signage • Just Play football initiative (extend to Burnham on Crouch) • CCTV contribution for a pilot to enable Maldon CCTV to be remotely monitored • domestic abuse awareness • Vulnerability awareness training for young people. <p>Overview and Scrutiny Committee acting as the Crime and Disorder Committee met in October and this was an opportunity for Members to scrutinise the activities of the partnership. An additional presentation was made at this meeting by Detective Inspector Rob Kirby who highlighted the improved performance by Essex Police in relation to burglary detection.</p> <p>Officers have met with representatives of local churches to see if there is an appetite for launching street pastors in Maldon and to date this project is looking very positive. A significant amount of work has been undertaken with a local school to develop training and awareness sessions for all year groups, teachers and parents in order for them to recognise signs of vulnerability. This will also include focused training for small groups of young people at risk. This will all be delivered in Q4 (with the exception of the teacher training which will be in July 2018).</p> <p>Work on the strategic assessment commenced in Q3 with valuable input from the Essex Police analyst. A partnership exercise to score crime through a risk matrix was undertaken which could then compare identified risks with crime severity scores and public perceptions. A final draft of the assessment is currently being considered by partners prior to the agreement of strategic priorities for 2018/19.</p>								

Review of Performance 2017-18 Quarter 3 (Q3)

Tracking Measures

The following are designated as “tracking measures” for which it is inappropriate to set targets as the Council has little control of performance, but establishing these measures will enable us to gauge the impact of our actions on the desired objectives outlined in the Corporate Plan.

Indicator	14/15 Actual	15/16 Actual	16/17 Actual	Q3 16/17	Cumulative For the Year 16/17	Q2 17/18	Q3 17/18	Cumulative for the year 17/18
No. of aids, adaptations and improvements implemented for older and disabled households by the Home Improvements Team	44	63	69	15	34	6	15	31
No. of households where living conditions were improved through Housing Act interventions	12	21	10	2	2	1	1	7
Overall number of households within the Maldon District that have been assisted as part of the national Green Deal and ECO scheme	690 (Jan 2013 and Mar 2015)	860 (Jan 2013 and Dec 2015)	1,244 (Jan 2013 – Mar 2017)	52	1,178 (Jan 2013 - Dec 2016)	85	Figures are always a quarter behind	1,424 (Jan 2013 – Sept 2017)
Number of assisted installations to improve home energy efficiency through Council promotion	0	20	19	3	5	1	Figures awaited	6
Participation in Active Maldon events Monitored half yearly – figures shown are for April – September 2017	New indicator 17/18					<ul style="list-style-type: none"> • 15 led cycling rides – 238 participants • Body care – 14/19 schools, 48 sessions • 2 Xplorer orienteering courses – 226 participants • Walking football – average 14/weekly session • Walking rugby – average 10/weekly session • Fitsteps – average 19/bi-weekly session • Music/movement – average 14/3 sessions a week • Club development workshops (3) – 26 clubs attended • Saltmarsh 75 – 210 participants 		

Review of Performance 2017-18 Quarter 3 (Q3)

Corporate Goal - Protecting and shaping the District

Key Corporate Activities contributing to this goal – 10			
At Risk	Behind Schedule	On Track	Completed
	2	6	2

Key Corporate Activities (KCAs)	Target Date	Status	Comments for KCAs "At Risk" or "Behind Schedule"
Adopt the Local Development Plan for the District	September 2017	Completed	
Work in partnership to deliver/ensure management/maintenance of strategic infrastructure as per LDP	Ongoing	On track	
Establish management plans with existing and new community groups regarding the management and maintenance of open spaces For 2017/18: - Riverside Park, Burnham-on-Crouch - Cemeteries	Ongoing	On track	
Work with partners to seek funding/bring forward flood relief projects for identified surface and coastal flooding risk areas in the District	March 2018	<div>On track North Heybridge Flood Alleviation Scheme (FAS)</div> <div>Behind schedule CDA 2 Scheme Brickhouse Farm</div> <div>On track CDA1 West Maldon Limebrook Way</div> <div>On track CDA3 Causeway and Masterplan Area</div>	CDA2 – Brickhouse Farm As reported in Q2, the CDA 2 Scheme (Brickhouse Farm) has been deferred to 18/19 Capital works. In the meantime further hydrology investigatory works are being completed to establish whether the scheme can be sited in an alternative position. This work will be reported to Members once complete. As a result this is considered to be "behind schedule" albeit this is outside of our control.

Review of Performance 2017-18 Quarter 3 (Q3)

Adopt the Maldon District Design Guide	September 2017	Completed	
Co-ordinate work with housing associations and developers to provide affordable housing and meet the identified requirements for older persons' independent living within the District	Ongoing	On track	
Work with partners to deliver the new Maldon Health Hub	Ongoing	Behind schedule	<p>The Health Hub Programme Board continues to meet to progress the Health Hub project.</p> <p>The Board has recently agreed to progress the development of the business case on the basis of no beds and including a midwifery led birthing unit and this work is progressing.</p> <p>A detailed report went to the January Community Services and Finance Committees and confirmation given of the Council's aspirations for future involvement in funding and delivery of the project.</p>

Review of Performance 2017-18 Quarter 3 (Q3)

Indicators

For comparison purposes, where available, the figures for the previous year, for the same period in the previous year and the previous quarter are provided.

Indicator	16/17 Actual	17/18 Target	Q3 16/17	Cumulative For the Year 16/17	Q2 17/18	Q3 17/18	Cumulative For the Year 17/18	On track to achieve annual target
Total household waste arising per household <i>Low performance is good</i>	818 kgs. per household	790 kgs. per household	Monitored on an annual basis					N/A
Residual household waste per household <i>Low performance is good</i>	345 kgs. per household	350 kgs. per household	Monitored on an annual basis					N/A
Percentage of household waste sent for reuse, recycling and composting (including separate green waste) <i>High performance is good</i>	57.8%	58%	55.59% (new contract w.e.f. 6/06/2016)	58.77% (new contract w.e.f. 6/06/2016)	62.86%	57.8%	61.53%	Yes
Average number of justified missed collections per collection day <i>Low performance is good</i>	New indicator 17/18	<10 per collection day	New indicator 17/18	New indicator 17/18	10.75	8.38	9.48	Yes

Review of Performance 2017-18 Quarter 3 (Q3)

Indicator	16/17 Actual	17/18 Target	Q3 16/17	Cumulative For the Year 16/17	Q2 17/18	Q3 17/18	Cumulative For the Year 17/18	On track to achieve annual target
Total number of justified missed collections <i>Low performance is good</i>	5,602 (6 th June – 31 st March only)	Tracking measure	858 actual missed collections New contract w.e.f.6/06/2016	5,013 actual missed collections New contract w.e.f.6/06/2016	559	436	1,479	N/A
Quality of decision: % of total number of decisions on applications made during the assessment period overturned at appeal <i>Low performance is good</i>	8.33% Majors only (for the 2 year minus 9 months period as per DCLG assessment re quality of decisions)	8.5% (for both major and non-major applications)	6.56% Majors only (for the 2 year minus 9 months period as per DCLG assessment re quality of decisions)	N/A	10% (major applications) 3.92% (non major applications) for the 2 year minus 9 months period	7.5 % (major applications) 4.0% (non major applications) for the 2 year minus 9 months period	N/A	Yes
Total number of open market homes delivered <i>High performance is good</i>	243	180	Monitored on an annual basis					N/A
Total number of affordable homes delivered (through legal agreements and other means) <i>High performance is good</i>	21	130	Monitored on an annual basis					N/A

Review of Performance 2017-18 Quarter 3 (Q3)

Indicator	16/17 Actual	17/18 Target	Q3 16/17	Cumulative For the Year 16/17	Q2 17/18	Q3 17/18	Cumulative For the Year 17/18	On track to achieve annual target
Total number of long term (i.e. longer than 6 months) empty homes in the District	219 as at 31/03/17 (of which 39 have been empty in excess of 5 years)	N/A	216 as at 31/12/16 (of which 44 have been empty in excess of 5 years)	N/A	214 as at 30/09/17 (of which 37 have been empty in excess of 5 years)	212 as at 31/12/17 (of which 29 have been empty in excess of 5 years)	N/A	N/A
Number of long empty homes returned to use	78	80	20	41	9	20	46	No

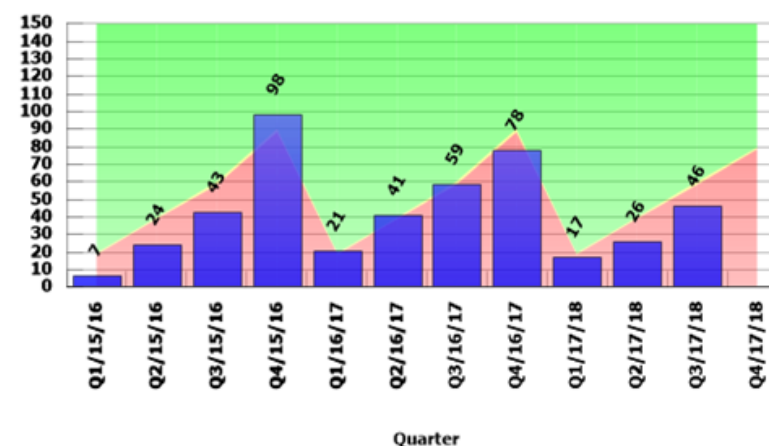
High performance is good

Comment on current performance

Since first tackling empty homes the need for housing has increased and the number of transactions (sales and lettings) has risen most years since 2008. This suggests that performance has now plateaued as the market may be encouraging empty home owners to bring their homes back into use. What may now remain is a higher proportion of properties that have been empty for periods far longer than was the average a few years ago. Some of these will require much more investment to bring them back into use and may even be unviable to refurbish in the worst cases.

This issue was considered by the Strategic Housing Board (SHB) in October when it was agreed that officers will look into options for more rigorous forms of intervention including enforcement action.

Please see separate report on Empty Homes Returned to Use submitted to this Committee meeting.



Review of Performance 2017-18 Quarter 3 (Q3)

Tracking Measures: The following are designated as “tracking measures” for which it is inappropriate to set targets as the Council has little control of performance, but establishing these measures will enable us to gauge the impact of our actions on the desired outcomes outlined in the Corporate Plan.

Indicator	14/15 Actual	15/16 Actual	16/17 Actual	Q3 16/17	Cumulative For the Year 16/17	Q2 17/18	Q3 17/18	Cumulative for the year 17/18
Fly tipping								
- No. of incidents	- 222	- 214	- 381	- 111	- 264	- 116	- 112	- 335
- % removed within standard time	- 100%	- 100%	- 100%	- 100%	- 100%	- 100%	- 100%	- 100%
No. of reports received from the public re litter	75	38	26	3	13	0	4	8
No. of fixed penalty notices issued relating to litter offences	16	18	30	12	22	21	10	42
No of reports received from the public re dog fouling	94	50	74	17	40	10	20	38
No. of fixed penalty notices issued relating to dog fouling offences	23	12	10	3	4	0	2	7
No. of sites in District (out of 21) where NO2 levels exceed 90th percentile of National Air Quality annual mean objective	N/A	N/A	N/A	12	N/A	10	Figures awaited	N/A
Number of flood alleviation schemes implemented in the District as a result of grant funding/partnership working	New indicator 17/18	New indicator 17/18	New indicator 17/18	To be monitored on an annual basis				
Number of households removed from flood risk as a result of schemes implemented	New indicator 17/18	New indicator 17/18	30	To be monitored on an annual basis				
Affordable housing needs assessment	New indicator 16/17	New indicator 16/17	130	130	N/A	Due to other pressures this	Monitored half yearly	

Review of Performance 2017-18 Quarter 3 (Q3)

Indicator	14/15 Actual	15/16 Actual	16/17 Actual	Q3 16/17	Cumulative For the Year 16/17	Q2 17/18	Q3 17/18	Cumulative for the year 17/18
						has not been undertaken		
I. Total no. of applicants who approached MDC's Housing service	I. 626	I. 462	I. 424	I. 97	I. 317	I. 158	I. 128	I. 426
II. Number of applicants who were either prevented from becoming homeless or their situation was resolved through intervention	II. 287	II. 135	II. 93	II. 27	II. 72	II. 19	II. 14	II. 48
III. Number of applicants who proceeded to make a formal homelessness application/those accepted as statutory homeless	III. 36	III. 38	III. 25	III. 3	III. 17	III. 11	III. 15	III. 38
IV. Number of applicants given advice, but unsuccessful in preventing/relieving the risk of homelessness	IV. 303	IV. 288	IV. 306	IV. 67	IV. 228	IV. 128	IV. 99	IV. 340
Number of people registered with the Council for housing in Bands A-C of the Council's policy for determining Housing Need	New indicator 17/18	New indicator 17/18	New indicator 17/18	New indicator 17/18	New indicator 17/18	179	202	N/A
Number of properties available to offer those with a housing need during the quarter	New indicator 17/18	New indicator 17/18	New indicator 17/18	New indicator 17/18	New indicator 17/18	58	48	N/A
Number of households in temporary accommodation at the end of the quarter	New indicator 17/18	New indicator 17/18	New indicator 17/18	New indicator 17/18	New indicator 17/18	12	11	N/A

Review of Performance 2017-18 Quarter 3 (Q3)

Corporate Goal - CREATING OPPORTUNITIES FOR ECONOMIC GROWTH AND PROSPERITY

Key Corporate Activities contributing to this goal - 12				
Not started	At Risk	Behind Schedule	On Track	Completed
			12	

Key Corporate Activities (KCAs)	Target Date	Status	Comments for KCAs "At Risk" or "Behind Schedule"
Implement the agreed business engagement framework including the development of a Local Business Forum and Chambers	March 2018	On track	
Develop a package to promote the District as a place of choice to start and grow a business	March 2018	On track	
Through partnership working with local businesses and agencies, implement the action plans for the Central Area Master Plan: a) Causeway Regeneration Area b) The Leisure Quarter c) Maldon Central	Ongoing	Causeway On track	
		Leisure Quarter On track	
		Maldon Central On track	
Co-ordinate the delivery of an Enterprise Centre for the Maldon District	Ongoing	On track	
Promote the District as a destination of choice by: a) Defining and promoting new / existing employment land b) Implementing key projects from the Maldon District Marketing Plan with partners to increase visitor numbers and visitor spend in the District	Ongoing March 2018	On track	
		On track	
Develop and implement a strategy to meet the skills need within the District	March 2018	On track	
Agree a vision for, and develop, a Planning Performance Agreement to maximise benefits from the development of a new nuclear power station at Bradwell	October 2018	On track	

Review of Performance 2017-18 Quarter 3 (Q3)

Promote and support improved Broadband connectivity	Ongoing	On track	
Work with partners on the Total Transport pilot project	March 2018	On track	

Review of Performance 2017-18 Quarter 3 (Q3)

Tracking Measures: The following are designated as “tracking measures” for which it is inappropriate to set targets as the Council has little control of performance, but establishing these measures will enable us to gauge the impact of our actions on the desired outcomes outlined in the Corporate Plan.

Indicator	14/15 Actual	15/16 Actual	16/17 Actual	Q3 16/17	Q2 16/17	Q3 17/18
Within the District total number of employee jobs Source: NOMIS	19,400 2014	19,000 2015	20,000 2016	Monitored on an annual basis		
Claimant Count Source: NOMIS	430 (as at Feb 2015) (Job Seekers and Claimants)	370 (as at March 2016) (Job Seekers and Universal Credit out of work claimants)	385 (as at March 2017) (Job Seekers and Universal Credit out of work claimants)	315 (as at Dec 2016) (Job Seekers and Universal Credit out of work claimants)	345 (as at Sept 2017) (Job Seekers and Universal Credit out of work claimants)	340 (as at November 2017) (Job Seekers and Universal Credit out of work claimants)
Number of business enterprises within the District Source: NOMIS	3,090 (2014)	3,270 (2015)	3,295 (2016)	Monitored on an annual basis		
Number of empty NNDR properties within the District	199 (as at March 2015)	187 (as at March 2016)	168 (as at March 2017)	177 (as at Dec 2016)	167 (as at Sept 2017)	157 (as at Dec 2017)
NNDR Collectable Debt	£13.85m	£14.17m	£14.85m £0.57m real terms increase	Monitored on an annual basis		
Number/percentage of 16 – 18 year olds in the District not in employment, education or training Source: ECC	101 (as at March 2015) (16 – 19 year olds)	80 (as at March 2016) (16 – 19 year olds)	31 (as at March 2017) Equivalent to 2.1% of 16 – 18 year olds in the District not in employment, education or training	Monitored on an annual basis		

Review of Performance 2017-18 Quarter 3 (Q3)

Indicator	14/15 Actual	15/16 Actual	16/17 Actual	Q3 16/17	Q2 16/17	Q3 17/18
Number of participants starting in apprenticeship schemes within the District Source: DfE	520	540	440 (Figures for August – April only. Figures for full year not yet published)	Monitored on an annual basis		
Total visitor spend in the District Source: TIC – Economic Impact of Tourism report	£150m (2014)	£155.5m (2015)	£160.8m (2016)	Monitored on an annual basis		

Review of Performance 2017-18 Quarter 3 (Q3)

Corporate Goal - Delivering good quality, cost effective and valued services

Key Corporate Activities contributing to this goal - 10				
Not Started	At Risk	Behind Schedule	On Track	Completed
		5	5	

Key Corporate Activities (KCAs)	Target Date	Status	Comments for KCAs "At Risk" or "Behind Schedule"
Implement Workforce Development Plan projects for 17/18: a) Monitor / review use of the Performance Review System and transfer it onto Human Resources Information System (HRIS) b) Develop a recruitment strategy c) Introduce a Total Reward Policy d) Conduct a Council-wide skills audit	March 2018 (skills audit 18/19)	Performance Review System Behind schedule	<p>The use of the Performance Review System has been monitored and results collated. The findings will be reported to CLT during Q4. However, the Moderation Panel originally planned for October did not take place and given the time elapsed since the 16/17 end of year reviews it is now considered to be inappropriate timing for this to happen.</p> <p>With regard to the transfer of Performance Reviews onto the HRIS, it is unlikely that this will be taken forward; this is outside of the scope of the original project and will be too expensive to configure. The current system is working effectively with the PDF/Word forms created which have proved to be an effective solution at no additional cost.</p>
		Recruitment Strategy On track	
		Total Reward Policy On track	
		Skills Audit On track	

Review of Performance 2017-18 Quarter 3 (Q3)

Implement the ICT Strategy projects for 17/18: a) Implement a new telephony system b) Upgrade the e-mail system	March 2019	Telephony On track	Both these projects have been redefined with new target dates and are on track.
		E-mail On track	<p>Telephony The scope of this project has changed. The original project had a budget of £5k which was insufficient to complete it. A functional specification has been created and signed off. To get a solution that meets this, a hosted "Voice over Internet Protocol" solution is required which will cost in excess of the original £5k capital.</p> <p>A costs and options document has been prepared for consideration by CLT outlining the current system costs and the estimated costs of a unified communications platform. This will provide a true indication of the scale of the project and the investment (capital and revenue) required. If approved a procurement exercise will commence.</p> <p>Email Migration Following the project being redefined the specification has been written and contract awarded to a Microsoft partner. The project plan is being finalised with the supplier and this will used to monitor progress to ensure we stay on schedule.</p>
Deliver the Medium Term Financial Strategy to achieve a balanced budget	Ongoing	On track	
Agree the vision for the Council's Transformation Strategy and a programme of transformation projects for implementation	March 2018	Behind schedule	Members requested this is deferred to February Council.

Review of Performance 2017-18 Quarter 3 (Q3)

Embed the process for the approval of externally funded projects before submission to Council (using the Corporate Projects Working Group)	Ongoing	On track	
Develop and implement an income generation programme	Ongoing	Behind schedule	<p>The income generation programme includes the following:</p> <ul style="list-style-type: none"> - Treasury Management - implemented August 2017 - Housing options - decision Feb 2018. - Commercial property investment - registration July 2017 - Crematorium - ongoing project to report back to CLT in February 2018 <p>The key project within this programme is the Crematorium, which is considered to be behind schedule hence the overall status being assessed as such.</p>

Review of Performance 2017-18 Quarter 3 (Q3)

Indicators

For comparison purposes, where available, the figures for the previous year, for the same period in the previous year and the previous quarter are provided.

Indicator	16/17 Actual	17/18 Target	Q3 16/17	Cumulative For the Year 16/17	Q2 17/18	Q3 17/18	Cumulative For the Year 17/18	On track to achieve annual target
Time taken to process Housing Benefit/Council Tax Support new claims Low performance is good	14.8 days	15 days	15.35 days	14.34 days	13.1 days	12.49 days	13.86 days	Yes
Time taken to process Housing Benefit/Council Tax Support change of circumstances Low performance is good	4.99 days	8.5 days	7.24 days	7.68 days	6 days	8.69 days	8.46 days	Yes
% Council Tax collected High performance is good	98.37%	98.3%	94.5%	94.5%	28.2%	28.16%	94.6%	Yes
% Business Rates collected High performance is good	98.42%	98%	90.98%	90.98%	26.26%	26.53	91.65%	Yes
Percentage of major planning applications determined within 13 weeks High performance is good	92.42%	80%	87.5%	90.91%	93.33%	100%	97.3%	Yes

Review of Performance 2017-18 Quarter 3 (Q3)

Indicator	16/17 Actual	17/18 Target	Q3 16/17	Cumulative For the Year 16/17	Q2 17/18	Q3 17/18	Cumulative For the Year 17/18	On track to achieve annual target
Percentage of minor planning applications determined within 8 weeks High performance is good	86.71%	75%	83.33%	84.26%	96%	100%	97.08%	Yes
Percentage of other planning applications determined within 8 weeks High performance is good	94.6%	85%	96.15%	93.93%	96.27%	99.19%	97.74%	Yes
% of major planning applications acknowledged within 10 working days High performance is good	89.47%	95%	80%	88%	81.82%	94.12%	88.66%	No
% of minor planning applications acknowledged within 5 working days High performance is good	54.57%	95%	56.7%	44.19%	67.68%	81.01%	69.88%	No

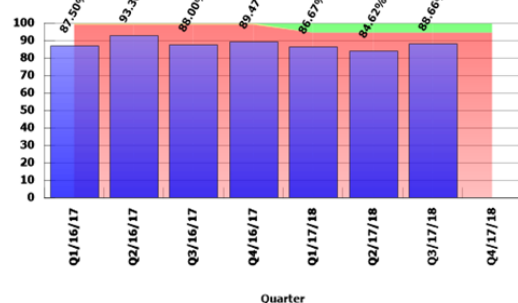
Review of Performance 2017-18 Quarter 3 (Q3)

Indicator	16/17 Actual	17/18 Target	Q3 16/17	Cumulative For the Year 16/17	Q2 17/18	Q3 17/18	Cumulative For the Year 17/18	On track to achieve annual target
% of other planning applications acknowledged within 5 working days <i>High performance is good</i>	55.75%	95%	58.13%	49.19%	63.41%	68.53%	65.53%	No

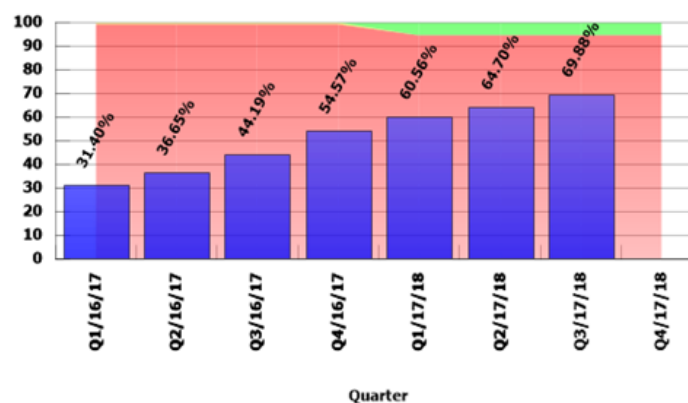
Comment on current performance

A review has been undertaken of a number of aspects of the Planning Service, which included looking at improving this area of performance and options are being considered.

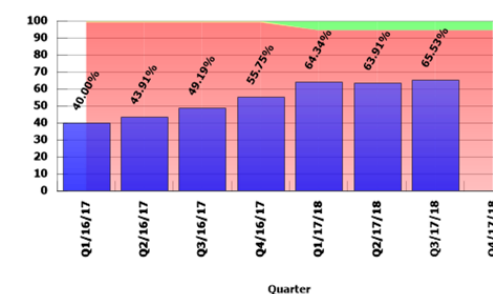
% of major planning applications acknowledged within 10 working days



% of minor planning applications acknowledged within 5 working days



% of major planning applications acknowledged within 10 working days

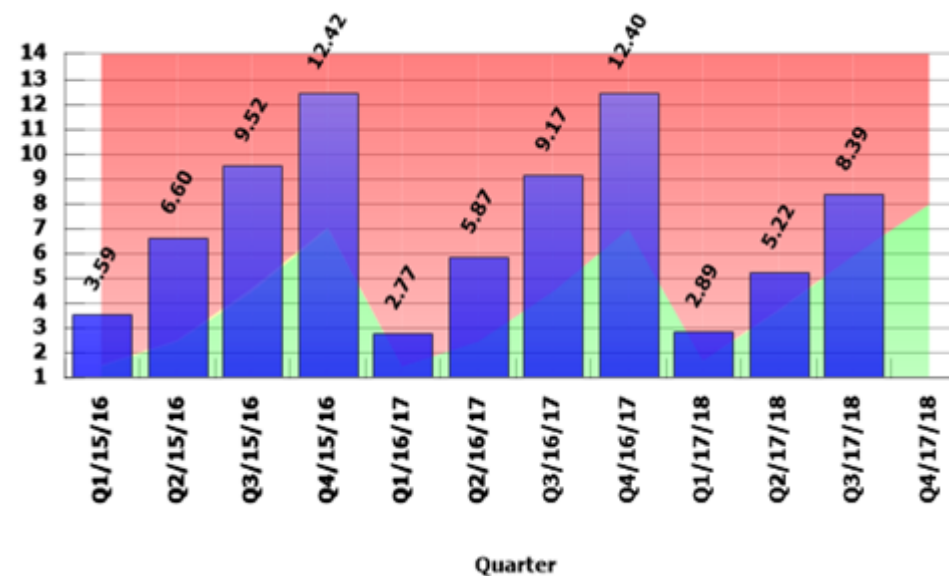


Review of Performance 2017-18 Quarter 3 (Q3)

Indicator	16/17 Actual	17/18 Target	Q3 16/17	Cumulative For the Year 16/17	Q2 17/18	Q3 17/18	Cumulative For the Year 17/18	On track to achieve annual target
Average number of days lost per (Full Time Equivalent) FTE due to sickness Low performance is good	12.4 days <ul style="list-style-type: none"> 5.32 days short term absence 7.08 days long term absence 	8 days	3.3 days <ul style="list-style-type: none"> 1.31 days short term absence 1.99 days long term absence 	9.17 days <ul style="list-style-type: none"> 2.46 days short term absence 3.41 days long term absence 	2.33 days <ul style="list-style-type: none"> 1.25 days short term absence 1.08 days long term absence 	3.17 days <ul style="list-style-type: none"> 1.64 days short term absence 1.53 days long term absence 	8.39 days <ul style="list-style-type: none"> 3.74 days short term absence 4.65 days long term absence 	No

[Comment on current performance](#)

See below



Review of Performance 2017-18 Quarter 3 (Q3)

The Q3 overall sickness figures increased significantly by 31% to 622.76 total FTE days lost or 3.17 days total days lost per FTE (1.64 days per FTE short term absence and 1.53 days per FTE long term absence).

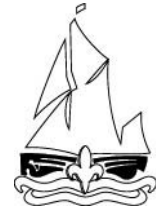
Short term sickness increased by 28% from Q2, but these figures are expected to increase during the winter months with 40% of the short term absences in Q3 due to colds, flu and infectious diseases. Free flu vaccinations were offered this year to all staff and 37 requested these.

Long term absence saw an increase of 33% from Q2. HR and management continue to work together to manage long term absence cases and implement effective interventions under the Attendance Management Policy.

Managers continue to receive a monthly report showing sickness absence trigger information via a 'Bradford Score' report generated by the HR system. This shows the manager where action must be taken to instigate the formal absence management process with their staff. Other interventions that have been introduced to reduce sickness absence include the mandatory introduction of return to work interviews, the completion of which is monitored, and the provision of a new and highly responsive occupational health provision. HR continues to work closely with managers to ensure that all absence cases are managed appropriately and in accordance with policy. Line managers are also required to report back on their actions taken to manage attendance on a monthly basis to HR.

In addition, managers have been made aware of the sickness target figure and the importance of them taking responsibility to manage attendance levels in their teams and to undertake the appropriate actions under the policy. Attendance levels will continue to be reported to the Managers' Forums.

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REPORT of DIRECTOR OF RESOURCES

**to
OVERVIEW AND SCRUTINY COMMITTEE
14 FEBRUARY 2018**

TREASURY MANAGEMENT AND ANNUAL INVESTMENT STRATEGY 2018 / 19

1. PURPOSE OF THE REPORT

- 1.1 The Chartered Institute of Public Finance and Accountancy's (CIPFA) revised Code of Practice for Treasury Management includes a requirement for regular scrutiny of Treasury Management Strategy and Practices. Members are therefore asked to review and comment on the Treasury Management and Annual Investment Strategy for 2018 / 19

2. RECOMMENDATION

That comments are sought on the Treasury Management and Annual Investment Strategy 2018 / 19 for forwarding onto the Finance and Corporate Services Committee on 30 January 2018.

3. SUMMARY OF KEY ISSUES

- 3.1 This report is to seek Members' comments on the Treasury Management and Annual Investment Strategy 2018 / 19.
- 3.2 The Treasury Management and Annual Investment Strategy for 2018/19 is attached as **APPENDIX 1**. For completeness, the supporting Treasury Management Practices are attached as **APPENDIX 2**.
- 3.3 The Strategy is due to be considered by the Finance and Corporate Services Committee on 30 January 2018.
- 3.4 The Strategy has been compiled using a template provided by the Council's treasury advisor, Arlingclose Ltd. The Strategy includes amendments recommended to the Finance and Corporate Services (F&CS) Committee on 28 November 2017 and on to Council on 21 December 2017.
- 3.5 The Council's current lending list, where funds are held as at 6 December 2017, is set out in the table shown overleaf:

Financial Institution	Lowest Credit Rating	Max Investment Period	Amount £000	Maturity
Barclays Bank Plc	A	100 days	2,000	95 days notice
Federated Investors (MMF)	AAA	Not applicable	5,000	Overnight
Goldman Sachs (GSAM) (MMF)	AAA	Not applicable	4,000	Overnight
Lamit Property Fund	Not applicable	Not applicable	3,000	N/A
Lloyds Bank Plc	A	13 months	2,000	19 Feb 2018
NatWest Bank Plc	BBB+	35 days		
Nationwide	A	6 months	2,000	19 Mar 2018
Nordea	AA+	13 months	1,000	9 Feb 2018
Investec	Not applicable	Not applicable	2,000	N/A
Total			21,000	

4. CONCLUSION

- 4.1 The Treasury Management and Annual Investment Strategy has been updated in line with statutory requirements and good practice, having regard to the Council's financial position, links to wider strategies, plans and aims and the advice of the Council's external treasury advisor.

5. IMPACT ON CORPORATE GOALS

- 5.1 This Strategy supports the Corporate Goal of "Delivering good quality, cost effective and valued services".

6. IMPLICATIONS

- (i) **Impact on Customers** – None.
- (ii) **Impact on Equalities** – None.
- (iii) **Impact on Risk** – The Council are looking to become more Commercial which then entails greater risk, however all new investment decisions will be entered into with suitable due diligence to ensure that any risk is mitigated.
- (iv) **Impact on Resources (financial)** – Investment interest received is a financial resource available to support spending on service provision.
- (v) **Impact on Resources (human)** – None directly.
- (vi) **Impact on the Environment** – None.

Background papers: None.

Enquiries to: Emma Foy, Director of Resources, (Tel: 01621 875762) or Carrie Cox, Finance Manager (Tel: 01621 875727).

Treasury Management Strategy Statement and Annual Investment Strategy 2018 / 19

1. INTRODUCTION

- 1.1 The Council has adopted the Chartered Institute of Public Finance and Accountancy's Treasury Management in the Public Services: Code of Practice (the CIPFA Code) which requires the Council to approve a treasury management strategy before the start of each financial year. CIPFA consulted on changes to the Code in 2017, but has yet to publish a revised Code.
- 1.2 In addition, the Department for Communities and Local Government (DCLG) issued revised Guidance on Local Authority Investments in March 2010 that requires local authorities to approve an investment strategy before the start of each financial year.
- 1.3 This Treasury Management Strategy Statement (TMSS) fulfils the Council's legal obligation under the Local Government Act 2003 to have regard to both the CIPFA Code and the DCLG Guidance.
- 1.4 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. The successful identification, monitoring and control of risk are therefore central to the Council's treasury management strategy.
- 1.5 **Revised strategy:** In accordance with the CLG Guidance, the Council will be asked to approve a revised Treasury Management Strategy Statement should the assumptions on which this report is based change significantly. Such circumstances would include, for example, a large unexpected change in interest rates, in the Authority's capital programme or in the level of its investment balance.

2. EXTERNAL CONTEXT

2.1 Economic background

- 2.1.1 The major external influence on the Council's treasury management strategy for 2018 / 19 will be the UK's progress in negotiating its exit from the European Union and agreeing future trading arrangements. The domestic economy has remained relatively robust since the surprise outcome of the 2016 referendum, but there are indications that uncertainty over the future is now weighing on growth. Transitional arrangements may prevent a cliff-edge, but will also extend the period of uncertainty for several years. Economic growth is therefore forecast to remain sluggish throughout 2018 / 19.
- 2.1.2 Consumer price inflation reached 3.0% in September 2017 as the post-referendum devaluation of sterling continued to feed through to imports. Unemployment continued to fall and the Bank of England's Monetary Policy Committee judged that the extent of spare capacity in the economy seemed

limited and the pace at which the economy can grow without generating inflationary pressure had fallen over recent years. With its inflation-control mandate in mind, the Bank of England's Monetary Policy Committee raised official interest rates to 0.5% in November 2017.

- 2.1.3 In contrast, the US economy is performing well and the Federal Reserve is raising interest rates in regular steps to remove some of the emergency monetary stimulus it has provided for the past decade. The European Central Bank is yet to raise rates, but has started to taper its quantitative easing programme, signalling some confidence in the Eurozone economy.

2.2 Credit outlook

- 2.2.1 High profile bank failures in Italy and Portugal have reinforced concerns over the health of the European banking sector. Sluggish economies and fines for pre-crisis behaviour continue to weigh on bank profits, and any future economic slowdown will exacerbate concerns in this regard.
- 2.2.2 Bail-in legislation, which ensures that large investors including local authorities will rescue failing banks instead of taxpayers in the future, has now been fully implemented in the European Union, Switzerland and USA, while Australia and Canada are progressing with their own plans. In addition, the largest UK banks will ringfence their retail banking functions into separate legal entities during 2018. There remains some uncertainty over how these changes will impact upon the credit strength of the residual legal entities.
- 2.2.3 The credit risk associated with making unsecured bank deposits has therefore increased relative to the risk of other investment options available to the Authority; returns from cash deposits however remain very low.

2.3 Interest rate forecast

- 2.3.1 The Council's treasury adviser Arlingclose's central case is for UK Bank Rate to remain at 0.50% during 2018 / 19, following the rise from the historic low of 0.25%. The Monetary Policy Committee re-emphasised that any prospective increases in Bank Rate would be expected to be at a gradual pace and to a limited extent.
- 2.3.2 Future expectations for higher short term interest rates are subdued and on-going decisions remain data dependant and negotiations on exiting the EU cast a shadow over monetary policy decisions. The risks to Arlingclose's forecast are broadly balanced on both sides. The Arlingclose central case is for gilt yields to remain broadly stable across the medium term. Upward movement will be limited, although the UK government's seemingly deteriorating fiscal stance is an upside risk.
- 2.3.3 A more detailed economic and interest rate forecast provided by Arlingclose is attached at **Appendix A**.

- 2.3.4 For the purpose of setting the budget, it has been assumed that an average return of 1.6% will be achieved on investments.

3. LOCAL CONTEXT

- 3.1 As at 6 December 2017 the Council has no borrowing and £21m of investments. This is set out in further detail at **Appendix B**.
- 3.2 Investments are forecast to fall to £13m as capital receipts are used to finance capital expenditure and reserves are used to finance the revenue budget.
- 3.3 CIPFA's *Prudential Code for Capital Finance in Local Authorities* recommends that the Council's total debt should be lower than its highest forecast CFR over the next three years. The Council expects to comply with this recommendation during 2018 / 19 as there is currently no borrowing.

4. BORROWING STRATEGY

- 4.1 The Council is currently debt free and its capital expenditure plans do not currently imply any need to borrow over the forecast period. The Council may however borrow to pre-fund future years' requirements or capital expenditure that occurs in the year supporting the Authorities Commercial Strategy, providing this does not exceed the authorised limit for borrowing of £10 million.

4.2 Objectives

- 4.2.1 Should the Council's long-term plans change and it does borrow, the chief objective will be to strike an appropriately low risk balance between securing low interest costs and achieving cost certainty over the period for which funds are required. The flexibility to renegotiate loans will be a secondary objective.

4.3 Strategy

- 4.3.1 Given the significant cuts to public expenditure and in particular to local government funding, the Council's borrowing strategy will address the key issue of affordability without compromising the longer-term stability of the debt portfolio. With short-term interest rates currently much lower than long-term rates, it is likely to be more cost effective in the short-term to either use internal resources, or to borrow short-term loans instead. The Council's advisor Arlingclose will assist the Council with its borrowing options.
- 4.3.2 In addition, the Council may borrow short-term loans (normally for up to one month) to cover unexpected cash flow shortages.

4.4 Sources

- 4.4.1 The approved sources of long-term and short-term borrowing are:

- Public Works Loan Board (PWLB) and any successor body;
- Any institution approved for investments (see below);
- Any other bank or building society authorised to operate in the UK;
- UK public and private sector pension funds (except the Essex Pension Fund);
- Capital market bond investors;
- UK Municipal Bonds Agency plc and other special purpose companies created to enable local authority bond issues.

4.4.2 In addition, capital finance may be raised by the following methods that are not borrowing, but may be classed as other debt liabilities:

- Operating and finance leases;
- Hire purchase;
- Private Finance Initiative
- Sale and leaseback

4.4.3 The Council may consider sourcing its long-term borrowing from the PWLB but it will also investigate other sources of finance, such as local authority loans and bank loans, which may be available at more favourable rates.

4.5 Borrowing Indicators

4.5.1 The Council is required to approve two prudential indicators for External Debt. The Authorised Limit and Operational Limit for borrowing.

4.5.2 The Authorised limit is the maximum amount of borrowing that the Council is allowed to reach and should not be breached. This includes a head room over the Operational limit to allow for cashflow issues, and unexpected breaches in the operational limit.

4.5.3 The Operational limit is the probable amount of borrowing that is required and should reflect that that is required and affordable on an ongoing basis to the Council. This will always be lower than the authorised limit.

	2018 / 19	2019 / 20
Authorised Borrowing Limit	£10m	£10m
Operational Borrowing Limit	£7m	£7m

4.6 Municipal Bond Agency

4.6.1 UK Municipal Bonds Agency plc was established in 2014 by the Local Government Association as an alternative to the PWLB. It plans to issue bonds on the capital markets and lend the proceeds to local authorities. This will be a more complicated source of finance than the PWLB for two reasons: borrowing authorities will be required to provide bond investors with a joint and several guarantee to refund their investment in the event that the agency is unable to for any reason; and there will be a lead time of several months between committing to borrow and knowing the interest rate payable. Any decision to borrow from the Agency will therefore be the subject of a separate report to the Council.

4.7 Short-term and Variable Rate loans

- 4.7.1 These loans leave the Council exposed to the risk of short-term interest rate rises and are therefore subject to the limit on the net exposure to variable interest rates in the treasury management indicators below.

5. INVESTMENT STRATEGY

- 5.1 The Council holds invested funds, representing income received in advance of expenditure plus balances and reserves held. During the current financial year, the Council's investment balance has averaged £15 million and similar levels are expected to be maintained in the forthcoming year

5.2 Objectives

- 5.2.1 Both the CIPFA Code and the CLG Guidance require the Council to invest its funds prudently, and to have regard to the security and liquidity of its investments before seeking the highest rate of return, or yield. The Council's objective when investing money is to strike an appropriate balance between risk and return, minimising the risk of incurring losses from defaults and the risk receiving unsuitably low investment income.
- 5.2.2 With increased budgetary pressures, an element of the Council's available funds are to be available to invest in medium term, moderate risk investments. These will be determined as suitable following appropriate due diligence reviews by the S151 officer.
- 5.2.3 Negative interest rates: If the UK enters into a recession in 2018 / 19, there is a small chance that the Bank of England could set its Bank Rate at or below zero, which is likely to feed through to negative interest rates on all low risk, short-term investment options. This situation already exists in many other European countries. In this event, security will be measured as receiving the contractually agreed amount at maturity, even though this may be less than the amount originally invested.

5.3 Strategy

- 5.3.1 Given the increasing risk and very low returns from short-term unsecured bank investments, the Council will look to further diversify into higher yielding asset classes during 2018/19. This is especially the case for the funds available for longer term investment. The majority of the Council's surplus cash remains invested in short-term unsecured bank deposits, certificates of deposit and money market funds. This diversification will represent a continuation of the new strategy adopted in 2017.

5.4 Approved Counterparties

- 5.4.1 The Council may invest its surplus funds with any of the counterparty types in table 1 below, subject to the cash limits (per counterparty) and the time limits shown.

Table 1: Approved Investment Counterparties and Limits

Credit Rating	Banks Unsecured	Banks secured	Government	Corporates	Registered Providers
UK Govt	n/a	n/a	£ Unlimited 50 years	n/a	n/a
AAA	£2m 5 years	£2m 20 years	£2m 50 years	£1m 20 years	£1m 20 years
AA+	£2m 5 years	£2m 10 years	£2m 25 years	£1m 10 years	£1m 10 years
AA	£2m 4 years	£2m 5 years	£2m 15 years	£1m 5 years	£1m 10 years
AA-	£2m 3 years	£2m 4 years	£2m 10 years	£1m 4 years	£1m 10 years
A+	£2m 2 years	£2m 3 years	£1m 5 years	£1m 3 years	£1m 5 years
A	£2m 13 months	£2m 2 years	£1m 5 years	£1m 2 years	£1m 5 years
A-	£2m 6 months	£2m 13 months	£1m 5 years	£1m 13 months	£1m 5 years
None	£1m 6 months	n/a	£1m 25 years	£2m	£1m 5 years
Money Market & other Pooled funds	£5m per fund				

This table must be read in conjunction with the notes below

5.4.2 Credit Rating: Investment limits are set by reference to the lowest published long-term credit rating from Fitch, Moody's or Standard & Poor's. Where available, the credit rating relevant to the specific investment or class of investment is used, otherwise the counterparty credit rating is used. However, investment decisions are never made solely based on credit ratings, and all other relevant factors including external advice will be taken into account.

5.4.3 Banks Unsecured: Accounts, deposits, certificates of deposit and senior unsecured bonds with banks and building societies, other than multilateral development banks. These investments are subject to the risk of credit loss via a bail-in should the regulator determine that the bank is failing or likely to fail. See below for arrangements relating to operational bank accounts.

5.4.4 Banks Secured: Covered bonds, reverse repurchase agreements and other collateralised arrangements with banks and building societies. These investments are secured on the bank's assets, which limits the potential losses in the unlikely event of insolvency, and means that they are exempt from bail-in. Where there is no investment specific credit rating, but the collateral upon which the investment is secured has a credit rating, the highest of the collateral credit rating and the counterparty credit rating will be used to determine cash and time limits. The combined secured and unsecured investments in any one bank will not exceed the cash limit for secured investments.

- 5.4.5 Government: Loans, bonds and bills issued or guaranteed by national governments, regional and local authorities and multilateral development banks. These investments are not subject to bail-in, and there is an insignificant risk of insolvency. Investments with the UK Central Government may be made in unlimited amounts for up to 50 years.
- 5.4.6 Corporates: Loans, bonds and commercial paper issued by companies other than banks and registered providers. These investments are not subject to bail-in, but are exposed to the risk of the company going insolvent. Loans to unrated companies will only be made following suitable due diligence by the S151 officer.
- 5.4.7 Registered Providers: Loans and bonds issued by, guaranteed by or secured on the assets of Registered Providers of Social Housing, formerly known as Housing Associations. These bodies are tightly regulated by the Homes and Communities Agency and, as providers of public services they retain a high likelihood of receiving government support if needed.
- 5.4.8 Pooled Funds: Shares in diversified investment vehicles consisting of the any of the above investment types, plus equity shares and property. These funds have the advantage of providing wide diversification of investment risks, coupled with the services of a professional fund manager in return for a fee. Money Market Funds that offer same-day liquidity and aim for a constant net asset value will be used as an alternative to instant access bank accounts, while pooled funds whose value changes with market prices and/or have a notice period will be used for longer investment periods.
- 5.4.9 Bond, equity and property funds offer enhanced returns over the longer term, but are more volatile in the short term. These allow the Council to diversify into asset classes other than cash without the need to own and manage the underlying investments. Because these funds have no defined maturity date, but are available for withdrawal after a notice period, their performance and continued suitability in meeting the Council's investment objectives will be monitored regularly.
- 5.4.10 Operational bank accounts: The Council may incur operational exposures, for example through current accounts, collection accounts and merchant acquiring services, to any UK bank with credit ratings no lower than BBB- and with assets greater than £25 billion. These are not classed as investments, but are still subject to the risk of a bank bail-in, and balances will therefore be kept below £2m per bank. The Bank of England has stated that in the event of failure, banks with assets greater than £25 billion are more likely to be bailed-in than made insolvent, increasing the chance of the Council maintaining operational continuity.

5.5 Risk Assessment and Credit Ratings

- 5.5.1 Credit ratings are obtained and monitored by the Council's treasury advisers, who will notify changes in ratings as they occur. Where an entity has its credit rating downgraded so that it fails to meet the approved investment criteria then:
- No new investments will be made,

- Any existing investments that can be recalled or sold at no cost will be,
- Full consideration will be given to the recall or sale of all other existing investments with the affected counterparty.

5.5.2 Where a credit rating agency announces that a credit rating is on review for possible downgrade (also known as “rating watch negative” or “credit watch negative”) so that it may fall below the approved rating criteria, then only investments that can be withdrawn on the next working day will be made with that organisation until the outcome of the review is announced. This policy will not apply to negative outlooks, which indicate a long-term direction of travel rather than an imminent change of rating.

5.6 Other Information on the Security of Investments

5.6.1 The Council understands that credit ratings are good, but not perfect, predictors of investment default. Full regard will therefore be given to other available information on the credit quality of the organisations in which it invests, including credit default swap prices, financial statements, information on potential government support and reports in the quality financial press. No investments will be made with an organisation if there are substantive doubts about its credit quality, even though it may meet the credit rating criteria.

5.6.2 When deteriorating financial market conditions affect the creditworthiness of all organisations, as happened in 2008 and 2011, this is not generally reflected in credit ratings, but can be seen in other market measures. In these circumstances, the Council will restrict its investments to those organisations of higher credit quality and reduce the maximum duration of its investments to maintain the required level of security. The extent of these restrictions will be in line with prevailing financial market conditions. If these restrictions mean that insufficient commercial organisations of high credit quality are available to invest the Council’s cash balances, then the surplus will be deposited with the UK Government, via the Debt Management Office or invested in government treasury bills for example, or with other local authorities. This will cause a reduction in the level of investment income earned, but will protect the principal sum invested.

5.7 Specified Investments

5.7.1 The CLG Guidance defines specified investments as those:

- Denominated in pound sterling,
- Due to be repaid within 12 months of arrangement,
- Not defined as capital expenditure by legislation, and
- Invested with one of:
 - The UK Government
 - A UK local council, parish council or community council, or
 - A body or investment scheme of “high credit quality”.

5.7.2 The Council defines “high credit quality” organisations and securities as those having a credit rating of A- or higher that are domiciled in the UK or a foreign country with a sovereign rating of AA+ or higher. For money market

funds and other pooled funds “high credit quality” is defined as those having a credit rating of A- or higher.

5.8 Non-specified Investments

5.8.1 Any investment not meeting the definition of a specified investment is classed as non-specified. The Council does not intend to make any investments denominated in foreign currencies, nor any that are defined as capital expenditure by legislation, such as company shares. Non-specified investments will therefore be limited to long-term investments, i.e. those that are due to mature 12 months or longer from the date of arrangement, and investments with bodies and schemes not meeting the definition on high credit quality. Limits on non-specified investments are shown in table 2 below.

Table 2: Non-Specified Investment Limits

	Cash limit
Total long-term investments (i.e. over 364 days)	£7.5m
Total investments without credit ratings or rated below A-	£7.5m *
Total investments with institutions domiciled in foreign countries rated below AA+	£0m
Total non-specified investments	£12.5m

* To accommodate pooled funds which are not credit rated (e.g. strategic bond funds, equity income funds and property funds) but in which the underlying investments are very highly diversified.

5.9 Investment Limits

5.9.1 The Council’s usable reserves available to cover investment losses are forecast to be £4.5 million on 31 March 2018. In order that no more than 50% of available reserves will be put at risk in the case of a single default, the maximum that will be lent to any one organisation (other than the UK Government) will be £2million. A group of banks under the same ownership will be treated as a single organisation for limit purposes. Limits will also be placed on fund managers, investments in brokers’ nominee accounts, foreign countries and industry sectors as below:

Table 3: Investment Limits

	Cash limit
Any single organisation, except the UK Central Government	£2m each
UK Central Government	unlimited
Any group of organisations under the same ownership	£2m per group
Any group of pooled funds under the same management	£5m per manager
Negotiable instruments held in a broker’s nominee account	£10m per broker
Registered Providers	£2m in total
Unsecured investments with Building Societies	£5m in total
Loans to unrated corporates	£2m in total
Money Market Funds	£12m in total

5.10 Liquidity Management

5.10.1 The Council uses in house cash flow forecasting methods to determine the maximum period for which funds may prudently be committed. The forecast is compiled on a pessimistic basis, with receipts under-estimated and payments over-estimated to minimise the risk of the Council being forced to borrow on unfavourable terms to meet its financial commitments. Limits on long-term investments are set by reference to the Council's medium term financial plan and cash flow forecast.

5.11 Non-Treasury Investments

5.11.1 Although not classed as treasury management activities and therefore not covered by the CIPFA Code or the CLG Guidance, the Council may also purchase property for investment purposes and may also make loans and investments for service purposes, for example in shared ownership housing, as loans to local businesses and landlords, or as equity investments and loans to the Council's subsidiaries.

5.11.2 Such loans and investments will be subject to the Council's normal approval processes for revenue and capital expenditure and need not comply with this treasury management strategy.

6. TREASURY MANAGEMENT INDICATORS

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

6.2 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
Portfolio average credit score	6

6.3 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
Total cash available within 3 months	£5m

6.4 Interest Rate Exposures: This indicator is set to control the Council's exposure to interest rate risk. While the council has no debt this indicator is not applicable:

APPENDIX 1

	2017/18	2018/19	2019/20
Upper limit on fixed interest rate exposure	100%	100%	100%
Upper limit on variable interest rate exposure	100%	100%	100%

6.4.1 Fixed rate investments and borrowings are those where the rate of interest is fixed for the whole financial year or for a 12 month period if the transaction date is later than the commencement of the financial year. All other instruments are classed as variable rate.

6.5 Maturity Structure of Borrowing: This indicator is set to control the Council's exposure to refinancing risk. The upper and lower limits on the maturity structure of fixed rate borrowing will be:

	Upper	Lower
Under 12 months	100%	0%
12 months and within 24 months	100%	0%
24 months and within 5 years	100%	0%
5 years and within 10 years	100%	0%
10 years and above	100%	0%

6.5.1 As the Council does not have any fixed rate long-dated loans, the upper limit has been set at 100% to accommodate a loan in the maturity bracket deemed most appropriate.

6.5.2 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.

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

	2018/19	2019/20	2020/21
Limit on principal invested beyond year end	£8m	£7.5m	£7.5m

7. PRUDENTIAL INDICATORS AND MRP STATEMENT

See APPENDIX C

8. OTHER ITEMS

8.1 There are a number of additional items that the Council is obliged by CIPFA or CLG to include in its Treasury Management Strategy.

- 8.2 Policy on Use of Financial Derivatives: The Council will not use standalone financial derivatives (such as swaps, forwards, futures and options).
- 8.3 Investment Training: The needs of the Council's treasury management staff for training in investment management as part of the staff appraisal process, and additionally when the responsibilities of individual members of staff change. Staff regularly attend training courses, seminars and conferences provided by Arlingclose and CIPFA.
- 8.4 Investment Advisers: The Council has appointed Arlingclose Limited as treasury management advisers and receives specific advice on investment, debt and capital finance issues.
- 8.5 Investment of Money Borrowed in Advance of Need: The Council may, from time to time, borrow in advance of need, where this is expected to provide the best long term value for money. Since amounts borrowed will be invested until spent, the Council is aware that it will be exposed to the risk of loss of the borrowed sums, and the risk that investment and borrowing interest rates may change in the intervening period. These risks will be managed as part of the Council's overall management of its treasury risks.
- 8.6 The total amount borrowed will not exceed the authorised borrowing limit of £10 million. The maximum period between borrowing and expenditure is expected to be two years, although the Council is not required to link particular loans with particular items of expenditure.

9. FINANCIAL IMPLICATIONS

- 9.1 The budget for investment income in 2018 / 19 is £228,000 based on an average investment portfolio of £14 million at an interest rate of 1.6%. The budget for debt interest paid in 2018/19 is currently nil as the Council does not have external loans. If actual levels of investments and borrowing, and actual interest rates differ from those forecast, performance against budget will be correspondingly different.

10. OTHER OPTIONS CONSIDERED

- 10.1 The CLG Guidance and the CIPFA Code do not prescribe any particular treasury management strategy for local authorities to adopt. Some alternative strategies, with their financial and risk management implications, are listed below.

Alternative	Impact on income and expenditure	Impact on risk management
Invest in a narrower range of counterparties and/or for shorter times	Interest income will be lower	Lower chance of losses from credit related defaults, but any such losses will be greater
Invest in a wider range of counterparties and/or for longer times	Interest income will be higher	Increased risk of losses from credit related defaults, but any such losses will be smaller

APPENDIX 1

Alternative	Impact on income and expenditure	Impact on risk management
Borrow additional sums at long-term fixed interest rates	Debt interest costs will rise; this is unlikely to be offset by higher investment income	Higher investment balance leading to a higher impact in the event of a default; however long-term interest costs will be more certain
Borrow short-term or variable loans instead of long-term fixed rates	Debt interest costs will initially be lower	Increases in debt interest costs will be broadly offset by rising investment income in the medium term, but long term costs will be less certain
Reduce level of borrowing	Saving on debt interest is likely to exceed lost investment income	Reduced investment balance leading to a lower impact in the event of a default; however long-term interest costs will be less certain

Appendix A

Arlingclose Economic & Interest Rate Forecast November 2017

Underlying assumptions:

- In a 7-2 vote, the MPC increased Bank Rate in line with market expectations to 0.5%. Dovish accompanying rhetoric prompted investors to lower the expected future path for interest rates. The minutes re-emphasised that any prospective increases in Bank Rate would be expected to be at a gradual pace and to a limited extent.
- Further potential movement in Bank Rate is reliant on economic data and the likely outcome of the EU negotiations. Policymakers have downwardly assessed the supply capacity of the UK economy, suggesting inflationary growth is more likely. However, the MPC will be wary of raising rates much further amid low business and household confidence.
- The UK economy faces a challenging outlook as the minority government continues to negotiate the country's exit from the European Union. While recent economic data has improved, it has done so from a low base: UK Q3 2017 GDP growth was 0.4%, after a 0.3% expansion in Q2.
- Household consumption growth, the driver of recent UK GDP growth, has softened following a contraction in real wages, despite both saving rates and consumer credit volumes indicating that some households continue to spend in the absence of wage growth. Policymakers have expressed concern about the continued expansion of consumer credit; any action taken will further dampen household spending.
- Some data has held up better than expected, with unemployment continuing to decline and house prices remaining relatively resilient. However, both of these factors can also be seen in a negative light, displaying the structural lack of investment in the UK economy post financial crisis. Weaker long term growth may prompt deterioration in the UK's fiscal position.
- The depreciation in sterling may assist the economy to rebalance away from spending. Export volumes will increase, helped by a stronger Eurozone economic expansion.
- Near-term global growth prospects have continued to improve and broaden, and expectations of inflation are subdued. Central banks are moving to reduce the level of monetary stimulus.
- Geo-political risks remains elevated and helps to anchor safe-haven flows into the UK government bond (gilt) market.

Forecast:

- The MPC has increased Bank Rate, largely to meet expectations they themselves created. Future expectations for higher short term interest rates are subdued. On-going decisions remain data dependant and negotiations on exiting the EU cast a shadow over monetary policy decisions.
- Our central case for Bank Rate is 0.5% over the medium term. The risks to the forecast are broadly balanced on both sides.
- The Arlingclose central case is for gilt yields to remain broadly stable across the medium term. Upward movement will be limited, although the UK government's seemingly deteriorating fiscal stance is an upside risk.

Appendix A

	Dec-17	Mar-18	Jun-18	Sep-18	Dec-18	Mar-19	Jun-19	Sep-19	Dec-19	Mar-20	Jun-20	Sep-20	Dec-20	Average
Official Bank Rate														
Upside risk	0.00	0.00	0.00	0.25	0.25	0.25	0.25	0.25	0.25	0.25	0.25	0.25	0.25	0.19
Arlingclose Central Case	0.50	0.50	0.50	0.50	0.50	0.50	0.50	0.50	0.50	0.50	0.50	0.50	0.50	0.50
Downside risk	0.00	0.00	0.00	0.00	0.00	-0.25	-0.25	-0.25	-0.25	-0.25	-0.25	-0.25	-0.25	-0.15
3-month LIBID rate														
Upside risk	0.10	0.10	0.10	0.25	0.25	0.25	0.25	0.25	0.25	0.25	0.25	0.25	0.25	0.22
Arlingclose Central Case	0.50	0.50	0.50	0.50	0.50	0.50	0.50	0.50	0.50	0.50	0.50	0.50	0.50	0.50
Downside risk	-0.10	-0.10	-0.15	-0.15	-0.15	-0.25	-0.25	-0.25	-0.25	-0.25	-0.25	-0.25	-0.25	-0.20
1-yr LIBID rate														
Upside risk	0.15	0.15	0.20	0.30	0.30	0.30	0.30	0.30	0.30	0.30	0.30	0.30	0.30	0.27
Arlingclose Central Case	0.70	0.70	0.70	0.70	0.80	0.80	0.80	0.80	0.80	0.80	0.80	0.80	0.80	0.77
Downside risk	-0.15	-0.20	-0.30	-0.30	-0.30	-0.30	-0.30	-0.30	-0.30	-0.30	-0.30	-0.15	-0.15	-0.26
5-yr gilt yield														
Upside risk	0.20	0.25	0.25	0.25	0.30	0.35	0.35	0.35	0.35	0.35	0.35	0.35	0.40	0.32
Arlingclose Central Case	0.75	0.75	0.80	0.80	0.80	0.85	0.90	0.90	0.95	0.95	1.00	1.05	1.10	0.89
Downside risk	-0.20	-0.20	-0.25	-0.25	-0.25	-0.35	-0.40	-0.40	-0.40	-0.40	-0.40	-0.40	-0.40	-0.33
10-yr gilt yield														
Upside risk	0.20	0.25	0.25	0.25	0.30	0.35	0.35	0.35	0.35	0.35	0.35	0.35	0.40	0.32
Arlingclose Central Case	1.25	1.25	1.25	1.25	1.25	1.30	1.30	1.35	1.40	1.45	1.50	1.55	1.55	1.36
Downside risk	-0.20	-0.25	-0.25	-0.25	-0.25	-0.30	-0.35	-0.40	-0.40	-0.40	-0.40	-0.40	-0.40	-0.33
20-yr gilt yield														
Upside risk	0.20	0.25	0.25	0.25	0.30	0.35	0.35	0.35	0.35	0.35	0.35	0.35	0.40	0.32
Arlingclose Central Case	1.85	1.85	1.85	1.85	1.85	1.90	1.90	1.95	1.95	2.00	2.05	2.05	2.05	1.93
Downside risk	-0.20	-0.30	-0.25	-0.25	-0.30	-0.35	-0.40	-0.45	-0.50	-0.50	-0.50	-0.50	-0.50	-0.38
50-yr gilt yield														
Upside risk	0.20	0.25	0.25	0.25	0.30	0.35	0.35	0.35	0.35	0.35	0.35	0.35	0.40	0.32
Arlingclose Central Case	1.70	1.70	1.70	1.70	1.70	1.75	1.80	1.85	1.90	1.95	1.95	1.95	1.95	1.82
Downside risk	-0.30	-0.30	-0.25	-0.25	-0.30	-0.35	-0.40	-0.45	-0.50	-0.50	-0.50	-0.50	-0.50	-0.39

Appendix B

Existing Investment & Debt Portfolio Position

	6 Dec 2017 Actual Portfolio £m	Average Rate %
Total External Borrowing	0	0
Other Long Term Liabilities:		
Finance Leases	0.0	
Total Gross External Debt		
Investments:		
<i>Managed in-house</i>		
<u>Long Term Investments</u>		
LAMIT Property Fund	3	4.5
Investec Diversified Income Fund	2	4.5
<u>Short-term investments</u>		
Term Deposits	4	0.37
Certificates of Deposit	1	0.47
Money Market Funds	9	0.46
Notice Reserve Accounts	2	0.4
Total Investments	(21)	
Net Debt	(21)	

Appendix C

Prudential Indicators and MRP Statement 2018/19

Appendix A - Prudential Indicators 2018/19

The Local Government Act 2003 requires the council to have regard to the Chartered Institute of Public Finance and Accountancy's *Prudential Code for Capital Finance in Local Authorities* (the Prudential Code) when determining how much money it can afford to borrow. The objectives of the Prudential Code are to ensure, within a clear framework, that the capital investment plans of local authorities are affordable, prudent and sustainable, and that treasury management decisions are taken in accordance with good professional practice. To demonstrate that the council has fulfilled these objectives, the Prudential Code sets out the following indicators that must be set and monitored each year.

Estimates of Capital Expenditure: The councils planned capital expenditure and financing may be summarised as follows.

Capital Expenditure and Financing	2017/18 Revised £m	2018/19 Estimate £m	2019/20 Estimate £m	2020/21 Estimate £m
Total Expenditure	964	682	487	487
Capital Receipts	544	262	67	67
Government Grants	420	420	420	420
Total Financing	964	682	487	487

Estimates of Capital Financing Requirement:

The Capital Financing Requirement (CFR) measures the councils underlying need to borrow for a capital purpose.

	2018/19 £000	2019/20 £000
Capital Financing Requirement	-186	-£186

A negative CFR indicates the council has capital funds available, and that it has no need to borrow.

Incremental Impact of Capital Investment Decisions: This is an indicator of affordability that shows the impact of capital investment decisions on Council Tax levels. The incremental impact is the difference between the total revenue budget requirement of the current approved capital programme and the revenue budget requirement arising from the capital programme .

Incremental Impact of Capital Investment Decisions	2018/19 Estimate £	2019/20 Estimate £	2020/21 Estimate £
General Fund - increase in annual band D Council Tax	0.01	-0.01	0.01

Appendix C

Adoption of the CIPFA Treasury Management Code: The council adopted the Chartered Institute of Public Finance and Accountancy's *Treasury Management in the Public Services: Code of Practice 2011 Edition*. It fully complies with the Codes recommendations.

Annual Minimum Revenue Provision Statement 2018/19

Where the council finances capital expenditure by debt, it must put aside resources to repay that debt in later years. The amount charged to the revenue budget for the repayment of debt is known as Minimum Revenue Provision (MRP), although there has been no statutory minimum since 2008. The Local Government Act 2003 requires the council to have regard to the Department for Communities and Local Government's *Guidance on Minimum Revenue Provision* (the CLG Guidance) most recently issued in 2012.

The broad aim of the CLG Guidance is to ensure that debt is repaid over a period that is either reasonably commensurate with that over which the capital expenditure provides benefits, or, in the case of borrowing supported by Government Revenue Support Grant, reasonably commensurate with the period implicit in the determination of that grant.

The CLG Guidance requires the council to approve an Annual MRP Statement each year, and recommends a number of options for calculating a prudent amount of MRP. The following statement incorporates options recommended in the Guidance

The council expects that its Capital Financing Requirement will be negative on 31st March 2018 and in line with the CLG Guidance it will therefore charge no MRP in 2018/19.

The Commercialisation Strategy and associated projects may require borrowing, in which case the Capital Financing Requirement will be altered and an MRP charge will be required. If this is the case then the following statement will be applicable and will be reported as part of the approval request for the relevant expenditure.

For capital expenditure incurred after 31st March 2008, MRP will be determined by charging the expenditure over the expected useful life of the relevant asset in equal instalments, starting in the year after the asset becomes operational. MRP on purchases of freehold land will be charged over 50 years. MRP on expenditure not related to fixed assets but which has been capitalised by regulation or direction will be charged over 20 years.

Capital expenditure incurred during 2018/19 will not be subject to a MRP charge until 2019/20. Therefore there is no budget for MRP.

TREASURY MANAGEMENT PRACTICES PRINCIPLES AND SCHEDULES

1. INTRODUCTION:

The CIPFA Code of Practice on Treasury Management in the Public Services (the Code) was last revised in November 2011. The Code requires the setting out of the responsibilities and duties of members and officers, allowing a framework for reporting and decision making on all aspects of treasury management. This Council had adopted the original Code and has similarly adopted the revised 2011 Code. The Code recommends the creation and maintenance of:

- A Treasury Management Policy Statement, stating the policies and objectives of its treasury management activities,
- Suitable Treasury Management Practices setting out the manner in which the organisation will seek to achieve those policies and objectives and prescribing how it will manage and control those activities.

The Treasury Management Practices (TMPs) comprise:

TMP 1:	Risk management
TMP 2:	Performance measurement
TMP 3:	Decision-making and analysis
TMP 4:	Approved instruments, methods and techniques
TMP 5:	Organisation, clarity and segregation of responsibilities and dealing arrangements
TMP 6:	Reporting requirements and management information arrangements
TMP 7:	Budgeting, accounting and audit arrangements
TMP 8:	Cash and cash flow management
TMP 9:	Money laundering
TMP 10:	Training and qualifications
TMP 11:	Use of external service providers
TMP 12:	Corporate governance

Schedules supporting these practices and other documents held at an operational level specify the systems and routines to be employed and the records to be maintained in fulfilling the Council's treasury functions.

TMP 1: RISK MANAGEMENT

All treasury management activities involve both risk and the pursuit of reward or gain for the Council. The council's policies and practices emphasise that the effective identification, management and containment of risk are the prime objectives of treasury management activities.

The Director of Resources will design, implement and monitor all arrangements for the identification, management and control of treasury management risk, will report at least annually on the adequacy/suitability thereof, and will report, as a matter of urgency, the circumstances of any actual or likely difficulty in achieving the organisation's objectives in this respect, all in accordance with the procedures set out in **TMP6 Reporting requirements and management information arrangements**. In respect of each of the following risks, the arrangements which seek to ensure compliance with these objectives are set out as schedules below.

- 1) **Credit and Counterparty Risk Management:** the risk of failure by a counterparty to meet its contractual obligations to the Council under an investment, borrowing, capital, project or partnership financing, particularly as a result of the counterparty's diminished creditworthiness, and the resulting detrimental effect on the Council's capital or current (revenue) resources.

***Principle:** The Council regards a key objective of its treasury management activities to be the security of the principal sums it invests. Accordingly, it will ensure that its counterparty lists and limits reflect a prudent attitude towards organisations with whom funds may be deposited, and will limit its investment activities to the instruments, methods and techniques referred to in TMP4 Approved instruments, methods and techniques, and listed in the schedule. It also recognises the need to have, and will therefore maintain, a formal counterparty policy in respect of those organisations from which it may borrow, or with whom it may enter into other financing arrangements.*

Schedule:

Criteria to be used for creating/managing approved counterparty lists/limits	<p>The Director of Resources is responsible for setting a prudent criteria and the Council's treasury advisors will also provide guidance and assistance in setting the criteria.</p> <p>The criteria will be agreed by Finance and Corporate Services Committee.</p> <p>The Council's treasury management advisors will advise on credit policy and creditworthiness related issues. The Council will maintain a counterparty list based on its criteria and will monitor and update the credit standing of the institutions on a regular basis. This assessment will include consideration of credit ratings from all 3 ratings agencies and other alternative assessments of credit strength (for example, statements of potential government support which now includes resolution mechanisms for failing financial institutions, CDS information, the composition of an institution's balance sheet liabilities). The Council will also take into account information on corporate developments of and market sentiment towards investment counterparties.</p> <p>The credit rating criteria will also apply to securities issued by financial and non-financial institutions, which in some instances, might be higher than that of the issuing institution.</p> <p>Higher time and cash limits may be set for secured investments (e.g. those with underlying collateral or which are by regulation excluded from being bailed-in/restructured in the event of financial distress.)</p> <ul style="list-style-type: none"> - Where there is no investment-specific rating, but collateral upon which the investment secured is rated, then the higher of the collateral and counterparty rating will be used to determine time and cash limits.
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Approved methodology for changing limits and adding/removing counterparties	The Director of Resources has delegated responsibility to add or delete counterparties and to review limits within the parameters of the criteria detailed above.
Risk management : (a) creditworthiness deteriorates below the minimum criteria (b) ratings are placed on review for downgrade	<p>Where an entity's credit rating is downgraded so that it fails to meet the minimum criteria, then</p> <ul style="list-style-type: none"> - No new investments will be made, - Any existing investments that can be recalled or sold at no cost will be, and - Full consideration will be given to the recall or sale of other existing investments with the affected counterparty. <p>Where a credit rating is placed on review for possible downgrade (also termed 'rating watch negative' or 'credit watch negative') so that it may fall below the minimum approved credit criteria, then only investments that can be withdrawn on [the next working day] will be made with that organisation until the rating review has been completed and its outcome known.</p> <p>The policy in (b) will not apply for 'negative outlooks' which indicate a long-term direction of travel rather than a possibility of an imminent downgrade.</p>
Counterparty list and limits	<p>A full individual listing of banking counterparties based on the criteria will be maintained. As credit ratings etc. are subject to change without notice, an up-to-date lending list will be maintained on an ongoing basis.</p> <p>It may be impractical to have a pre-determined list of non-financial counterparties in whose securities investments might be made. The minimum credit rating criteria and whether the security is secured or unsecured will determine its selection for investment.</p> <p>No investments will be made with an organisation if there are substantive doubts about its credit quality, even though it may meet the minimum credit rating criteria.</p>
Details of credit rating agencies' services and their application	The Council considers the ratings of all 3 ratings agencies (Standard & Poor's, Moody's and Fitch) when making investment decisions. Credit rating agency information is just one of a range of instruments used to assess creditworthiness of institutions.
Description of the general approach to collecting/using information other than credit ratings for counterparty risk assessment	<p>The Council's Treasury Advisor provides timely information on counterparties, in terms of credit rating updates and economic summaries. Credit default swap information is received monthly, as well as information on share price.</p> <p>The Council's Treasury Advisor also undertakes analysis on the balance sheet structure of key banking institutions to help inform the potential restructure (i.e. bail-in) of a bank's unsecured liabilities should this be required by the regulatory authorities.</p> <p>In addition, the Director of Resources reads quality financial press for information on counterparties.</p>

- 2) **Liquidity Risk Management:** the risk that cash will not be available when it is needed, that ineffective management of liquidity creates additional unbudgeted costs, and that the Council's business/service objectives will be thereby compromised.

Principle : *The Director of Resources will ensure the Council has adequate though not excessive cash resources, borrowing arrangements, overdraft or standby facilities to enable it at all times to have the level of funds available to it which are necessary for the achievement of its business/service objectives.*

The Council will only borrow in advance of need where there is a clear business case for doing so and will only do so for the current capital programme or to finance future debt maturities.

Schedule:

Cash flow and cash Balances	<p>The Council will aim for effective cash flow forecasting and monitoring of cash balances and will maintain an annual cash flow forecast.</p> <p>The Senior Accountant shall seek to optimise the balance held in the Council's main bank accounts at the close of each working day in order to minimise the amount of bank overdraft interest payable or maximise the amount of interest that can be earned by investing surplus funds.</p>
Short term investments	The Council uses various Current and Call Accounts and Money Market Funds to manage its liquidity requirements. These Accounts/Funds are named on the Council's approved counterparty list. The maximum balance on each of these accounts is reviewed and set as part of the Council's investment strategy.
Temporary Borrowing	<p>Temporary borrowing up to 364 days through the money market is available should there be a cash flow deficit at any point during the year.</p> <p>At no time will the outstanding total of temporary and long-term borrowing together with any bank overdraft exceed the Prudential Indicator for the Authorised Borrowing Limit agreed by the Council before the start of each financial year.</p>
Bank Overdraft and standby facilities	The Council has no authorised overdraft limit with its bankers.

- 3) **Interest Rate Risk Management:** The risk that fluctuations in the levels of interest rates create an unexpected or unbudgeted burden on the Council's finances, against which the Council has failed to protect itself adequately.

***Principle:** The Council will manage its exposure to fluctuations in interest rates with a view to containing its interest costs, or securing its interest revenues, in accordance with the amounts provided in its budgetary arrangements as amended in accordance with TMP6 Reporting requirements and management information arrangements.*

Schedule:

Minimum/ maximum proportions of fixed/variable rate debt/interest	<p>Borrowing/investments may be at a fixed or variable rate.</p> <p>The Prudential Code requires the Council to determine each year the maximum proportion of interest payable on net borrowing which is subject to fixed and variable interest rates. This is set each year as part of the annual budget setting process.</p> <p>In setting its forward Treasury Strategy on an annual basis, the Council will determine the necessary degree of certainty required for its plans and budgets but will, at the same time, allow sufficient flexibility to enable it to benefit from potentially advantageous changes in market conditions and level of interest rates and also to mitigate the effects of potentially disadvantageous changes.</p> <p>The Council will achieve this by the prudent use of its approved financing and investment instruments, methods and techniques, primarily to create stability and certainty of costs and revenues, but at the same time retaining a sufficient degree of flexibility.</p> <p>The Council may determine it is more cost effect in the short-term to fund its borrowing requirement through the use of internal resources ('internal borrowing') or through borrowing short-term loans. The benefits of such borrowing will be monitored regularly against the potential for incurring additional costs by deferring borrowing or refinancing in future years when interest rates are expected to be</p>
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	higher.
Managing changes to interest rate levels	<p>The main impact of changes in interest rate levels is to monies borrowed and invested at variable rates of interest.</p> <p>Interest rate forecasts are provided by the Council's treasury advisors and are closely monitored by the Finance Manager. Variations from original estimates and their impact on the Council's debt and investments are notified to the Finance and Corporate Services Committee as necessary.</p> <p>For its investments, the Council also considers dealing from forward periods dependent upon market conditions. The Council's counterparty term limits will apply and will include the forward period of the investment.</p>

- 4) **Exchange Rate Risk Management:** The risk that fluctuations in foreign exchange rates create an unexpected or unbudgeted burden on the Council's finances against which the Council has failed to protect itself adequately.

Principle: The Council will manage any exposure to fluctuations in exchange rates so as to minimise any detrimental impact on its budgeted income/expenditure levels.

Schedule:

Exchange rate risk management	This Council does not, on a day to day basis, have foreign currency transactions or receipts. Unexpected receipt of foreign currency will be converted to sterling at the earliest opportunity.
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- 5) **Refinancing Risk Management:** The risk that maturing borrowings, capital, project or partnership financings cannot be refinanced on terms that reflect the provisions made by the organisation for those refinancings, both capital and current (revenue), and/or that the terms are inconsistent with prevailing market conditions at the time.

Principle: The Council will ensure that its borrowing, private financing and partnership arrangements are negotiated, structured and documented, and the maturity profile of the monies so raised are managed, with a view to obtaining offer terms for renewal or refinancing, if required, which are competitive and as favourable to the organisation as can reasonably be achieved in the light of market conditions prevailing at the time.

It will actively manage its relationships with its counterparties in these transactions in such a manner as to secure this objective, and will avoid over reliance on any one source of funding if this might jeopardise achievement of the above.

Schedule:

Projected capital investment requirements	<p>4 year projections are in place for capital expenditure and its financing or funding. Financing will be from capital receipts, reserves and any grants or contributions awarded, revenue resources or reserves. Funding will be from internal or external borrowing, as decided.</p> <p>The Council's projected long-term borrowing requirement will be linked to the projected Capital Financing Requirement.</p>
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Debt profiling, policies and practices	Any longer term borrowing will be undertaken in accordance with the Prudential Code and will comply with the Council's Prudential Indicators and the Annual Treasury Management Strategy. Where the lender to the Council is a commercial body the Council will aim for diversification in order to spread risk and avoid over-reliance on a small number of counterparties.
Policy concerning limits on revenue consequences of capital financings	The revenue consequences of financing the capital programme are included in cash flow models, annual revenue estimates and medium term forecasts.

- 6) **Legal and Regulatory Risk Management:** The risk that the Council itself, or an organisation with which it is dealing in its treasury management activities, fails to act in accordance with its legal powers or regulatory requirements, and that the Council suffers losses accordingly.

Principle: The Council will ensure that all of its treasury management activities comply with its statutory powers and regulatory requirements. It will demonstrate such compliance, if required to do so, to all parties with whom it deals in such activities. In framing its credit and counterparty policy under TMP1(1) Credit and counterparty risk management, it will ensure that there is evidence of counterparties' powers, authority and compliance in respect of the transactions they may effect with the Council, particularly with regard to duty of care and fees charged.

The Council recognises that future legislative or regulatory changes may impact on its treasury management activities and, so far as it is reasonably able to do so, will seek to minimise the risk of these impacting adversely on the organisation.

Schedule:

References to relevant statutes and regulations	<p>The treasury management activities of the Council shall comply fully with legal statute and the regulations of the Council. These are:</p> <ul style="list-style-type: none"> ▪ CIPFA's Treasury Management Code of Practice 2011 and subsequent amendments ▪ CIPFA Guide for Chief Financial Officers on Treasury Management in Local Authorities ▪ CIPFA Prudential Code for Capital Finance in Local Authorities and subsequent amendments ▪ CIPFA Standard of Professional Practice on Treasury Management ▪ The Local Government Act 2003 ▪ The Local Authorities (Capital Finance and Accounting) (England) Regulations 2003 SI 2003 No 3146, and subsequent amendments ▪ Pensions, England and Wales - The Local Government Pension Scheme (Management and Investment of Funds) Regulations 2009 - SI 2009 No 3093 ▪ The CLG's statutory Guidance on Minimum Revenue Provision (MRP) ▪ The ODPM's (now CLG's) Guidance on Local Government Investments in England issued March 2004 and subsequent amendments ▪ The Local Authorities (Contracting out of Investment Functions) Order 1996 SI 1996 No 1883 ▪ LAAP Bulletins ▪ Code of Practice on Local Authority Accounting in the United Kingdom based on International Financial Reporting Standards (from 2010/11 onwards) ▪ Accounts and Audit Regulations 2015, as amended together with CLG's Guidance ▪ The Non Investment Products Code (formerly known as The London Code of
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	<p>Conduct) for principals and broking firms in the wholesale markets</p> <ul style="list-style-type: none"> ▪ Council's Constitution including:- <ul style="list-style-type: none"> ○ Standing Order relating to Contracts ○ Financial Regulations ○ Scheme of Delegation
Procedures for evidencing the organisation's powers/ authorities to counterparties	<p>The Council's Financial Regulations contain evidence of the power/ authority to act as required by section 151 of the Local Government Act 1972, under the general direction of the Finance and Corporate Services Committee.</p> <p>The Council will confirm, if requested to do so by counterparties, the powers and authorities under which the Council effects transactions with them.</p> <p>Where required, the Council will also establish the powers of those with whom they enter into transactions, including any compliance requirements in respect of a duty of care and best practice.</p>
Required information from counterparties concerning their powers/ authorities	<p>Lending shall only be made to institutions on the Council's authorised lending list or in securities which meet the Council's approved credit criteria.</p> <p>The Council will only undertake borrowing from approved sources such as the PWLB (and its successor body), organisations such as the European Investment Bank and from commercial banks who are on the Council's list of authorised institutions, thereby minimising legal and regulatory risk. The list of approved sources of borrowing are contained in TMP 4.</p>
Statement on political risks and management of the same	<p>Political risk is managed by:</p> <ul style="list-style-type: none"> • adoption of the CIPFA Treasury Management Code of Practice • adherence to Corporate Governance (<u>TMP 12 - Corporate Governance</u>)

- 7) **Fraud, Error and Corruption, and Contingency Management:** The risk that the Council fails to identify the circumstances in which it may be exposed to the risk of loss through fraud, error, corruption or other eventualities in its treasury management dealings, and fails to employ suitable systems and procedures and maintain effective contingency management arrangements to these ends. It includes the area of risk referred to as operational risk.

***Principle:** The Council will ensure that it has identified the circumstances which may expose it to the risk of loss through fraud, error, corruption or other eventualities in its treasury management dealings. Accordingly, it will employ suitable systems and procedures, and will maintain effective contingency management arrangements, to these ends.*

Schedule:

Details of systems and procedures to be followed, including Internet services	<p>Segregation of duties minimises the possibility of fraud and loss due to error, and is detailed in TMP5 Organisation, clarity and segregation of responsibilities, and dealing arrangements.</p> <p>1. <u>Electronic Banking and Dealing</u></p> <p>(a) <u>Banking:</u> The Council's online banking service provided by Nat West is subject to separate log-on and password control allowing varying levels of access. Details of transactions and balances are available as required, and the system also holds historic data. Officers having access to the bank's online system are as follows:</p> <ul style="list-style-type: none"> • Financial Services • Audit • IT <p>Officer access is reviewed at least 6 monthly or as necessary.</p>
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	<p>2. <u>Standard Settlement Instructions (SSI)</u> list :</p> <ul style="list-style-type: none"> • Brokers and counterparties with whom the Council deals direct are provided a copy of the SSI's. • Named officers will have authority to borrow from the PWLB and invest with the Debt Management Agency Deposit Facility. <p>3. <u>Payment Authorisation</u> :</p> <ul style="list-style-type: none"> • Payments can only be authorised by agreed signatories of the Council, the list of signatories having previously been agreed with the Council's bank. • Inflow and outflow of monies borrowed and invested will only be from the counterparty's bank accounts.
Verification	<p>Loans and investments will be maintained on spreadsheets</p> <p>Transactions will be cross-checked against broker notes, counterparty confirmations and PWLB loan schedules by verifying dates, amounts, interest rates, maturity, interest payment dates etc.</p> <p>When receiving requests for change of payment details, due care will be exercised to ascertain the bona fide of the request and avoid potential fraud. Additional checks will be made through pre-existing contact details for the payee (and not those on the notice received for change of payment details) before altering payment details.</p>
Substantiation	<p>1. The Treasury Management system balances are reconciled with financial ledger codes at the end of each month and at the financial year end.</p> <p>2. Working papers are retained for audit inspection.</p> <p>3. The bank reconciliation is carried out monthly from the bank statement to the financial ledger.</p>
Internal Audit	<p>Internal Audit carry out an annual regulatory review of the treasury management function including probity testing. See <u>TMP7 Budgeting, accounting and audit arrangements</u>.</p>
Contingency Management	<p>1. All treasury spreadsheets are retained on the Council's network. Daily back-ups are taken and maintained and network back-ups can be used by the IT services department to restore files, if necessary.</p> <p>2. Network backups are held off site in a secure location.</p> <p>3. Temporary off-site working facility: The officers who can avail of this facility following an emergency are Finance Manager and Senior Accountant who will individually be made aware of the procedures to follow.</p> <p>4. Electronic Banking System Failure : Balance details will be obtained by phone from the Banks Corporate Service Team. Instructions for CHAPS (Clearing House Automated Payment System) payments will be made by FAX</p> <p>5. The Business Continuity Plan is maintained by the Finance Manager.</p>

Insurance Cover details	The Council has Crime cover. Details of the provider and cover are held by the Senior Accountant
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- 8) **Market Risk Management:** This is the risk that, through adverse market fluctuations in the value of the principal sums the Council borrows and invests, its stated treasury management policies and objectives are compromised, against which effects it has failed to protect itself adequately.

***Principle:** This Council will seek to ensure that its stated treasury management policies and objectives will not be compromised by adverse market fluctuations in the value of the principal sums it invests, and will accordingly seek to protect itself from the effects of such fluctuations.*

Schedule:

Details of approved procedures and limits for controlling exposure to investments whose capital value may fluctuate (gilts, CDs etc.)	<p>Investment instruments used by the external fund managers are subject to fluctuation in capital movements and exposed to interest rate risk. In order to minimise these risks capital preservation is set as the primary objective and pursuit of investment performance should be commensurate with this objective.</p> <p>Pooled funds with a Constant Net asset Value (CNAV) - The Council currently uses pooled funds as per its Treasury Management Strategy and on advice from its treasury advisors.</p> <p>Additionally the following risk control guidelines are set for each fund as part of the fund management agreement to control market risk :</p> <ul style="list-style-type: none"> (a) Maximum weighted average duration of the fund; (b) Maximum permitted exposure to gilts/bonds; (c) Maximum maturity of any instrument.
Accounting for unrealised gains/losses	The method of accounting for unrealised gains or losses on the valuation of financial assets comply with Accounting Code of Practice.

TMP 2: PERFORMANCE MEASUREMENT

Principle: *The Council is committed to the pursuit of value for money in its treasury management activities, and to the use of performance methodology in support of that aim, within the framework set out in its treasury management policy statement.*

Accordingly, the treasury management function will be the subject of ongoing analysis of the value it adds in support of the Council's stated business or service objectives. It will be the subject of regular examination of alternative methods of service delivery, or the availability of fiscal or other grant or subsidy incentives, and of the scope for other potential improvements. The performance of the treasury management function will be measured using the criteria set out below.

Schedule:

Policy concerning methods for testing value for money	<p>Best value reviews will include the production of plans to review the way services are provided by</p> <ul style="list-style-type: none"> ▪ Challenging ▪ Comparing performance ▪ Consulting with other users and interested parties ▪ Applying competition principles <p>in order to pursue continuous improvement in the way the Council's functions are exercised, having regard to a combination of value for money, efficiency and effectiveness.</p>
Policy concerning methods for performance measurement	<ul style="list-style-type: none"> • Performance measurement at this Council is intended to calculate the effectiveness of treasury activity in delivering the strategic objectives set through the Treasury Management Strategy and the Council's Prudential Indicators and to enhance accountability. • Prudential Indicators are local to the Council and are not intended as a comparator between authorities. • The performance review will be made in the light of general trends in interest rates during the year and how the decisions made corresponded with these trends and the Council's agreed strategy, i.e. the Council will avoid hindsight analysis. <p>Any comparison of the Council's treasury portfolio against recognised industry standards, market indices and other portfolios is intended to:</p> <ul style="list-style-type: none"> (i) allow the Council the opportunity to assess the potential to add value through changes to the existing ways in which its portfolio is managed and (ii) permit an informed judgement about the merits or otherwise of using new treasury management techniques or instruments. <p>In drawing any conclusions the Council will bear in mind that the characteristics of its treasury operations may differ from those of other councils, particularly with regard to the position on risk.</p>
Methodology to be applied for evaluating the impact of treasury management decisions	<p>Monitoring of the outcome of treasury management activity against Prudential Indicators approved by the Council will be carried out.</p> <p>The year-end Annual Treasury Report will also include, as a matter of course, the outturn against the PIs set prior to the commencement of the financial year and any in-year amendments.</p> <p>The Councils Treasury Management advisors compare the performance of the Councils in-house funds against all its other clients and submits the results quarterly.</p>

Methodology to be employed for measuring the performance of the Council's treasury management activities	<p>Treasury management activity is reported annually against strategy and prevailing economic and market conditions. The report will include</p> <ul style="list-style-type: none"> a) Total debt including average rate and maturity profile (where appropriate) b) The effect of new borrowing and/or maturities on the above c) The effect of any debt restructuring on the debt portfolio d) Total investments including average rate, credit and maturity profile e) The effect of new investments/redemptions/maturities on the above f) The rate of return on investments against their indices for internally and externally managed funds g) An analysis of any risks inherent within the investment portfolio (e.g. exposure to market movements in the value of CDs, gilts/bonds, callable deposits in their call period) h) A statement whether the treasury management activity resulted in a breach of the Prudential Indicators and other limits set within treasury strategy.
Best value	<p>The treasury management function will be the subject of ongoing analysis of the value it adds in support of the Council's stated corporate and service objectives.</p> <p>When tendering for treasury-related or banking services, the Council adheres to its Financial Regulations. These require that :</p> <ul style="list-style-type: none"> a) For a contract with a value below an agreed threshold, at least 1 but preferably 3 quotes and service delivery proposals are obtained b) For a contract with a value above an agreed threshold but below an agreed tender threshold, at least 3 written quotes and service delivery proposals are obtained c) For a contract above an agreed tender threshold but below the EU threshold a tender exercise in line with CIPFA best practice is performed. d) When placing a contract with a value in excess of the EU Threshold a tendering process that meets the requirements of the EU procurement procedures (OJEU) is undertaken. e) If necessary, the Council will also consult with other users of similar services as well as with interested parties. f) The Council will also evaluate alternative methods of the availability of fiscal, grant or subsidy initiatives, and service delivery.

TMP 3: DECISION-MAKING AND ANALYSIS

Principle: *The Council will maintain full records of its treasury management decisions, and of the processes and practices applied in reaching those decisions, both for the purposes of learning from the past, and for demonstrating that reasonable steps were taken to ensure that all issues relevant to those decisions were taken into account at the time. The issues to be addressed and processes and practices to be pursued in reaching decisions are detailed below.*

Schedule:

Major treasury decisions	<p>As a public service organisation, there is a requirement to demonstrate openness and accountability in treasury management activities. Accordingly, the Council will create and maintain an audit trail of major treasury management decisions which comprise either :</p> <ul style="list-style-type: none"> a) Options Appraisal to determine a funding decision b) raising a new long-term loan / long-term source of finance c) prematurely restructuring/redeeming an existing long-term loan(s) d) investing longer-term (i.e. in excess of 1 year) e) utilisation of investment instruments which constitute capital expenditure (i.e. loan capital/share capital in a body corporate) f) leasing g) change in banking arrangements h) appointing/replacing a treasury advisor i) appointing/replacing a fund manager
Process	The Council's strategy for the application of its treasury policy is set out in the annual Treasury Management Strategy.
Delegated powers for treasury management	The Director of Resources has delegated powers to carry out the Council's strategy for debt management, capital finance and borrowing, depositing surplus funds and managing the cash flows of the Council.
Issues to be addressed, evaluation, authorisation	<p>In exercising these powers, the Director of Resources and those to whom the treasury activity have been delegated will</p> <ul style="list-style-type: none"> • have regard to the nature and extent of any associated risks to which the Council may become exposed; • be certain about the legality of the decision reached and that the necessary authority to proceed has been obtained; • be satisfied that the documentation is adequate to deliver the Council's objectives, protect the Council's interests, and to maintain an effective audit trail; • ensure that the perceived credit risk associated with the approved counterparties is judged satisfactory and is within agreed limits; • be satisfied that the terms of any transactions have been fully checked against the market, and have been found to be competitive; • follow best practice in implementing the treasury transaction. <p>In exercising Borrowing and Funding decisions, the Director of Resources will :</p> <ul style="list-style-type: none"> • evaluate economic and market factors that may influence the manner and timing of any decision to fund; • consider alternative forms of funding, including use of revenue resources, leasing and private partnerships; • consider the use of internal resources and/or the most appropriate periods to fund and repayment profiles to use; • consider ongoing revenue liabilities created; • where applicable, monitor regularly the benefits of internal borrowing against the potential for incurring additional costs by deferring borrowing into future years • consider the alternative interest rate bases available, the most

	<p>appropriate periods to fund and repayment profiles to use;</p> <ul style="list-style-type: none"> consider ongoing revenue liabilities created. <p>In exercising Investment decisions, the Director of Resources will :</p> <ul style="list-style-type: none"> Determine that the investment is within the Council's strategy and pre-determined instruments and criteria; consider the optimum period, in the light of core balances and reserves, cash flow availability and prevailing market conditions; consider the alternative investment products and techniques available if appropriate.
Processes to be followed	The processes to be followed will be in keeping with TMP 4: The Council's Approved, Instruments, Methods and Techniques.
Evidence and records to be kept	<p>The Council will maintain a record of all major treasury management decisions, the processes undertaken and the rationale for reaching the decision made. These will allow for an historical assessment of decisions made and verification that any checks and safeguards are indeed in place and operating correctly.</p> <p>Records and working papers will be maintained by the Council electronically and in relevant files.</p>

TMP 4: APPROVED INSTRUMENTS, METHODS AND TECHNIQUES

***Principle:** The Council will undertake its treasury management activities by employing only those instruments, methods and techniques detailed in the schedule to this document, and within the limits and parameters defined in **TMP1 Risk Management**.*

Schedule:

Approved treasury management activities	<p>The Council is permitted to undertake the following activities:</p> <ul style="list-style-type: none"> ▪ Managing cashflow ▪ Capital financing ▪ Borrowing including debt restructuring and debt repayment ▪ Lending including redemption of investments ▪ Banking ▪ Leasing ▪ Managing the underlying risk associated with the Council's capital financing and surplus funds activities. <p>The above list is not finite and the Council would, from time to time, consider and determine new financial instruments and treasury management techniques; however, the Council will consider carefully whether the officers have the skills and experience to identify and manage the advantages and risks associated with using the instruments/techniques before undertaking them, more so as some risks may not be wholly or immediately transparent.</p>
Approved capital financing methods and types/sources of funding	<p><u>On balance sheet</u></p> <ul style="list-style-type: none"> • Public Works Loans Board (PWLB) loans and loans from its successor body • long term money market loans including Lender Option Borrower Options (LOBOs) • temporary money market loans (up to 364 days). • bank overdraft • loans from bodies such as the European Investment Bank (EIB) • Stock issues • Finance Leases • Deferred Purchase • Government and EU Capital Grants • Lottery monies • Other Capital Grants and Contributions ▪ PFI ▪ Operating and finance leases ▪ Hire purchase ▪ Sale and leaseback <p><u>Internal Resources</u></p> <ul style="list-style-type: none"> • Capital Receipts • Revenue Balances • Use of Reserves <p><u>Off balance sheet</u></p> <ul style="list-style-type: none"> ▪ Operating Leases ▪ Structured Finance <p>The level of debt will be consistent with the Treasury Management Strategy and the Prudential Indicators.</p>

Approved investment instruments	<p>The Council will determine through its Annual Investment Strategy (AIS) which instruments it will use, giving priority to the security and liquidity (in that order) of its invested monies. The investments will be categorised as 'Specified' or 'Non Specified' based on the criteria set out by the ODPM (now CLG) in its Investment Guidance March 2004 (as amended).</p> <p>The Council will determine through the AIS which instruments will be used in-house and which will be used by the appointed external fund manager(s) including the maximum exposure for each category of non-specified investments. Where applicable, the Council's credit criteria will also apply.</p> <p>Banks Unsecured: Accounts, deposits, certificates of deposit and senior unsecured bonds with banks and building societies, other than multilateral development banks.</p> <p>Banks Secured: Covered bonds, reverse repurchase agreements and other collateralised arrangements with banks and building societies.</p> <p>Government: Loans, bonds and bills issued or guaranteed by national governments, regional and local authorities and multilateral development banks.</p> <p>Corporates: Loans, bonds and commercial paper issued by companies other than banks and registered providers.</p> <p>Registered Providers: Loans and bonds issued by, guaranteed by or secured on the assets of Registered Providers of Social Housing, formerly known as Housing Associations.</p> <p>Pooled Funds: Shares in diversified investment vehicles consisting of the any of the above investment types, plus equity shares and property. Money Market Funds that offer same-day liquidity and aim for a constant net asset value.</p> <p>Bond, equity and Property Funds</p>
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TMP 5: ORGANISATION, CLARITY AND SEGREGATION OF RESPONSIBILITIES, AND DEALING ARRANGEMENTS

***Principle:** The Council considers it essential, for the purposes of the effective control and monitoring of its treasury management activities, for the reduction of the risk of fraud or error, and for the pursuit of optimum performance, that these activities are structured and managed in a fully integrated manner, and that there is at all times a clarity of treasury management responsibilities.*

The principle on which this will be based is a clear distinction between those charged with setting treasury management policies and those charged with implementing and controlling these policies, particularly with regard to the execution and transmission of funds, the recording and administering of treasury management decisions, and the audit and review of the treasury management function.

If and when the Council intends, as a result of lack of resources or other circumstances, to depart from these principles, the Director of Resources will ensure that the reasons are properly reported in accordance with TMP6 Reporting requirements and management information arrangements, and the implications properly considered and evaluated.

The Director of Resources will ensure that there are clear written statements of the responsibilities for each post engaged in treasury management, and the arrangements for absence cover. The Director of Resources will also ensure that at all times those engaged in treasury management will follow the policies and procedures set out. The present arrangements are detailed in the schedule below.

The Director of Resources will ensure there is proper documentation for all deals and transactions, and that procedures exist for the effective transmission of funds. The present arrangements are detailed in the schedule below.

The delegations to the Senior Accountant in respect of treasury management are set out in the schedule below. The Senior Accountant will fulfil all such responsibilities in accordance with the organisation's policy statement and TMPs and, if a CIPFA member, the Standard of Professional Practice on Treasury Management.

Schedule:

Limits to responsibilities at Executive levels	<p>Full Council</p> <ul style="list-style-type: none"> • budget consideration and approval <p>Finance and Corporate Services committee:</p> <ul style="list-style-type: none"> • receiving and reviewing Prudential Indicators as part of the budget setting process • receiving and reviewing reports on treasury management policies, practices and activities • approval of amendments to adopted clauses, treasury management policy statement and treasury management practices • receiving and reviewing external audit reports and acting on recommendations • approving the selection of external service providers and agreeing terms of appointment
Principles and practices concerning segregation of duties	<p>The segregation of duties will be determined by the Director of Resources.</p> <p>Segregation of duties exists in that:</p> <ul style="list-style-type: none"> • the officer(s) responsible for negotiating and closing treasury management deals is separate from officer(s) authorising payments • all borrowing/investments decisions must be authorised by the Director of Resources.

Statement of duties/ responsibilities of each treasury post	<p>Examples:</p> <p>The Director of Resources :</p> <ul style="list-style-type: none"> • submitting budgets and budget variations • recommending clauses, treasury management policy, practices for approval, reviewing the same regularly and monitoring compliance • determining Prudential Indicators and Treasury Management Strategy including the Annual Investment Strategy • submitting regular treasury management policy reports • receiving and reviewing management information reports • reviewing the performance of the treasury management function and promoting best value reviews • ensuring the adequacy of treasury management resources and skills, and the effective division of responsibilities within the treasury management function • recommending the appointment of external service providers • determining long-term capital financing and investment decisions. • The Director of Resources has delegated powers to determine and undertake the most appropriate form of borrowing from the approved sources, and to make the most appropriate form of investments in approved instruments. • The Director of Resources may delegate their power to borrow and invest to members of his staff <p>Chief Executive</p> <ul style="list-style-type: none"> • ensuring the adequacy of internal audit and liaising with external audit <p>Senior Accountant</p> <ul style="list-style-type: none"> • execution of transactions • adherence to agreed policies and practices on a day to day basis • maintaining relationships with third parties and external service providers • monitoring performance on a day to day basis • submitting management information reports to the responsible officer • identifying and recommending opportunities for improved practices. • recording treasury management transactions, • reconciling treasury management transactions with the financial ledger • recording/reconciling counterparty documentation.
Absence cover arrangements	<p>In the absence of the Director of Resources the Chief Executive will assume their responsibilities.</p> <p>In the absence of the Senior Accountant the Finance Manager will provide cover.</p> <p>Cover is reviewed as necessary.</p> <p>Full procedure notes are available, detailing the processes required to enable the day to day operation of the treasury management function.</p>

Dealing

Authorised officers	<p>Responsible officer for borrowing/investment decisions :</p> <p>Borrowing activity: <i>Senior Accountants</i></p> <p>Lending activity : <i>Senior Accountants</i></p> <p>Authorising payments for borrowing/lending : <i>Directors</i></p> <p>Transaction recording : <i>Senior Accountants</i></p>
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Dealing limits	Internally Managed Investments: <ul style="list-style-type: none"> the maximum for any one investment deal is £3 million (subject to the lending limits detailed in the Council's Annual Investment Strategy.)
List of approved brokers	Brokers used by the Council are named in TMP 11 : External Service Providers
Policy on brokers' services	It is the Council's policy to utilise the services between at least two brokers. The Council will maintain a spread of business between them in order to avoid relying on the services of any one broker.
Policy on taping of conversations	Conversations with brokers may be taped by the brokers.
Direct dealing practices	Direct dealing is carried out with institutions and with external pooled funds identified in the Operational Schedule subject to counterparty and maturity limits and dealing limits. Prior to undertaking direct dealing, the Council will ensure that each counterparty/fund has been provided with the Council's list of authorised dealers and the Council's Standard Settlement Procedures.
Settlement transmission procedures	<ul style="list-style-type: none"> settlements are made by CHAPS. all CHAPS payments relating to settlement transactions require authorisation by a designated officer all CHAPS payments require 2 bank signatures the details are transmitted electronically to the Council's bankers.
Documentation requirements	<p>For each deal undertaken a record should be prepared giving details of dealer, amount, period, counterparty, interest rate, dealing date, payments date(s), broker.</p> <p>Investments</p> <ul style="list-style-type: none"> deal ticket authorising the investment confirmation from the broker confirmation from the counterparty Contract notes for purchase and sale of shares/units in pooled funds from the fund's manager/administrator Chaps payment transmission document <p>Loans:</p> <ul style="list-style-type: none"> deal ticket with signature to agree loan confirmation from the broker confirmation from PWLB/market counterparty Chaps payment transmission document for repayment of loan.

TMP 6: REPORTING REQUIREMENTS AND MANAGEMENT INFORMATION ARRANGEMENTS

***Principle:** The Council will ensure that regular reports are prepared and considered on the implementation of its treasury management policies; on the effects of decisions taken and transactions executed in pursuit of those policies; on the implications of changes, particularly budgetary, resulting from regulatory, economic, market or other factors affecting its treasury management activities; and on the performance of the treasury management function.*

As a minimum, the Finance and Corporate Services Committee will receive:

- *An annual report on the strategy and plan to be pursued in the coming year*
- *An annual report on the performance of the treasury management function, on the effects of the decisions taken and the transactions executed in the past year, and on any circumstances of non-compliance with the organisation's treasury management policy statement and TMPs.*
- *A mid year review of Treasury activity*

The present arrangements and the form of these reports are outlined below.

Schedule:

Frequency of executive reporting requirements	<p>The Director of Resources will annually submit budgets and will report on budget variations as appropriate.</p> <p>The Director of Resources will submit the Prudential Indicators and the Treasury Strategy Statement (including Annual Investment Strategy) and report on the projected borrowing and investment strategy and activity for the forthcoming financial year to the Finance and Corporate Services committee before the start of the year.</p> <p>The Annual Treasury Report will be prepared as soon as practicable after the financial year end and, in all cases, before the end of September.</p> <p>A Mid-Year Treasury Report will be prepared by the Director of Resources, which will report on treasury management activities for the first part of the financial year. The Mid-Year Report will be submitted to Finance and Corporate Services during the year.</p>
Content of Reporting: 1. Prudential Indicators	<p>The Council will set the following Prudential Indicators, revise if necessary, and following the year end publish actual (where appropriate) in respect of :</p> <ul style="list-style-type: none"> ▪ Financing costs as a proportion of net revenue stream (estimate; actual) ▪ Capital expenditure (estimate; actual) ▪ Incremental impact of capital financing decisions (estimate) ▪ Capital Financing Requirement (estimates; actual) ▪ Authorised limit for external debt ▪ Operational boundary for external debt ▪ Actual external debt <p>The Prudential Indicators are approved and revised by Finance and corporate Services Committee and are integrated into the Council's overall financial planning and budget process.</p>

2. Treasury Strategy Statement including the Annual Investment Strategy	<p>The Treasury Strategy Statement integrates with the Prudential Indicators being set and will include the following:</p> <ul style="list-style-type: none"> • Link to Capital Financing and Treasury Management Prudential Indicators for the current and ensuing three years • Strategy for financing new borrowing requirements (if any) and refinancing maturing borrowing (if any) over the next three years and for restructuring of debt • the extent to which surplus funds are earmarked for short term requirements • the investment strategy for the forthcoming year(s) (<i>see below*</i>) • the minimum to be held in short term/specified investment during the coming year • the interest rate outlook against which the treasury activities are likely to be undertaken. <p>*Based on the ODPM's (now CLG's) Guidance on Investments, the Council will produce an Annual Investment Strategy (AIS) which sets out</p> <ul style="list-style-type: none"> ▪ the objectives, policies and strategy for managing its investments; ▪ the determination of which Specified and Non Specified Investments the Council will utilise during the forthcoming financial year(s) based on the Council's economic and investment outlook and the expected level of investment balances; ▪ the limits for the use of Non-Specified Investments. <p>The AIS will be integrated into the Treasury Strategy Statement.</p>
3. Annual Treasury Report	<p>The Director of Resources will produce an annual report for the Finance and Corporate Services Committee on all activities of the treasury management function (including the performance of fund managers) as soon as practicable after year end and in all cases no later than 30 September of the succeeding financial year.</p> <p>The main contents of the report will comprise :</p> <ul style="list-style-type: none"> ▪ confirmation that the Council calculated its budget requirements and set a balanced budget for the FY; ▪ the prevailing economic environment ▪ a commentary on treasury operations for the year, including their revenue effects; ▪ commentary on the risk implications of treasury activities undertaken and the future impact on treasury activities of the Council ▪ compliance with agreed policies/practices and statutory/regulatory requirements ▪ compliance with Prudential Indicators; ▪ performance measures.
Content and frequency of management information reports	<p>The Director of Resources will produce a half yearly monitoring report for the Finance and Corporate Services Committee</p> <p><i>Example :</i> This report includes details of :</p> <ul style="list-style-type: none"> • borrowing and investment activity undertaken including forward deals • performance of investments against benchmark • extent of compliance with the treasury strategy and reasons for variance (if any)
5. Scrutiny	<p>The Director of Resources will present the Treasury Strategy Statement to the Overview and Scrutiny committee prior to agreement by the Finance and Corporate Services Committee.</p> <p>The Overview and Scrutiny Committee will have responsibility for the scrutiny of treasury management policies and practices (TMP's)</p>

TMP 7: BUDGETING, ACCOUNTING AND AUDIT ARRANGEMENTS

Principle: *The Director of Resources will prepare, and the Council will approve and, if necessary, from time to time will amend, an annual budget for treasury management, which will bring together all of the costs involved in running the treasury management function, together with associated income. The matters to be included in the budget will at minimum be those required by statute or regulation, together with such information as will demonstrate compliance with **TMP1 Risk management, TMP2 Performance measurement, and TMP4 Approved instruments, methods and techniques**. The form which the Council's budget will take is set out in the schedule below.*

*The Director of Resources will exercise effective controls over this budget, and will report upon and recommend any changes required in accordance with **TMP6 Reporting requirements and management information arrangements**.*

The Council will account for its treasury management activities, for decisions made and transactions executed, in accordance with appropriate accounting practices and standards, and with statutory and regulatory requirements in force for the time being. The present form of the Council's accounts is set out in the schedule.

Schedule:

Statutory/regulatory requirements	<p>Balanced Budget Requirement: The provisions of S32 and S43 of the Local Government Finance Act 1992 require this Council to calculate its budget requirement for each financial year including, among other aspects:,</p> <p>(a) the expenditure which is estimated to be incurred in the year in performing its functions and which will be charged to a revenue account and</p> <p>(b) revenue costs which flow from capital financing decisions.</p> <p>S33 of the Act requires the Council to set a council tax sufficient to meet expenditure after taking into account other sources of income.</p>
Proper accounting practice	CIPFA's Code of Practice on Local Authority Accounting in the United Kingdom (the local authority code) constitutes "proper accounting practice under the terms of S21 (2) of the Local Government Act 2003".
Financial Statements	<p>The Financial Statements comprise:</p> <ul style="list-style-type: none"> ▪ A Narrative Statement ▪ Accounting policies, changes in accounting estimates and errors ▪ Presentation of financial statements ▪ Movement in reserves statement ▪ Comprehensive income and expenditure statement ▪ Balance sheet ▪ Cash flow statement ▪ Collection Fund (England) ▪ Statement of Responsibilities ▪ The Accounting Statements ▪ Notes to the financial statements ▪ Statements reporting reviews of internal controls or internal financial controls ▪ Events after the reporting period ▪ Related party disclosures
Format of the Council's accounts	The current form of the Council's accounts is available within the Finance department.

Disclosures relating to treasury management	Due regard will be given to the disclosure requirements under CIPFA's Accounting Code of Practice.
Treasury-related information requirements of external auditors	<p>The following information is specifically requested by the external auditor and should be considered an initial request for information. It is usually followed by more detailed audit testing work which often requires further information and/or explanations from the Council's officers.</p> <p>Information in this context includes internally generated documents, externally generated documents, observation of treasury management practices which support and explain the operation and activities of the treasury management function.</p> <ul style="list-style-type: none"> ▪ Determination of Affordable Borrowing Limit under Section 3 of the Local Government Act 2003. ▪ Prudential Indicators. ▪ Treasury Management Strategy including Annual Investment Strategy. <p><u>External borrowing:</u></p> <ul style="list-style-type: none"> • New loans borrowed during the year : PWLB certificates / documentation in relation to market loans borrowed (including copy of agreements, schedule of commitments) • Loan maturities. • Compliance with proper accounting practice, regulations and determinations for the amortisation of premiums and discounts arising on loans restructured during the year and previous years. • Analysis of loans outstanding at year end including maturity analysis. • Analysis of borrowing between long- and short-term • Debt management and financing costs <ul style="list-style-type: none"> ▪ calculation of (i) interest paid (ii) accrued interest ▪ interest paid • MRP calculation and analysis of movement in the CFR. • Bank overdraft position. • Brokerage/commissions/transaction related costs. <p><u>Investments:</u></p> <ul style="list-style-type: none"> • Investment transactions during the year including any transaction-related costs • cash and bank balances at year end • Short-term investments at year end • Long-term investments at year end (including investments in associates and joint ventures) by asset type, including unrealised gains or losses at year end • calculation of (i) interest received (ii) accrued interest • actual interest received • External fund manager valuations including investment income schedule and movement in capital values, transaction confirmations received (if any) • Basis of valuation of investments • Evidence of existence and title to investments (e.g. Custodian's Reports • Schedule of any investments in companies together with their latest financial statements); statement of transactions between the company and the Council.

	<p><u>Cash Flow</u></p> <ul style="list-style-type: none"> ▪ Reconciliation of the movement in cash to the movement in net debt ▪ Cash inflows and outflows (in respect of long-term financing) ▪ Cash inflows and outflows (in respect of purchase/sale of long-term investments) ▪ Net increase/decrease in (i) short-term loans (ii) short-term deposits (iii) other liquid resources <p><u>Other</u></p> <p>Details of (treasury-related) material events after balance sheet date not reflected in the financial statements.</p> <ul style="list-style-type: none"> ▪ External advisors'/consultants' charges
Internal Audit	<p>Internal Audit generally conducts an annual review of the treasury management function and probity testing.</p> <p>The internal auditors will be given access to treasury management information/documentation as required by them.</p>
Compliance with CIPFA Treasury Management and Prudential Codes	<p>Auditors may require evidence/demonstration of compliance with external and internal treasury management policies and strategy.</p> <p>Any serious breach of the TM Code's recommendations or Prudential Indicators should be brought to the attention of the external auditor.</p>
Costs for treasury management	<p>The budget for treasury management forms part of the Financial Services budget.</p>

TMP 8: CASH AND CASH FLOW MANAGEMENT

Principle: Unless statutory or regulatory requirements demand otherwise, all monies in the hands of the Council will be under the control of the Director of Resources, and will be aggregated for cash flow and investment management purposes. Cash flow projections will be prepared on a regular and timely basis, and the Director of Resources will ensure that these are adequate for the purposes of monitoring compliance with **TMP1 [2] liquidity risk management**. The present arrangements for preparing cash flow projections and their form are set out in the schedule below.

Schedule:

Arrangements for preparing /submitting cash flow statements	<p>A Cash flow forecasts will be used to formulate the Council's borrowing and investment strategy by identifying periods of surplus or shortfall of cash balances during the year.</p> <p>The cash flow forecasts and statements are held at operational level.</p> <p>The accuracy and effectiveness of the Council's cash flows are dependent on the accuracy of estimating expenditure, income and their corresponding time periods.</p> <p>Daily cash flows show forecast and planned movements of cash on a daily basis, including the matching of known inflows and payments. This is recorded in the Investments spreadsheet (IOSF yyyy-yyyy)</p>
Content and frequency of cash flow projections	<p>The detailed annual cash flow model includes the following:</p> <ul style="list-style-type: none"> • revenue income and expenditure based on the budget. • profiled capital income and expenditure as per the capital programme. <p>Revenue activities:</p> <p><u>Inflows:</u></p> <ul style="list-style-type: none"> ▪ Revenue Support Grant ▪ Precepts received ▪ Non domestic rates receipts ▪ Council tax receipts ▪ Housing subsidy ▪ DSS / other government grants ▪ Cash for goods and services ▪ Other operating cash receipts <p><u>Outflows:</u></p> <ul style="list-style-type: none"> ▪ Salaries and payments on behalf of employees ▪ Operating cash payments ▪ Housing Benefit paid ▪ Precepts paid ▪ NDR payments <p>Capital activities including financing</p> <p><u>Inflows:</u></p> <ul style="list-style-type: none"> ▪ Capital grants received ▪ Sale of fixed assets ▪ Other capital cash receipts <p><u>Outflows:</u></p> <ul style="list-style-type: none"> ▪ Purchase of fixed assets ▪ Purchase of long-term investments ▪ Other capital cash payments

Monitoring, frequency of cash flow updates	<p>The annual cash flow statement is updated periodically with the actual cash inflows and outflows after taking account of any revisions including those relating to grant income and capital expenditure and will be reconciled with :</p> <ul style="list-style-type: none"> • net RSG and NNDR payments as notified; • county council and police authority precepts as notified; • actual salaries and other employee costs paid from account bank statements; • actual payments to Inland Revenue from general account bank statements; • actual council tax received from general account bank statement; • actual rent allowances paid from payments account bank statement; • actual housing benefit and housing subsidy grant received from CLG; • actual capital programme expenditure and receipts.
Bank statements procedures	<p>The Council accesses its bank statements online and these are downloaded on a daily basis. The statements are processed and posted independently to the treasury function and are reconciled to the general ledger on a monthly basis.</p>
Payment scheduling	<p>The Council has a policy of paying suppliers in line with agreed terms of trade and the following service standards:</p> <ul style="list-style-type: none"> • <i>Undisputed invoices are to be paid within 30 days.</i>
Monitoring debtor/ creditor levels	<p>Debtor levels are monitored by a monthly Sundry Debtors Monitoring Report to the Finance Manager which will include an analysis of debt by age and details and details of recovery status.</p>
Banking of funds	<p>Instructions for the banking of income are set out in the Financial Regulations. Cheques received in the customer services section are banked daily. Generally the council does not take cash payments.</p> <p>All the Council's sections are advised of the requirement to bank on a regular basis in order to comply with recommended best practice and also remain within the particular insurance limits for the Council's premises.</p>

TMP 9: MONEY LAUNDERING

Background: The Proceeds of Crime Act (POCA) 2002 consolidated, updated and reformed criminal law in the UK in relation to money laundering. The principal offences relating to money laundering are:

- Concealing, disguising, converting, transferring or removing criminal property from England and Wales, from Scotland or from Northern Ireland
- Being concerned in an arrangement which a person knows or suspects facilitates the acquisition, retention use or control of criminal property
- Acquiring, using or possessing criminal property.

Other offences include failure to disclose money laundering offences, tipping off a suspect either directly or indirectly, and doing something that might prejudice an investigation.

Organisations pursuing relevant businesses were required to appoint a nominated officer and implement internal reporting procedures; train relevant staff in the subject; establish internal procedures with respect to money laundering; obtain, verify and maintain evidence and records of the identity of new clients and transactions undertaken and report their suspicions.

In December 2007, the UK Government published the Money Laundering Regulations 2007, which replaced the 2003 Regulations.

CIPFA believes that public sector organisations should “embrace the underlying principles behind the money laundering legislation and regulations and put in place anti money laundering policies, procedures and reporting arrangements appropriate and proportionate to their activities”.

Principle: *The Council is alert to the possibility that it may become the subject of an attempt to involve it in a transaction involving the laundering of money. Accordingly, it will maintain procedures for verifying and recording the identity of counterparties and reporting suspicions, and will ensure that staff involved in this are properly trained. The present arrangements, including the name of the officer to whom reports should be made, are detailed in the schedule below.*

Schedule:

Anti money laundering policy	<p>This Council’s policy is to prevent, wherever possible, the organisation and its staff being exposed to money laundering, to identify the potential areas where it may occur and to comply with all legal and regulatory requirements, especially with regard to the reporting of actual or suspected cases.</p> <p>The Council has accepted responsibility to ensure that those of its staff who are most likely to be exposed to money laundering can make themselves fully aware of the law and, where necessary, are suitably trained.</p>
Nomination of Responsible Officer(s)	<p>(a) The Council nominates Internal Audit function to be the responsible body to whom any suspicions relating to transactions involving the Council will be communicated.</p> <p>(b) The responsible officer will be conversant with the requirements of the Proceeds of Crime Act 2002 and will ensure relevant staff are appropriately trained and informed so they are alert for suspicious transactions.</p> <p>(c) The responsible officer will make arrangements to receive and manage the concerns of staff about money laundering and their suspicion of it, to make internal enquiries and to make reports, where necessary, to National Criminal Intelligence Services (NCIS).</p>

<p>Procedures for establishing the Identity of Lenders and Borrowers</p>	<ul style="list-style-type: none"> (a) In the course of its treasury activities, the Council will only borrow from permitted sources identified in TMP 4. (b) The Council will not accept loans from individuals. (c) In the course of its treasury activities, the Council will only invest with those counterparties which are on its approved lending list. (d) The identity and authenticity of commercial institutions (banks, building societies and other financial institutions) authorised to carry out borrowing and lending activity in the UK will be checked via the Bank of England/ Prudential Regulation Authority's website. (e) All receipts/disbursements of funds will be undertaken by <u>BACS or CHAPS</u> settlement. (f) Direct Dealing mandates: The Council will provide (in the case of lending) / obtain (in the case of borrowing) and maintain on file dealing mandates with any new money market counterparty. The mandates should be on letter-headed paper, dated and signed. (g) All banking transactions will only be undertaken by the personnel authorised to operate the Council's banks accounts. (h) When receiving requests for change of payment details, due care will be exercised to ascertain the bona fide of the request and avoid potential fraud. Additional checks will be made through <u>pre-existing</u> contact details for the payee before altering payment details.
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TMP 10: TRAINING AND QUALIFICATIONS

***Principle:** The Council recognises the importance of ensuring that all staff involved in the treasury management function are fully equipped to undertake the duties and responsibilities allocated to them. It will therefore seek to appoint individuals who are both capable and experienced and will provide training for staff to enable them to acquire and maintain an appropriate level of expertise, knowledge and skills. The Director of Resources will recommend and implement the necessary arrangements.*

The Director of Resources will ensure that council members tasked with treasury management responsibilities, including those responsible for scrutiny, have access to training relevant to their needs and responsibilities.

Those charged with governance recognise their individual responsibility to ensure that they have the necessary skills to complete their role effectively.

The present arrangements are detailed in the schedule below.

Schedule:

Qualifications/ experience for treasury staff	<i>Treasury Staff should have the AAT qualification as a minimum and preferably prior experience in Treasury management.</i>
Details of approved training courses	<p>The courses/events the Council would expect its treasury personnel to consider are (examples below):</p> <ul style="list-style-type: none"> • Certificate in International Treasury Management - Public Finance (<i>this is the new CIPFA TM qualification run by the Association of Corporate Treasurers</i>) • Training courses for Accounting, Auditing, Best Value/Competition, Budgeting, Capital Finance & Borrowing, Financial Management run by CIPFA and IPF • Any courses/seminars run by Treasury Management Consultants. • Attending CIPFA Conference • Training provided by those responsible for scrutiny of the treasury function

TMP 11: USE OF EXTERNAL SERVICE PROVIDERS

Principle: *The Council recognises that responsibility for the treasury management decisions remains with the organisation at all times. It recognises the potential value of employing external providers of treasury management services, in order to acquire access to specialist skills and resources. When it employs such service providers, it will ensure it does so for reasons which will have been submitted to a full evaluation of the costs and benefits. It will also ensure that the terms of their appointment and the methods by which their value will be assessed are properly agreed and documented, and subjected to regular review. And it will ensure, where feasible and necessary, that a spread of service providers is used, to avoid over reliance on one or a small number of companies. Where services are subject to formal tender or re-tender arrangements, legislative requirements will always be observed. The monitoring of such arrangements rests with the Director of Resources, and details of the current arrangements are set out in the schedule below.*

Schedule:

Contract threshold	The Council's Financial Regulations require that a formal written contract is in place with external service providers where the contract value exceeds £50,000 over the term. The contract will clearly state the services to be provided and the terms on which they will be provided.
Details of service providers and procedures and frequency for tendering services	<p>(a) Bankers to the Council: Nat West, Po Box 333, Silbury House 300 Silbury Boulevard , Central Milton Keynes, MK9 2ZF</p> <p>0845 308 8969</p> <p>Contract period : 1 April 2016 - March 2019</p> <p>Formal agreement in place : yes</p> <p>This service will be re-tendered every 3 years</p> <p>(b) Treasury advisor Arlingclose 35 Chiswell Street London EC1Y 4SE 08448 808201</p> <p>Contract period : 1 April 2015-31 March 2018</p> <p>Formal agreement in place : yes</p> <p>This service may be re-tendered every 3 years</p> <p>(d) Brokers: It is considered good practice for the Council to have at least two brokers and to spread business between them.</p> <p>BGC Partners Sterling Products 1 Churchill Place, Canary Wharf, London, E14 5RD</p>

	<p>0207 894 7742</p> <p>Formal agreement in place : no</p> <p>R P Martin Brokers 1 Churchill Place, Canary Wharf , London, E14 5RD 0207 894 8987</p> <p>Formal agreement in place : no</p>

TMP 12: CORPORATE GOVERNANCE

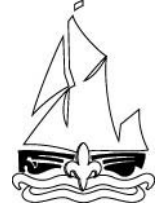
Principle: The Council is committed to the pursuit of proper corporate governance throughout its businesses and services, and to establishing the principles and practices by which this can be achieved. Accordingly, the treasury management function and its activities will be undertaken with openness and transparency, honesty, integrity and accountability.

The Council has adopted and has implemented the key recommendations of the Code. This, together with the other arrangements detailed in the schedule below, are considered vital to the achievement of proper corporate governance in treasury management, and the Director of Resources will monitor and, if and when necessary, report upon the effectiveness of these arrangements.

Schedule:

Stewardship responsibilities	The Chief Executive ensures that systems exist to deliver proper financial administration and control and maintaining a framework for overseeing and reviewing the treasury management function.
List of documents to be made available for public inspection.	<p>The following documents are freely available for public inspection:</p> <p><i>Examples</i></p> <ul style="list-style-type: none"> ▪ Annual Statement of Accounts ▪ Revenue and Capital Estimates Book ▪ Treasury Management Policy ▪ Treasury Management Strategy ▪ Budget Monitoring Reports ▪ Annual Treasury Report
Council's website.	Financial information is additionally available on the Council's website.
Procedures for consultation with stakeholders.	Members and senior officers of the Council are consulted via reports to the Finance and Corporate Services Committee and officer/member briefing sessions.

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REPORT of DIRECTOR OF PLANNING AND REGULATORY SERVICES

**to
OVERVIEW AND SCRUTINY COMMITTEE
14 FEBRUARY 2018**

SECTION 106 AGREEMENTS

1. PURPOSE OF THE REPORT

- 1.1 This is the 6 monthly report to provide Members with a summary of work undertaken so far on the monitoring of Section 106 Agreements and sets out the intended programme for review of the current procedures used by this Council in the monitoring of Section 106 Agreements.

2. RECOMMENDATIONS

Members are asked to give their views and comments on the information in this report.

3. SUMMARY OF KEY ISSUES

- 3.1 The aim of this report is to update the Committee on the Council's Section 106 progress made from last report on 30 August 2017 (Minutes 2017/354). Update on the following key issues –
- Action taken since the 30 August 2017 report to Scrutiny
 - On-going work relating to Section 106 (S106) Monitoring
 - Summary of financial sums received, spent and current balance
- 3.2 Planning agreements under Section 106 of the Town and Country Planning Act 1990 (the Act), are generally used to mitigate harm that may be caused by a development and are negotiated as part of the planning application process. The Act allows for the Council and developers to negotiate a range of obligations such as financial and non-financial contributions.
- 3.3 **Development Since the last report**
- 3.3.1 In September 2017 the new S106 officer started in post with a view to maintain and develop the S106 systems. To date this has included:
- Developed the comprehensive database to maintain accurate record of S106 clauses as well as monitoring projects funded through S106

- Created various templates to comply with S106 Agreements such as acknowledgment of payment receipt, Compliance Letter and Demand Notices for outstanding payments
- Created individual agreements folder, consisting of calculation of financial payments, received amount, outstanding amount and triggers for financial and non-financial contributions, as it makes it easier to monitor efficiently.
- To date, 260 S106 Agreements with 390 schedules are captured on the database for the monitoring of agreements from 1990 to Jan 2018
- In addition, 44 (out of 134) Section 52 Agreements (Town and Country Planning Act 1971) have been captured on the database for monitoring
- Regular audit of S106 is carried out to establish outstanding financial and non-financial contributions.

3.3.2 The database stores information on site details; clawback periods; purpose of the contribution; financial and non-financial contributions; commencement of the development; trigger and triggered date; financial data; indexation and S106 funded project details. It's able to run report on number of payments due, which helps to issue demand notices to request developers for the outstanding payment.

3.4 **Forthcoming S106 monitoring work**

3.4.1 Further additions to the system include:

- Remaining 90 Section 52 Agreements to be captured on the database
- 15, Section 13 (Town and Country Planning Act 1947) to be captured on the database
- Discharge individual S106 obligation from the recent agreements i.e. strategic sites
- Identify historic agreements already discharged
- Identify historic financial obligations and its spending
- Discharge historic Section 106, Section 52 and Section 13 Agreements, if not already discharged
- Identify projects related to S106 Agreements and allocate funds accordingly
- Set up monitoring systems and its viability for projects delivered via S106
- Set up criteria for infrastructure projects based on the purpose of financial contribution
- Run regular report on S106 clawback period to inform respective project manager of the implications
- Set up a process with Essex County Council to discharge S106 obligations such as Education, Highways and Travel Plan

3.5 **S106 Account Balance**

3.5.1 As of January 2018 there is a balance of £631,914 (See **APPENDIX A** for details) in S106 funds in the Council's account, all respective managers are informed to fund

relevant projects from the balance. The Council has not commissioned any projects since August 2017 concerning S106 contributions, except Pedestrian Linkage in Southminster (Which is in the process of being commissioned via Essex County Council (ECC)). Please see below the breakdown of S106 balance in the Council's account:

Breakdown of S106 Income

Type of Contribution	Amount	Organisation/Department
Health	£107,958	NHS England
Monitoring Fee	£11,073	MDC/Planning Policy
Youth Facilities	£34,628	Leisure - MDC
Pedestrian Linkage	£16,000	Parks - MDC
Affordable Housing Commuted Sum	£406,425	Housing - MDC
Travel Plan	£3,000	Essex County Council
Open Space	£52,830	Leisure - MDC
Total	£631,914	

3.5.2 Seven strategic sites with planning permission and signed S106 Agreements will generate approximately **£23,970,169**. This contribution would be collected by Maldon District Council and Essex County Council (See **APPENDIX B** for details).

3.5.3 Funds secured from 7 Strategic Sites (Signed S106 Agreements) are as follows:

Strategic Sites	Planning Ref/Date of Agreement	Financial Contributions
Strategic Site 2a - South of Limebrook Way	14/01103/out 01-Dec-2016	£16,115,546
Strategic Site 2c - Land East Of Wycke Hill Maldon	13/00763/out 20-Oct-2014	£1,302,850
Strategic Site 2e - Land North of Holloway Road, Heybridge	14/00990/out 27-Apr-2017	£1,905,445
Strategic Site 2f - Land West Of Broad Street Green Road Heybridge Essex	15/00885/ful 16-May-2017	£2,445,020
Strategic Site 2g - Land off Park Drive Maldon Essex	14/00581/ful 04-Oct-2016	£588,604
Strategic Site 2i - Land Between Chandlers And Creeksea Lane Maldon Road Burnham-On-Crouch	14/00356/ful 11-Aug-2017	£766,189
Strategic Site 2j - Land south of Green Lane and north of Maldon Road, Burnham-on-Crouch	16/00093/ful 05-May-2017	£846,515
Total		£23,970,169

Breakdown of Funds Secured from 7 Strategic Sites (Signed S106 Agreements)		
Type of Contribution	Amount	Lead Organisation
Travel Plan	£6,000	Essex County Council
Youth Facilities	£907,147	MDC
Education	£12,554,729	Essex County Council
Health	£601,430	NHS- England
Monitoring Fee	£31,740	MDC/Planning Policy
Open Space	£99,600	MDC
Highways	£8,919,523	Essex County Council
Public Transport	£850,000	Operators/ECC
Total	£23,970,169	

- 3.5.4 Heads of Terms agreed for Strategic Site 2b Wycke Hill North and Site 2d North of Heybridge.

Heads of Terms Completed - 2 Strategic Sites (S106 Has not been signed)		
Strategic Sites	Planning Ref	Financial Contributions
Strategic Site 2b Wycke Hill North	15/01327/out	£5,687,919
Strategic Site 2d North of Heybridge.	15/00419/out	£23,935,754
Total		£29,623,673

Breakdown of Heads of Terms Completed - 2 Strategic Sites (S106 Has not been signed)		
Type of Contribution	Amount	Lead Organisation
Highways	£12,822,091	Essex County Council
Public Transport	£3,100,500	Operators/ECC
Education	£11,032,767	Essex County Council
Youth Facilities	£723,125	MDC
Sports	£1,266,000	MDC
Open Space	£217,872	MDC
Health	£461,318	NHS England
Total	£29,623,673	

3.5.5 Breakdown of all secured S106 funds **Excluding Strategic Sites** are as follows –

Breakdown of all secured S106 Funds (Excluding Strategic Sites)		
Type of Contribution	Amount	Lead Organisation
Travel Plan	£12,000	Essex County Council
Education	£853,890	Essex County Council
Health	£157,636	NHS England
Open Space	£218,400	MDC
Affordable Housing Commuted Sum	£483,000	MDC
Highways	£273,810	Essex County Council
Total	£1,998,736	

3.5.6 Total S106 funds secured for all sites including strategic sites, as shown below –

Total Strategic site funds	
Heads of Terms completed (S106 has not been signed)	£29,623,673
Strategic Sites (S106 Agreement Signed)	£23,970,169
Sub-total	£53,593,842
Secured S106 Funds Excluding Strategic Sites	£1,998,736
Grand Total	£55,592,578

3.5.7 Total allocation and collection of all S106 funds are as follows -

Lead Organisation	Amount	To be collected and monitored by
Essex County Council	£46,474,810	ECC
Operators/ECC	£3,950,500	ECC
Maldon District Council	£3,946,884	MDC
NHS England	£1,220,384	MDC
Total	£55,592,578	

4. CONCLUSION

- 4.1 A robust monitoring system is in place which addresses the concern raised in previous reports. S106 Agreements are being regularly monitored and infrastructure funding is being received and will be spent in due time before clawback period. Significant progress has already been made on our S106 review but it is work in progress. More

work is needed to fully streamline the S106 process. This work has been programmed and is being progressed.

5. IMPACT ON CORPORATE GOALS

- 5.1 The Work of the Overview and Scrutiny Committee supports the corporate goal of “Delivering good quality, cost effective and valued service”.

6. IMPLICATIONS

- (i) **Impact on Customers** - Scrutiny work may aid in improvements to service to the public by the Council and external authorities.
- (ii) **Impact on Equalities** – On and off site infrastructures will be provided through S106 to meet known national standard and available to all communities.
- (iii) **Impact on Risk** – Recommendations arising from scrutiny could assist in mitigating corporate risk.
- (iv) **Impact on Resources and (Financial and human)** - The negotiation of S106 Agreements is part of the planning services core budget. The developer pays the Council’s costs in drafting and completing the agreement.
- (v) **Impact on the Environment** –S106 Agreements are our current method for securing developer contributions to compensate and mitigate the impacts of development on the local environment

Background Papers: None.

Enquiries to:

Naz Chowdhury, Section 106 Monitoring Officer, (Tel: 01621 875862),
naz.chowdhury@maldon.gov.uk.

Income from Section 106 (S106) agreements 2012 – Jan- 2018

Health Care Income

Site address / developer	Planning reference / date of agreement	Type of contribution	Amount received	Date received	Clawback date (Returning Contribution to Developer)	Comments
Land East Of Wycke Hill Maldon Linden	OUT/MAL/13/00763& App/X1545/A/14/2213988 20/10/2014	Provision of additional health care facilities within 3 miles of the development	£11,275	25/09/2017	Not triggered yet	Yet to receive 50% Payment , which is due on Occupation
Land south of Green Lane and north of Maldon Road, Burnham-on-Crouch Persimmon	FUL/MAL/16/00093 05/05/2017	Health care - To be used by NHS England towards improvements at GP Practices within Burnham-on-Crouch	£19,006.80	22/11/2017 & 30/11/2017	Not triggered yet	Phase 3&4 payment due on commencement of those phases (Expected in March)
Southminster West Business Park, Scotts Hill Southminster David Wilson Homes	OUT/MAL/12/00437 11/06/2013	Health care - projects within Southminster GP catchment area	£33,600	28/11/2014	28/11/2024	To be passed to the NHS when a request is received.
Southminster West Business Park, Scotts	OUT/MAL/12/00437 11/06/2013	Health care - projects within Southminster GP	£996	23/09/2015	23/09/2025	To be passed to the NHS when a request is

Site address / developer	Planning reference / date of agreement	Type of contribution	Amount received	Date received	Clawback date (Returning Contribution to Developer)	Comments
Hill Southminster David Wilson Homes		catchment area				received.
Park Drive, Maldon Crest Nicholson	FUL/MAL/14/00581 04/04/2014	Health care towards capital funding for the provision of capital projects to expand existing or provide new general practitioner medical surgeries that serve or will serve the residents within the development.	£43,080	16/05/2016	No repayment clause	To be passed to the NHS when a request is received.
Total			£107,957.80			

S106 Monitoring Income

Site address / developer	Planning reference / date of agreement	Type of contribution	Amount received	Date received	Clawback date (Returning Contribution to Developer)	Comments
Land south of Green Lane and north of Maldon Road, Burnham-on- Crouch Persimmon	FUL/MAL/16/00093 05/05/2017	Monitoring Fee – towards monitoring S106	£4,630	22/11/2017	No repayment Clause	
Land West Of Broad Street Green Road Heybridge Essex Persimmon	FUL/MAL/15/00885 16/05/2017	Monitoring Fee – towards monitoring S106	£6,443	22/11/2017	No repayment Clause	
Total			£11,073.0 0			

Youth Facilities Income

Site address / developer	Planning reference / date of agreement	Type of contribution	Amount received	Date received	Clawback date (Returning Contribution to Developer)	Comments
Land south of Green Lane and north of Maldon Road, Burnham-on- Crouch Persimmon	FUL/MAL/16/00093 05/05/2017	Youth Facilities Contribution towards teen shelters skateboard facilities and access to shared community facilities within the Parish of Burnham-On-Crouch	£34,627.97	22/11/2017 & 30/11/2017	Not triggered yet	Phase 3&4 payment due on commencement of those phases (Expected in March)
Total			£34,627.97			

Pedestrian Linkage

Site address / developer	Planning reference / date of agreement	Type of contribution	Amount received	Date received	Clawback date (Returning Contribution to Developer)	Comments
Southminster West Business Park, Scotts Hill Southminster David Wilson Homes	MLA/MAL/13/01176 04/04/2014	Pedestrian linkages - from northern and eastern boundaries of the site	£16,000	23/06/2014	23/06/2024	Work currently underway by Maldon on the provision of these in liaison with ECC Highways.
Total			£16,000			

Affordable Housing Commuted Sum Income

Site address / developer	Planning reference / date of agreement	Type of contribution	Amount received	Date received	Clawback date (Returning Contribution to Developer)	Comments
Orth's Garage, Silsoe And Cranford Fairfield Chase Maldon McCarthy & Stone	FUL/MAL/13/00257 12/12/2013	Affordable housing – to be applied towards provision of AH within the District of Maldon	£102,498.80	22/04/2016	22/04/2021	
Land at junction Maldon Road and Church Street, Goldhanger Jenny Moody Homes	FUL/MAL/13/00839 30/07/2014	Affordable housing – towards the provision of affordable housing within the administrative area of the District Council	£103,921.56	24/09/2015	No repayment clause	
Poultry Houses, Spital Road, Maldon Chelmsford City Developments	OUT/MAL/14/00723 29/06/2015	Affordable housing – to be applied towards provision of AH within the District of Maldon	£61,496	16/02/2016	16/02/2021	

Site address / developer	Planning reference / date of agreement	Type of contribution	Amount received	Date received	Clawback date (Returning Contribution to Developer)	Comments
Cefas site, Remembrance Avenue, Burnham-on- Crouch Lynton Homes Ltd	FUL/MAL/12/01062 05/12/2013	Affordable housing - for the provision of housing for Persons in a Housing Need	£86,188	05/05/2016	05/05/2021	
Tiptree Road, Great Braxted Granville Developments	FUL/MAL/14/01221 26/10/2015	Affordable housing - to be applied towards the provision of AH within the District of Maldon.	£52,321	05/05/2016	05/05/2026	
Total			£406,425.36			

Open Space Income

Site address / developer	Planning reference / date of agreement	Type of contribution	Amount received	Date received	Clawback date (Returning Contribution to Developer)	Comments
Park Drive, Maldon Crest Nicholson	FUL/MAL/14/00581 04/04/2014	Improvement and enhancement of local equipped area (LEAP) in Promenade Park in Maldon	£52,830.00	02/03/2017	No repayment clause	
Total			£52,830.00			

Travel Plan

Site address / developer	Planning reference / date of agreement	Type of contribution	Amount received	Date received	Clawback date (Returning Contribution to Developer)	Comments
Brooks Bros & Land adj The Causeway, Maldon Aquila	14/00861/FUL 23/04/2015	For approving, checking and monitoring the travel plan	£3,000.00	09/11/2017	No repayment clause	Will be passed to Essex County Council
Total			£3,000.00			

S106 Project Expenditure

Site address / developer	Planning reference / date of agreement	Type of contribution	Amount received	Date received	Clawback date (Returning Contribution to Developer)	Comments
Land off Teal Avenue, Mayland Abbey New Homes	FUL/MAL/07/00638 06/04/2009	Towards sports and community centre, play area equipment and public art	£85,375	19/06/2012	19/06/2017	Money spent on improvements and extension to village hall and play equipment
Southminster West Business Park, Scotts Hill Southminster David Wilson Homes	MLA/MAL/13/01176 04/04/2014	Off site play space - to PC	£44,000	23/06/2014	23/06/2024	Money spent on replacement playground equipment for King George V Memorial Field.
Total			£129,375.00			

Site 2a - South of Limebrookway (1000 Homes)
Consortium - Taylor Wimpey

Site Address/Planning ref	Code for Purpose	Purpose	Non Financial Contribution	Financial Contribution	Trigger	District Council Y/N	County Council Y/N	Total Amount Due
Land South Of Wycke Hill And Limebrook Way - 14/01103/OUT	Monitoring	Monitoring and reviewing compliance with this deed		Sum of Eleven Thousand Five Hundred and Fifty Pounds (£11,550)	Upon commencement of development	Y	N	£11,550.00
Land South Of Wycke Hill And Limebrook Way - 14/01103/OUT	Highways	A414 Oak Corner Junction works		Sum of Two Hundred and Seventy Three Thousand and Twenty Eight Pounds (£273,028) Indexed from May 2014	Prior to first occupation of 150th Residential Unit	N	Y	£273,028.00
Land South Of Wycke Hill And Limebrook Way - 14/01103/OUT	Highways	B1018 Langford Road/Heybridge Approach Works		Forty Eight Thousand Nine Hundred and Fifty Four Pounds (£48,954) Indexed from May 2014	50% contribution Prior to first occupation of the 150th Residential Unit and remaining 50% contribution prior to first occupation of 660th Residential unit	N	Y	£48,954.00
Land South Of Wycke Hill And Limebrook Way - 14/01103/OUT	Highways	B1018 Heybridge Approach/A414 Roundabout Works		Sum of Nine Hundred Six Thousand Six Hundred and forty four pounds (£906,644)	50% contribution Prior to first occupation of the 150th Residential Unit and remaining 50% contribution prior to first occupation of 660th Residential unit	N	Y	£906,644.00
Land South Of Wycke Hill And Limebrook Way 14/01103/OUT	Education	Early Years and childcare, Primary and Secondary Education contribution		To be calculated by ECC	5% Prior to commencement, 10% prior to 50th Occupation, 40% prior to 150th Occupation, 40% Prior to 235th Occupation, 5% prior to 320th Occupation	N	Y	£8,716,843.81
Land South Of Wycke Hill And Limebrook Way 14/01103/OUT	Education	Education Site A - Primary school, Early Years and Childcare Facility	Education Site A Specification -comply with Appendix 1, 2 & 4		Endeavour to secure all necessary consent prior to the 20th occupation	N	Y	
Land South Of Wycke Hill And Limebrook Way 14/01103/OUT	Education	Education site B - Early years and child care facility	Comply with Appendix 3 & 4		Prior to 100th Occupation - notify CC whether owner will construct the facility, see schedule 4 for terms	N	Y	
Land South Of Wycke Hill And Limebrook Way 14/01103/OUT	Misc	Connection Strategy - to facilitate the connection of the east and west area	Submission of connection strategy to MDC		Prior to or concurrently with first Reserved Matter application	Y	N	
Land South Of Wycke Hill And Limebrook Way 14/01103/OUT	Health	Health Care Facilities Contribution - improvements to health care facilities within the vicinity of the site including the improvements of Longfield Medical Centre and Blackwater Medical Centre or such other facilities		Maximum of Three Hundred and Twenty Nine Thousand One Hundred and Sixty Pounds (£329,160), adjusted by RPI indexation	Prior to first occupation of 150th residential unit	Y	N	£329,160.00
Land South Of Wycke Hill And Limebrook Way 14/01103/OUT	Open Space (LEAPS&NEAPS)	LAP, LEAP and NEAP on site	Specification, LMO as per appendix 7, 8 & 9		Part of Reserved Matter Application -Prior to implementation of the phase	Y	N	
Land South Of Wycke Hill And Limebrook Way 14/01103/OUT	Public Transport	Improvement to public transport services to serve the Development		Sum of Eight Hundred and fifty thousand pounds (£850,000) Indexed	On first occupation the the residential unit for a maximum of period of fifteen consecutive years	N	Y	£850,000.00
Land South Of Wycke Hill And Limebrook Way 14/01103/OUT	Highways	Construction of South Maldon Relief Road (SMRR)		Lesser of (a) 78% of the build cost and (b) Four Million Four Hundred and Thirty Four Thousand Seven Hundred Pounds (£4,434,700) indexed	£100,000 on First Contribution, 30% prior to 235th residential unit, 30% prior to 405th residential unit and remaining balance on or before occupation of 575th residential unit	N	Y	£4,434,700.00
Land South Of Wycke Hill And Limebrook Way 14/01103/OUT	Sports	To meet the needs of Green Infrastructure	Provision of junior football pitches with associated facilities and changing rooms of a specification as per Appendix 10		Prior to first occupation of the 300 th residential units to the east of the Maldon Wick Nature Reserve	Y	N	
Land South Of Wycke Hill And Limebrook Way 14/01103/OUT	Travel Plan	Informatio pack promoting the benefits of sustainable transport	Travel Plan, Travel plan Co-ordinator and Travel Plan Framework as per appendix 11		Prior to commencement	N	Y	
Land South Of Wycke Hill And Limebrook Way 14/01103/OUT	Travel Plan	Travel Plan Monitoring fee -to review and monitor the travle plan		sum of three thousand pounds (£3000) Relevant General Indexation payable once each year from commencement until and including the year containing the date of first occupation of the final residential unit to be constructed as part of the development	First payment prior to commencement	N	Y	£3,000.00
Land South Of Wycke Hill And Limebrook Way 14/01103/OUT	Youth Facilities	Provision of the youth facilities within and/or in the vicinity of the development		no more than Five Hundred and Forty One Thousand Six Hundred and Sixty Seven Pounds (£541,667) Indexed	50% Prior to first occupation of a residential unit, remaining 50% prior to first occupation of the 250th residential unit	Y	N	£541,667.00
Land South Of Wycke Hill And Limebrook Way 14/01103/OUT	AH	To meet housing needs	30% of the total residential units on site in each phase as affordable housing units, AH scheme to be approved by MDC,		Complete 50% AH prior to occupation of 60% Market Unit in respect of each phase, Complete 100% AH prior to occupation of 90% market units	Y	N	
Land South Of Wycke Hill And Limebrook Way 14/01103/OUT	Open Space (Allotment)	Provision of Allotment land on site	Provision of Allotments as per specification Appendix 6		Transfer Allotment to LMO prior to completion of the final residential unit on the phase of residential development adjacent to the Allotment Site	Y	N	
Land South Of Wycke Hill And Limebrook Way 14/01103/OUT	Misc	Arrangements for the on going management and maintenance of the development	LMO to manage and adminster Green Infrastructue as per schedule 8 and Appendix 12		Draft brief - Prior to first occupation of a residential unit	Y	N	
Total								£16,115,546.81

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Site 2c - Land East Of Wycke Hill Maldon (108 Dwellings)
Linden Homes

Site Address	Planning Ref	Purpose		Non Financial Contribution	Financial Contribution	Trigger	District Council Y/N	County Council Y/N	Total Amount Due
Land East Of Wycke Hill Maldon	13/00763/OUT & App/X1545/A/14/2213988	AH	to provide affordable housing units	Provide no less than 30% of the total number of residential units (32 units as per DOV)		Prior to commencement -Affordable housing units are agreed with MDC	Y	N	
Land East Of Wycke Hill Maldon	13/00763/OUT & App/X1545/A/14/2213988	Health	Provision of additional health care facilities within 3 miles of the development		Sum of Twenty Two Thousand Five Hundred and Fifty Pounds (22,550)	50% Prior to Commencement, remaining 50% to be paid prior to first occupation	Y	N	£22,550.00
Land East Of Wycke Hill Maldon	13/00763/OUT & App/X1545/A/14/2213988	Highways	Future maintenance of the toucan crossing to be provided along Limebrook Way		Highways maintenance contribution -sum of Twenty Thousand Pounds (20,000)	1st instalment - 50% of the highway maintenance contribution prior to first occupation, 2nd Instalment - remaining 50% to be paid prior to first occupation of more than 50% of the total number of Residential Dwelling units to be occupied	N	Y	£20,000.00
Land East Of Wycke Hill Maldon	13/00763/OUT & App/X1545/A/14/2213988	Travel Plan	Monitoring of the performance of the Travel Plan, to be applied by County Council to the Travel Plan Contribution purpose		Sum of Three Thousand Pounds (£3000)	50% of the Travel plan contribution prior to first occupation, remaining 50% to be paid prior to first occupation of more than 50% of the total number of Residential Dwelling units to be occupied	N	Y	£3,000.00
Land East Of Wycke Hill Maldon	13/00763/OUT & App/X1545/A/14/2213988	Youth Facilities	Provision of teen shelters and skateboard facilities and access to shared community facilities to serve the South Maldon Garden Suburb Masterplan Area		Sum of Forty Thousand Six Hundred and Twenty Five Pounds (£40,625)	50% Contribution prior to First Occupation, remaining 50% prior to occupation of more than 50% of the total number of residential dwelling units	Y	N	£40,625.00
Land East Of Wycke Hill Maldon	13/00763/OUT & App/X1545/A/14/2213988	Highways	Construction of Wycke Hill Roundabout to serve the South Malden Garden Suburb Masterplan Area		1.Three Thousand Six Hundred and Seventy Five Pounds (£3,675) for the B1018 Langford Road/Heybridge approach works, 2. Sixty Eight Thousand and Sixty Eight Pounds (£68,068) for the B1018/Heybridge Approach/A414 round about works, 3. Forty five thousand nine hundred and fifty six pounds (£45,956) for the A414/spital road roundabout works, 4. Twenty Thousand five hundred and eighty eight pounds (£20,588) for the A414/B1018 Limebrook Way works. 5. Twenty Thousand four hundred and ninety eight pounds (£20,498) for the A414 Oak Corner junction works. 6. Three hundred and thirty two thousand and eighty two pounds (£332,782) for the Maldon relief road (A414/Wycke Hill Works). 7. One hundred forty six thousand two hundred and fifty pounds (£146,250) for public transport improvements. 8. 5% of the Wycke Hill roundabout cost	50% prior to first occupation, remaining 50% prior to first occupation of more than 50% of the total number of residential dwellings - unless para 18 part 2 of this schedule apply - 50% of the said difference prior first occupation of more than 20% of the total number of residential dwellings units, remaining 50% of the said difference prior to first occupation of more than 50% of the total number of residential units to be occupied	N	Y	£657,817.00
Land East Of Wycke Hill Maldon	13/00763/OUT & App/X1545/A/14/2213988	Education	the provision of facilities for the education and/or care of children between the ages of 0-5 (both inclusive) within the South Maldon, Garden Suburb Masterplan Area		the Net Early years and Childcare Pupil Product multiplied by the cost generator of Seventeen Thousand four hundred and seventy eight pounds (£17,478) adjusted by the percentage change by the Education Index	50% of the Education Contribution prior to First Occupation and the remaining 50% of the Education Contribution prior to first occupation of more than 50% of the total number of residential dwelling units	N	Y	£127,414.62
Land East Of Wycke Hill Maldon	13/00763/OUT & App/X1545/A/14/2213988	Education	the provision of facilities for the education and/or care of children between the ages of 5-12 (both inclusive) within the South Maldon suburb Masterplan Area including the reimbursement of capital funding for such provision		the Net Primary Pupil Product multiplied by the cost generator of Fifteen Thousand Six Hundred and Sixty One pounds sterling (£15,661) adjusted by the percentage change in Education Index	50% of the Education Contribution prior to First Occupation and the remaining 50% of the Education Contribution prior to first occupation of more than 50% of the total number of residential dwelling units	N	Y	£253,707.80
Land East Of Wycke Hill Maldon	13/00763/OUT & App/X1545/A/14/2213988	Education	Provision of facilities for the education and/or care of children between the age of 11-19 (both inclusive) within 3 miles of the development or such other education and/or childcare facility deemed by the County Council, reimbursement of capital funding for such provision made by the CC in anticipation of secondary education contribution		the Net Secondary Pupil Product multiplied by the cost generator of Sixteen Thousand Four Hundred and Fifty Seven Pounds sterling (£16,457) adjusted by the education indexation	50% of the Education Contribution prior to First Occupation and the remaining 50% of the Education Contribution prior to first occupation of more than 50% of the total number of residential dwelling units	N		£177,735.60
							Total		£1,302,850.02

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Site 2e - Land North of Holloway Road, Heybridge (84 Dwellings) - Bellway

Site Address	Planning Ref	Purpose		Non Financial Contribution	Financial Contribution	Trigger	District Council Y/N	County Council Y/N	Total Amount Due
Land North of Holloway Road, Heybridge, Essex	14/00990/OUT	Monitoring	Monitoring of the obligations pursuant to this agreement		the sum of four thousand three hundred and sixty four pounds (£4,364)	Prior to commencement	Y	N	£4,364.00
Land North of Holloway Road, Heybridge, Essex	14/00990/OUT	Youth Facilities	Provision of a shelter for use by local teenagers; a skateboard facility and access to shared community facilities provided within the area of the parish heybridge		sum of fifty four thousand one hundred and sixty seven pounds (£54,167.00) index linked	Prior to occupation of 65th market dwelling	Y	N	£54,167.00
Land North of Holloway Road, Heybridge, Essex	14/00990/OUT	Open Space (NEAPS&LEAPS)	NEAPS and LEAPS contribution to wards the provision of of NEAPS and LEAPS within the area of the North Heybridge Garden Suburbs		the sum of Eleven Thousand Five Hundred and Twenty Pounds (£11,520) Index Linked	Prior to occupation of 65th market dwelling	Y	N	£11,250.00
Land North of Holloway Road, Heybridge, Essex	14/00990/OUT	Open Space (Allotment)	Allotments Contribution towards the provision of allotment gardens within the area of the North Heybridge Garden Suburbs		sum of four thousand seven hundred and twenty pounds (£4,720.00) Index linked	Prior to occupation of 65th market dwelling	Y	N	£4,720.00
Land North of Holloway Road, Heybridge, Essex	14/00990/OUT	Health	Capital expenditure to provide new medical healthcare facilities or improve and/or increase the provision (or capacity) of existing medical health care facilities to serve the North Heybridge Garden Suburb		sum of thirty two thousand four hundred pounds (£32,400) Index linked	Prior to occupation of 65th market dwelling	Y	N	£32,400.00
Land North of Holloway Road, Heybridge, Essex	14/00990/OUT	AH	To meet housing needs	Construction and provision of Affordable dwellings on the site equating to 30% of the total number of dwellings, Housing mix will be approved by MDC		Prior to occupation of 50% market dwelling, 50% affordable housing will be provided as approved, 100% affordable housing to be provided prior to occupation of 80% market dwelling	Y	N	
Land North of Holloway Road, Heybridge, Essex	14/00990/OUT	Education	Early Years and childcare, Primary and Secondary Education contribution		Will be calculated by ECC	10% deposit prior to occupation, 10% payment prior to 1st occupation, 40% deposit prior to occupation of 10% of the dwellings, 40% payment prior to 1st occupation of 10% of the dwellings. 50% deposit prior to occupation of 50% of the dwellings, 50% payment prior to first occupation of 50% of the dwellings	N	Y	£774,989.00
Land North of Holloway Road, Heybridge, Essex	14/00990/OUT	Highways	Improvements works to the B1018 Langford Road/Heybridge Approach and/or B1018 Langford Road/Heybridge Approach/A414 Roundabout junction and/or A414 Oak Corner junction and/ or North Heybridge Relief Road		sum of One Million and Twenty three thousand five hundred and fifty pounds (£1,023,555.00) relevant highways indexation	Prior occupation of 70% dwellings, 20% highways deposits and pay 20% highways contribution prior to first occupation of 70% of dwellings, prior to occupation of 90% of dwellings deposit of 80% of HC and pay 80% prior to first occupation of 90% dwellings	N	Y	£1,023,555.00
Land North of Holloway Road, Heybridge, Essex	14/00990/OUT	Travel Plan	Provide Residential Travel Pack and Travel Voucher	Approve and monitor Travel pack and travel voucher by CC		Prior to occupation for approval and provide Information pack and travel voucher to each occupier at the expense of owner	N	Y	
Land North of Holloway Road, Heybridge, Essex	14/00990/OUT	Open Space	Provision and maintenance of open space	provide Management Company, the open space specification, open space land, open space completion certificate and open space management plan		Prior to commencement, submit Open space land plan and Open space specification, the open space management plan and details of the management company to the council for approval, Prior to occupation of 80% of the dwellings space space land has physically set out on site	Y	N	
Land North of Holloway Road, Heybridge, Essex	14/00990/OUT	Open Space (SUDS)	Provision of SUDS	SUDS Management Company, SUDS Completion Certificate, SUDS Management Scheme		SUDS Management Scheme to be approved prior to commencement, SUDS certification prior to occupation	Y	N	
Total									£1,905,445.00

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Site 2f - Land West Of Broad Street Green Road Heybridge Essex (145 Dwellings) Persimmon

Site Address	Planning Ref	Purpose		Non Financial Contribution	Financial Contribution	Trigger	District Council Y/N	County Council Y/N	Total Amount Due
Land West Of Broad Street Green Road Heybridge Essex	15/00885/FUL	Monitoring	Monitoring of the obligations pursuant to this agreement		the sum of £6,443) Six Thousand Four Hundred and Forty Three Pounds	Prior to Commencement	Y	N	£6,443.00
Land West Of Broad Street Green Road Heybridge Essex	15/00885/FUL	Health	Use of the Health Care Facilities Contribution towards improvement at the Blackwater Medical Centre and/or other NHS primary care health facilities which serves the North Heybridge Garden suburb		the sum of £47,720.00 (forty seven thousand seven hundred and twenty pounds) indexed from the date of this agreement	37% prior to occupation of any dwellings, 21% prior to occupation of 50% dwellings, remaining balance prior to occupation of 75% dwellings	Y	N	£47,720.00
Land West Of Broad Street Green Road Heybridge Essex	15/00885/FUL	AH	To meet the housing needs	Affordable housing mix - total 58 units		not more than 25% of the market dwellings shall be occupied unless the developer has used reasonable endeavours to enter into contract with the RPSH to deliver the disposal of 55% affordable dwellings, not more than 54% of the market dwellings shall be occupied unless the developer has used reasonable endeavours to enter into contract with the RPSH to deliver the disposal of 65% affordable dwellings, (see agreement for more triggers)	Y	N	
Land West Of Broad Street Green Road Heybridge Essex	15/00885/FUL	Education	Education and/or care of children between the ages of 0 to 5 (both inclusive) including those with special educational needs at an early years and children facility to be built within the North Heybridge Garden Suburbs, including reimbursement of capital funding for such provision made by the County Council in anticipation of the early years and childcare contribution		the sum of Two Hundred and Eleven Thousand Two Hundred and Ninety Three pounds and Forth Three Pence (£211,293.43) education indexation	Not later than 6 months after the commencement of development in any phase to pay 33% of the education contribution for the dwellings in that phase to the County Council, Not to occupy more than 33% of the dwellings in any phase until a further 33% of the education contribution for the dwellings in that phase has been paid to the county council, Not to occupy more than 66% of the dwellings in any phase until the whole of the education contribution for the dwellings in that phase has been paid to the County Council	N	Y	£211,293.43
Land West Of Broad Street Green Road Heybridge Essex	15/00885/FUL	Education	the Plume Secondary School or successor education facility for the provision of community changing facilities and including the reimbursement of capital funding for such provision made by the county council in anticipation of the education facilities contribution		the sum of One Hundred and Fifty thousand pounds sterling (£150,000) education indexation	Not later than 6 months after the commencement of development in any phase to pay 33% of the education contribution for the dwellings in that phase to the County Council, Not to occupy more than 33% of the dwellings in any phase until a further 33% of the education contribution for the dwellings in that phase has been paid to the county council, Not to occupy more than 66% of the dwellings in any phase until the whole of the education contribution for the dwellings in that phase has been paid to the County Council	N	Y	£150,000.00
Land West Of Broad Street Green Road Heybridge Essex	15/00885/FUL	Education	Education and/or care of children between the ages of 4 to 11 (both inclusive) including those with special educational needs at a school to be built within the Heybridge Garden Suburbs as specified in IDP or Successor document, including reimbursement of capital funding for such provision made by the County Council in anticipation of the Primary contribution		the sum of Four Hundred and Twenty One thousand seven hundred and twenty eight pounds and sixty two pence sterling (£421,728.62)	Not later than 6 months after the commencement of development in any phase to pay 33% of the education contribution for the dwellings in that phase to the County Council, Not to occupy more than 33% of the dwellings in any phase until a further 33% of the education contribution for the dwellings in that phase has been paid to the county council, Not to occupy more than 66% of the dwellings in any phase until the whole of the education contribution for the dwellings in that phase has been paid to the County Council	N	Y	£421,728.62
Land West Of Broad Street Green Road Heybridge Essex	15/00885/FUL	Highways	North Heybridge Public Transport Improvements - public transport in accordance with the IDP		sum of Two Hundred and forty eight thousand five hundred and ten pounds and seventy four pence (£248,510.74) highways indexation	prior to occupation 33% contribution will be paid and 33% contribution will be paid on occupation of any dwellings, prior to occupation of more than 50% - 33% contribution will be paid, occupation of 50% dwellings, further 33% contribution will be paid, not to occupy more than 80% dwellings until the whole contribution is paid.	N	Y	£248,510.74
Land West Of Broad Street Green Road Heybridge Essex	15/00885/FUL	Highways	Towards the cost of constructing all or any of the North Heybridge Relief Road (as defined in the IDP) or works to the A414 Oak Corner Junction or the B1018 Langford Road/Heybridge Approach and in the event of these monies are not required to deliver the North Heybridge relief road the contribution be used to facilitate works to mitigate the highway impact arising from the NHGS as set out in the IDP provided that the total contributions due shall not exceed (£1,259,914.00)		the sum of One Million Two Hundred and Fourteen Pounds sterling (£1,259,914) highways indexation	prior to occupation 33% contribution will be paid and 33% contribution will be paid on occupation of any dwellings, prior to occupation of more than 50% - 33% contribution will be paid, occupation of 50% dwellings, further 33% contribution will be paid, not to occupy more than 80% dwellings until the whole contribution is paid.	N	Y	£1,259,914.00
Land West Of Broad Street Green Road Heybridge Essex	15/00885/FUL	Cycle/Footway	Pedestrian/cycle link	provision of two sections of cycle/footpath links between the road networks within the site and the western boundary of the site as shown on plan no-14-2337-0222 Rev V		Blue coloured - prior to occupation of any dwellings on plots 81 to 83, Red colour prior to occupation of plots 55, 59 to 64	N	Y	
Land West Of Broad Street Green Road Heybridge Essex	15/00885/FUL	Open Space (LEAPS&NEAPS)	Provision of Locally Equipped Area for play and Neighbourhood Equipped Area of Play		Heybridge Neaps/Leaps contribution - the sum of £16,704.0 (sixteen thousand seven hundred and four pounds) indexed to be used	33% to be paid prior to occupation of any dwellings on site, prior to 50% occupation further 33% contribution to be paid, remaining balance to be paid prior to occupation of 80% of the dwellings.	Y	N	£16,704.00
Land West Of Broad Street Green Road Heybridge Essex	15/00885/FUL	Open Space (Allotment)	Provision /maintenance of the North Heybridge allotments		the sum of £6,926.65 (six thousand, nine hundred and twenty six pounds and sixty five pence) indexed to be used	33% contribution to be paid prior to first occupation of any dwellings, prior to occupation of 50% of the dwellings further 33% will be paid and remaining balance will be paid prior to occupation of 80% dwellings	Y	N	£6,926.65
Land West Of Broad Street Green Road Heybridge Essex	15/00885/FUL	Open Space	A recreational and amenity facility for members of the public in perpetuity or for use as parts of the sustainable drainage systems	Open space completion certificate, open space management plan, open space certification, SUDS, SUDS maintenance company, SUDS Management scheme		prior to occupation of 80% of dwellings of the relevant phase, prior to commencement SUDS would have to have to approved	Y	N	
Land West Of Broad Street Green Road Heybridge Essex	15/00885/FUL	Youth Facilities	Provision of teen shelters and skateboard facilities and access to shared community facilities provided within the area of the Heybridge Parish Council		Heybridge Youth/Teen Facilities contribution - sum of £522.62 per dwelling indexed	33% contribution to be paid prior to first occupation of any dwellings, prior to occupation of 50% of the dwellings further 33% will be paid and remaining balance will be paid prior to occupation of 80% dwellings	Y	N	£75,779.90
Total									£2,445,020.34

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Site 2g- Land off Park Drive Maldon Essex, (131 Dwellings) - Crest Nicholson

Site Address	Planning Ref	Purpose		Non-Financial Contribution	Financial Contribution	Trigger	District Council Y/N	County Council Y/N	Total Amount Received
Land off Park Drive Maldon Essex	14/00581/ful	Health	Health Care Contribution - To expand existing or provide new general practitioner medical surgeries that serve or will serve the resident within the development		the sum of £43,080 (forty three thousand and eighty pounds)	Prior to occupation of the first dwelling	Y	N	£43,080.00
Land off Park Drive Maldon Essex	14/00581/ful	Open Space (LEAPS&NEAPS)	Improvement and enhancement of local equipped area (LEAP) in Promenade Park in Maldon		the sum of £52,000 (fifty two thousand pounds) Indexed	Prior to occupation of 50% of the dwellings	Y	N	£52,000.00
Land off Park Drive Maldon Essex	14/00581/ful	Education	Early Years and Primary Education contribution - to meet pupil place demand arising from the development		the sum of £168,525 (one hundred sixty and eight thousand pound) for Early years & £325,000 (Three hundred and twenty five thousand pounds) for Primary Education	£168,508 prior to commencement, £164,508 prior to occupation of first dwelling, £164,509 prior to occupation of 50% of the dwellings	N	Y	£493,524.00
Land off Park Drive Maldon Essex	14/00581/ful	AH	To meet housing needs	39 AH units with 75%affordable rent and 25% shared ownership		Prior to occupation of 50% of market dwellings	Y	N	
Total									£588,604.00

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Site 2i - Land Between Chandlers And Creeksea Lane Maldon Road Burnham-On-Crouch Essex, (180 Dwellings) Pigeon

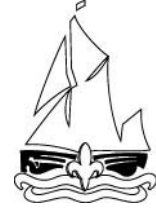
Site Address	Planning Ref	Purpose		Non Financial Contribution	Financial Contribution	Trigger	District Council Y/N	County Council Y/N	Total Amount Due
Land Between Chandlers And Creeksea Lane Maldon Road Burnham-On-Crouch Essex	14/00356/ful	Monitoring	Monitoring of the obligations pursuant to this agreement		sum of four thousand seven hundred and fifty three pounds (£4753)	Prior to commencement	Y	N	£4,753.00
Land Between Chandlers And Creeksea Lane Maldon Road Burnham-On-Crouch Essex	14/00356/ful	AH	To meet housing needs	AH Approved by MDC, Provision of AH units plots numbered 50 to 87, 93-98, 135-144,145-154 and 161-168		Prior to occupation of 60th Market dwelling, AH on plot 50-87 will be completed and offered for transfer to RP, prior to occupation of 100th market dwelling, remaining AH units will complete and offered for transfer to RP	Y	N	
Land Between Chandlers And Creeksea Lane Maldon Road Burnham-On-Crouch Essex	14/00356/ful	Education	Towards the provision of additional capacity at the primary schools within the parishes of Nurnham on crouch and southminster		sum of One Hundred and Twelve Thousand Pounds (£112,000) indexed	£56,000 to be paid prior to occupation of 18 dwellings, remaining £56,000 prior to occupation of 100 dwellings	N	Y	£112,000.00
Land Between Chandlers And Creeksea Lane Maldon Road Burnham-On-Crouch Essex	14/00356/ful	Highways	Improvements works on the junction of B1010 and the B1021		financial contribution up to £23,200 indexed	Prior to occupation of 18 dwellings	N	Y	£23,200.00
Land Between Chandlers And Creeksea Lane Maldon Road Burnham-On-Crouch Essex	14/00356/ful	Education	Provision of nursery places at the existing nurseries in the Parish of Burnham or the provision of a new early years and childcare centre in the Parish of Burnham		First financial contribution of £61,256 (Sixty One Thousand Two Hundred and Fifty Six Pounds), Second Early Contribution of £200,000 (Two Hundred Thousand Pounds), Third Financial Contribution of £200,000 (Two Hundred Pounds)	First Contribution prior to occupation of 18th dwelling, Second Contribution prior to occupation of 75th dwelling, Third Contribution prior to occupation of 140th dwelling	N	Y	£461,256.00
Land Between Chandlers And Creeksea Lane Maldon Road Burnham-On-Crouch Essex	14/00356/ful	Health	Provision of additional capacity at the health centre within Burnham on Crouch		financial contribuion of £67,480 (sixty seven thousand four hundred and eighty pounds) indexed	£40,480 (forty thousand and four hundred and eighty pounds) to be paid prior to 18th occupation, remaining £27,000 (Twenty seven Thousand pounds) to be paid prior to occupation of 100th dwelling	Y	N	£67,480.00
Land Between Chandlers And Creeksea Lane Maldon Road Burnham-On-Crouch Essex	14/00356/ful	Youth Facilities	Provision of recreational shelters and/or skateboarding facilities and/or towards access to other community facilities within the Parish of Burnham on crouch		Financial contribution of £97,500 (ninety seven thousand five hundred pounds)	Prior to occupation of 100th dwelling	Y	N	£97,500.00
Land Between Chandlers And Creeksea Lane Maldon Road Burnham-On-Crouch Essex	14/00356/ful	Open Space	Recreational and amenity land to be enjoyed by members of the public	1. Allotment as marked on the plan, allotment completion certificate and specification, 2. LEAPs - two LEAPs as maked on the plan. 3. Open Space on the plan. 4. Private amenity space. 5. SUDS - all with specification, completion certificate, management plan and management company		Prior to commencement Open Space Specification, management plan, SUDS specification, management plan and allotment specification to be submitted. Prior to occupation- Open space specification, management plan, SUDS specification, management plan and the Allotments specification to be approved -see agreement for full details	Y	N	
							Total		£766,189.00

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Site 2j - Land south of Green Lane and north of Maldon Road, Burnham-on-Crouch, (180 Dwellings) - Persimmon

Site Address	Planning Ref	Purpose		Non Financial Contribution	Financial Contribution	Trigger	District Council Y/N	County Council Y/N	Total Amount Due
Land south of Green Lane and north of Maldon Road, Burnham-on-Crouch	16/00093/FUL	Health	To be used by NHS England towards improvements at GP Practices within Burnham-on-Crouch		the sum of £328 (Three Hundred and twenty eight pounds) indexed from the date of This agreement for each dwelling	Prior to commencement of the development in any phases to pay the Health Care Facilities Contribution for the dwellings in that phase to the District Council	Y	N	£59,040.00
Land south of Green Lane and north of Maldon Road, Burnham-on-Crouch	16/00093/FUL	AH	To meet housing needs	The tenure mix of the affordable housing will be provided as set out para 1.2 schedule 4		See para 2 schedule 4, timing of occupation of affordable housing and market housing	Y	N	
Land south of Green Lane and north of Maldon Road, Burnham-on-Crouch	16/00093/FUL	Education	Early year and Childcare Contribution towards construction of a £1.1m facility in Burnham-On-Crouch		the early years and Childcare Pupil product multiplied by the cost generator of Twelve Thousand Three Hundred and Fifty Two Pounds sterling (£12,352.00) Early years and Childcare Pupil Product - the sum of the Qualifying Flats multiplied by 0.045 plus the Qualifying Houses multiplied by 0.09) see schedule 5 for qualifying Flats and Houses	50% Education Contribution will be paid prior to commencing first phase, remaining balance will be paid prior to commencing final phase to the County Council	N	Y	£166,752.00
Land south of Green Lane and north of Maldon Road, Burnham-on-Crouch	16/00093/FUL	Education	Primary Education Contribution towards the replacement of a temporary class-base at St Mary's School and reinstatement of the former class base at Burnham-on-Crouch Primary School		the Primary Pupil Product Multiplied by the cost generator of Ten Thousand Eight Hundred and Thirty Three Pounds sterling (10,833.00) (Primary Pupil Product - the sum of the qualifying Flats multiplied by 0.15 plus the Qualifying House multiplied by 0.3) see schedule 5 for qualifying Flats and Houses	50% Education Contribution will be paid prior to commencing first phase, remaining balance will be paid prior to commencing final phase to the County Council	N	Y	£487,485.00
Land south of Green Lane and north of Maldon Road, Burnham-on-Crouch	16/00093/FUL	Highways	Contribution towards Improvements to B1010/B1021 junction		the sum of Twenty Three Thousand Two Hundred Pounds sterling (£23,200.00) plus the Relevant Highways Indexation applied	Will pay Highway Contribution to the County Council prior to first occupation of any dwelling	N	Y	£23,200.00
Land south of Green Lane and north of Maldon Road, Burnham-on-Crouch	16/00093/FUL	Open Space (Allotment)	Provision/maintenance of allotments in Burnham-on-Crouch	LEAP, Open Space area, specification, Open Space Management Plan and SUDS Management Scheme, Certifications (see schedule 7 for details)	the sum of £8,000.00 (Eight Thousand Pounds) Indexed to be used	PP condition 7,8 and 12 as part of the open space details, No to occupy more than 35% of the dwellings until the Allotment Contribution has been paid to the District Council	Y	N	£8,000.00
Land south of Green Lane and north of Maldon Road, Burnham-on-Crouch	16/00093/FUL	Youth Facilities	Contribution towards teen shelters skateboard facilities and access to shared community facilities within the Parish of Burnham-On-Crouch		the sum of £541.16 (Five Hundred and Forty One Pounds and Sixteen Pence) indexed for each Dwelling to be used by the District Council	Prior to the commencement of Development in any relevant Phase to pay the Youth Facilities Contribution for the Dwellings in that Phase to the District Council	Y	N	£97,408.80
Land south of Green Lane and north of Maldon Road, Burnham-on-Crouch	16/00093/FUL	Monitoring	Monitoring the performance of the obligations pursuant to this agreement		the sum of £4630 (Four Thousand Six Hundred and Thirty Pounds) towards the District Council	prior to commencement	Y	N	£4,630.00
Total									£846,515.80

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REPORT of DIRECTOR OF RESOURCES

**to
OVERVIEW AND SCRUTINY COMMITTEE
14 FEBRUARY 2018**

2017 / 18 PROGRAMME OF WORK

1. PURPOSE OF THE REPORT

- 1.1 The purpose of this paper is to provide an update on the work programme of this Committee for 2017 / 18.

2. RECOMMENDATION

That the contents of this report be noted.

3. SUMMARY OF KEY ISSUES

This report is for Members' information only.

- 3.1 The Committee considered and agreed a programme of work for 2017 / 18 at its meeting on 22 June 2017; other issues have been added subsequently. **APPENDIX 1** provides an update on each of the agreed scrutiny topics.

4. CONCLUSION

- 4.1 The work programme for 2017 / 18 is progressing in line with expectation.

5. IMPACT ON CORPORATE GOALS

- 5.1 The work of the Overview and Scrutiny Committee supports the Corporate Goal of: "Delivering good quality, cost effective and valued services".

6. IMPLICATIONS

- (i) **Impact on Customers** – Scrutiny work may aid in improvements to service to the public by the Council and external authorities.
- (ii) **Impact on Equalities** – None identified.

- (iii) **Impact on Risk** – Recommendations arising from scrutiny could assist in mitigating corporate risks.
- (iv) **Impact on Resources (financial)** – Officer time in preparing the reports and supporting information.
- (v) **Impact on Resources (human)** – None identified.
- (vi) **Impact on the Environment** – None identified.

Background papers: None.

Enquiries to: Emma Foy, Director of Resources (Tel: 01621 876762).

Overview and Scrutiny Committee

2017 / 18 Programme of Work

Scrutiny topic	Member Sponsor	Lead Officer	Scope of Scrutiny
Provision of Healthcare Services - Maldon Health Hub	Councillor S J Savage Councillor Mrs M E Thompson	Chief Executive	An update report went before the January 2018 Finance and Corporate Services Committee and Community Services Committee meetings and sought confirmation of whether any of the options for future Maldon District Council involvement in the Maldon Health Hub Project are to be ruled out at this stage. Recommendations from both committees will be considered by the Council on 8 February
Provision of Healthcare Services - recruitment and retention of GPs)	Councillor N R Pudney Councillor Mrs M E Thompson	Chief Executive	<p><u>Heybridge Surgery</u> Negotiations are ongoing with the landowner and the NHS re delivery of primary care facilities in the new North Heybridge garden suburb.</p> <p><u>Maldon Surgery</u> This development is to be located within the new Health Hub, so is contingent upon progress of this project.</p> <p><u>Dengie Surgeries</u> A Project Initiation Document for new primary care facilities in Southminster has been submitted to NHS England.</p> <p><u>GP Recruitment</u> Representatives of the Mid Essex CCG and primary care practices attended the January meeting of the Committee and explained the various interventions to seek to address the shortage of GPs in the system and what support the Council could offer to seek to address this.</p>
Section 106	Councillor Mrs M E Thompson	Chief Executive	It was noted that the Committee would receive an update on Section 106 Agreements on a six monthly basis – see report on the agenda (February 2018).
Planning Enforcement	Councillor M W Helm with assistance	Chief Executive	The scope of the review for planning enforcement is a review of the Council's approach to initiating legal action on enforcement cases, sign off of that action and the Council's approach to risk assessment on cases at the outset and as they progress.

Scrutiny topic	Member Sponsor	Lead Officer	Scope of Scrutiny
	from Councillor R P F Dewick		This will be reported at the meeting in March 2018 .
Primary school education in the District	Councillor Mrs M E Thompson	Director of Customers and Community	<p>To understand the standards of education being provided in the Maldon District at primary level, the Committee received a report at its meeting in January 2017 and a presentation from education providers including Essex County Council. The Committee agreed at this meeting that the scrutiny should be re-visited at a future date.</p> <p>Following a meeting with the scrutiny sponsor, Councillor Mrs Thompson, it was decided to defer the item until January 2018 as the Revd. Elbourne (Chelmsford Diocese) was unavailable for the October meeting. The delay enabled both the County Council and the Church to update Members on educational performance in the Maldon District during 2017.</p> <p>This item of scrutiny was considered at the January 2018 meeting of the Committee and the officer recommendations were approved. This item of scrutiny is now closed and future updates will be made to the Locality Board</p>
Procurement and Delivery of the 16/17 Capital Programme	Councillor M W Helm	Director of Resources	<p>The Chairman proposed a new item of scrutiny be added to the work programme to incorporate all capital projects to review whether they were being delivered on time and on budget along with any issues regarding procurement.</p> <p>See report on the agenda (January 2018).</p>
Administration of Council River Moorings, Leases and Licenses	Councillor P G L Elliott	Director of Customers and Community	<p>It was requested that a report be brought back to the Committee to show a breakdown in the moorings and berths in the ownership of the Council, fees chargeable for each, whether they have been collected, and whether the vessels had the necessary insurance cover.</p> <p>The report will be prepared for the March 2018 meeting of the Committee.</p>

Scrutiny topic	Member Sponsor	Lead Officer	Scope of Scrutiny
Internal and External Communication	Councillor S J Savage Councillor M S Heard	Corporate Leadership Team	<p>It was requested that a report be brought back to the Committee on the Council's approach to internal and external communications. The scrutiny will include:</p> <ul style="list-style-type: none"> • the email system; • telephone communication via the Council's contact centre; • how the Council can improve the website; • some examples of other authorities' approach to communication; • the Council's Digital strategy. <p>See report on the agenda (February 2018).</p>
Empty homes returned to use	Councillor P G L Elliott	Strategic Housing Manager	<p>It was requested that a report be brought back to the Committee on the Council's approach to returning empty homes to use.</p> <p>See report on the agenda (February 2018).</p>
Staff Sickness	Councillor N R Pudney Councillor Mrs P A Channer	Director of Resources	<p>Following receipt of the Quarter 2 Performance Report members with particular reference to levels of sickness absence of the Committee requested that this item is looked at again. A meeting has been arranged to discuss this further with Members and Officers.</p>

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